



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

## Agenda

### MEETING OF THE METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

December 6, 2012

Executive Conference Room  
9:00 a.m.

#### ACTION RECOMMENDED

- A. ROLL CALL
- B. APPROVAL OF MINUTES - October 11, 2012 (no meeting in November) Approve
- C. COMMITTEE DISCUSSION ITEMS
1. Trolley Renewal Project Update (Wayne Terry and John Haggerty of SANDAG) Receive  
Action would receive a report for information.
2. a. 40-Foot Low-Floor CNG Transit Bus Procurement - Contract Award (Ernesto DeGuzman) Approve  
Action would forward a recommendation to the Board of Directors to authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0589.0-13 with Gillig, LLC. for the purchase of 40-foot low-floor compressed natural gas (CNG) buses for a five-year period contingent upon the successful completion of the federally required Buy America audit.
- b. 60-Foot Low-Floor Articulated CNG Transit Bus Procurement - Contract Award (Ernesto DeGuzman) Approve  
Action would forward a recommendation to the Board of Directors to authorize the CEO to execute MTS Doc. No. B0570.0-12 with New Flyer of America, Inc. for the purchase of 60-foot low-floor articulated CNG transit buses for a five-year period contingent upon the successful completion of the federally required Buy America audit.
3. Taxicab Administration (Sharon Cooney) Possible  
Action  
Action would receive a report on Taxicab Administration activities and provide direction to staff regarding renewal of contracts with the cities of San Diego, El Cajon, Imperial Beach, La Mesa, Lemon Grove, Poway, and Santee.

Please SILENCE electronics  
during the meeting

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

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

C. COMMITTEE DISCUSSION ITEMS - Continued

- |    |   |                    |
|----|---|--------------------|
| 4. | <p>CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54956.8</p> <p><u>Property:</u> The San Diego and Arizona Eastern Railway Company (SD&amp;AE) Desert Line from approximate Mile Post 60 to approximate Mile Post 130 (Division to Plaster City) in San Diego and Imperial Counties</p> <p><u>Agency Negotiators:</u> Karen Landers, General Counsel; Tim Allison, Manager of Real Estate Assets; and Paul Jablonski, Chief Executive Officer</p> <p><u>Negotiating Parties:</u> Pacific Imperial Railroad, Inc. (PIR)</p> <p><u>Under Negotiation:</u> Price and Terms of Payment for Assignment of Operating Rights</p> | Possible<br>Action |
| 5. | <p>CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS Pursuant to California Government Code Section 54957.6; Agency-Designated Representative: Harry Mathis, Board Chair; Unrepresented Employee: Chief Executive Officer</p>  | Possible<br>Action |
| D. | <p>REVIEW OF DRAFT DECEMBER 13, 2012, BOARD AGENDA</p>  |                    |
| E. | <p><u>REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA</u></p> <p>Review of SANDAG Transportation Committee Agenda and discussion regarding any items pertaining to MTS, San Diego Transit Corporation, or San Diego Trolley, Inc. Relevant excerpts will be provided during the meeting.</p>   | Possible<br>Action |
| F. | <p>COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS</p>   |                    |
| G. | <p>PUBLIC COMMENTS</p>  |                    |
| H. | <p>NEXT MEETING DATE: January 10, 2013</p>  |                    |
| I. | <p>ADJOURNMENT</p>  |                    |



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

DRAFT

## Agenda

### MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

December 13, 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 two 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 - November 15, 2012
3. Public Comments - Limited to five speakers with three minutes per speaker. Others will be heard after Board Discussion items. If you have a report to present, please give your copies to the Clerk of the Board.

Approve

Please SILENCE electronics  
during the meeting

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



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

## CONSENT ITEMS

- |    |  |         |
|----|--|---------|
| 6. | <u>Investment Report - October 2012</u><br>Action would receive a report for information.  | Receive |
| 7. | <u>Classroom Day Tripper Program Follow-up - Audit Report</u><br>Action would receive Internal Audit's report on the Classroom Day Tripper Program.  | Receive |
| 8. | <u>San Diego Transit Corporation (SDTC) Management Pension Benefit</u><br>Action would amend the Retirement Plan for Noncontract Employees of the San Diego Transit Corporation (SDTC) to comply with the California Public Employees' Pension Reform Act of 2013 (PEPRA). | Approve |

## CLOSED SESSION

- |     |   |                    |
|-----|---|--------------------|
| 24. | a. CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS Pursuant to California Government Code Section 54957.6; Agency-Designated Representative: Harry Mathis, Board Chair; Unrepresented Employee: Chief Executive Officer  | Possible<br>Action |
|     | b. CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION Pursuant to California Government Code Section 54956.9(a) (IRS Tax Appeal, Ref. No. 569-X)  | Possible<br>Action |
|     | c. CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54956.8<br><u>Property:</u> The San Diego and Arizona Eastern Railway Company (SD&AE) Desert Line from approximate Mile Post 60 to approximate Mile Post 130 (Division to Plaster City) in San Diego and Imperial Counties<br><u>Agency Negotiators:</u> Karen Landers, General Counsel; Tim Allison, Manager of Real Estate Assets; and Paul Jablonski, Chief Executive Officer<br><u>Negotiating Parties:</u> Pacific Imperial Railroad, Inc. (PIR)<br><u>Under Negotiation:</u> Price and Terms of Payment for Assignment of Operating Rights | Possible<br>Action |
|     | <u>Oral Report of Final Actions Taken in Closed Session</u>   |                    |

## NOTICED PUBLIC HEARINGS

25. None.

## DISCUSSION ITEMS

- |     |   |         |
|-----|---|---------|
| 30. | <u>Management Pension Benefit (Jeff Stumbo)</u><br>Action would adopt Resolution No. 12-19 authorizing a contract amendment with CalPERS to establish a new MTS employee pension formula of 2%-at-60 years for employees hired on or after December 24, 2012. | Adopt   |
| 31. | <u>Desert Line (Karen Landers)</u><br>Action would approve a long-term operating agreement and lease for the Desert Line between MTS, San Diego and Arizona Eastern Railway Company (SD&AE), and Pacific Imperial Railroad, Inc. (PIR).                       | Approve |



## DISCUSSION ITEMS - Continued

- |     |   |                    |  |         |    |   |         |  |
|-----|---|--------------------|--|---------|----|---|---------|--|
| 32. | <u>Taxicab Administration (Sharon Cooney)</u><br>Action would receive a report on Taxicab Administration activities and provide direction to staff regarding renewal of contracts with the cities of San Diego, El Cajon, Imperial Beach, La Mesa, Lemon Grove, Poway, and Santee.  | Possible<br>Action |  |         |    |   |         |  |
| 33. | <table border="0"><tr><td style="vertical-align: top;">a.</td><td><u>40-Foot Low-Floor CNG Transit Bus Procurement - Contract Award (Ernesto DeGuzman)</u><br/>Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0589.0-13 with Gillig, LLC. for the purchase of 40-foot low-floor compressed natural gas (CNG) buses for a five-year period contingent upon the successful completion of the federally required Buy America audit.</td><td style="vertical-align: top;">Approve</td></tr><tr><td style="vertical-align: top;">b.</td><td><u>60-Foot Low-Floor Articulated CNG Transit Bus Procurement - Contract Award (Ernesto DeGuzman)</u><br/>Action would authorize the CEO to execute MTS Doc. No. B0570.0-12 with New Flyer of America, Inc. for the purchase of 60-foot low-floor articulated CNG transit buses for a five-year period contingent upon the successful completion of the federally required Buy America audit.</td><td style="vertical-align: top;">Approve</td></tr></table> | a.                 | <u>40-Foot Low-Floor CNG Transit Bus Procurement - Contract Award (Ernesto DeGuzman)</u><br>Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0589.0-13 with Gillig, LLC. for the purchase of 40-foot low-floor compressed natural gas (CNG) buses for a five-year period contingent upon the successful completion of the federally required Buy America audit. | Approve | b. | <u>60-Foot Low-Floor Articulated CNG Transit Bus Procurement - Contract Award (Ernesto DeGuzman)</u><br>Action would authorize the CEO to execute MTS Doc. No. B0570.0-12 with New Flyer of America, Inc. for the purchase of 60-foot low-floor articulated CNG transit buses for a five-year period contingent upon the successful completion of the federally required Buy America audit. | Approve |  |
| a.  | <u>40-Foot Low-Floor CNG Transit Bus Procurement - Contract Award (Ernesto DeGuzman)</u><br>Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0589.0-13 with Gillig, LLC. for the purchase of 40-foot low-floor compressed natural gas (CNG) buses for a five-year period contingent upon the successful completion of the federally required Buy America audit.  | Approve            |  |         |    |   |         |  |
| b.  | <u>60-Foot Low-Floor Articulated CNG Transit Bus Procurement - Contract Award (Ernesto DeGuzman)</u><br>Action would authorize the CEO to execute MTS Doc. No. B0570.0-12 with New Flyer of America, Inc. for the purchase of 60-foot low-floor articulated CNG transit buses for a five-year period contingent upon the successful completion of the federally required Buy America audit.   | Approve            |  |         |    |   |         |  |

## REPORT ITEMS

- |     |   |             |
|-----|---|-------------|
| 45. | <u>Comprehensive Annual Financial Report (CAFR) (Cliff Telfer)</u><br>Action would receive a report for information.  | Receive     |
| 46. | <u>FY 2012 Final Budget Comparison (Tom Lynch)</u><br>Action would receive a report for information.  | Receive     |
| 47. | <u>Disadvantaged Business Enterprise (DBE) Report (Karen Landers)</u><br>Action would receive a report for information.   | Receive     |
| 60. | <u>Chairman's Report</u>  | Information |
| 61. | <u>Audit Oversight Committee Chairman's Report</u>  | Information |
| 62. | <u>Chief Executive Officer's Report</u>   | Information |
| 63. | <u>Board Member Communications</u>  |             |
| 64. | <u>Additional Public Comments Not on the Agenda</u><br>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> January 17, 2013  |             |
| 66. | <u>Adjournment</u>  |             |

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

October 11, 2012

MINUTES

A. ROLL CALL

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

B. APPROVAL OF MINUTES

Mr. Minto moved for approval of the minutes of the September 13, 2012, MTS Executive Committee meeting. Mr. Roberts seconded the motion, and the vote was 4 to 0 in favor with Mr. Young absent for the vote.

C. COMMITTEE DISCUSSION ITEMS

1. Trolley Renewal Project Update

John Haggerty of the San Diego Association of Governments (SANDAG) gave the Executive Committee an update on the Trolley Renewal Project. He provided a status report on station construction for the Blue and Orange Line Improvement Corridor with a layout of the trolley stations that have been completed, are under construction, and planned construction. He talked about the budget and total expended dollars stating that 33% of the total budget has been expended. Mr. Haggerty talked about the project status in terms of design, construction, work completed, and work in progress. He provided photographs of low floor vehicles in operation at the Convention Center Station, Santa Fe Depot Station, Middletown Station and work in progress photographs of the County Center/Little Italy Station.

Mr. Haggerty talked about the work taking place at Orange Line stations. He provided photographs of station improvements at the Encanto/62<sup>nd</sup> Street Station, La Mesa Boulevard Station, 25<sup>th</sup> & Commercial Station, and 32<sup>nd</sup> Street & Commercial Station. He showed pictures of the platform improvements in progress at the Park & Market Station, 5<sup>th</sup> Avenue Station, and the City College Station. He then provided renderings of station shelter designs for bus and trolley berthing areas on the Blue Line station construction project going out for bid later this month.

Wayne Terry, Chief Operating Officer of Rail, stated that 44 of 65 new light rail vehicles have been delivered from the Siemens plant at this time with 5 currently in production.

Action Taken

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

2. East County Bus Maintenance Facility Project Update

Elliot Hurwitz, Manager of Capital Projects, provided the Committee with a report on the East County Bus Maintenance Facility project. He explained that the facility is located in the El Cajon Industrial Park near Johnson Avenue and Vernon Way, and that MTS contracts with Veolia Transportation who operates 82 diesel and gasoline buses. He stated that there is a short-term project which includes demolition of the old Vernon Way building on the existing site.

Mr. Hurwitz talked about the master plan which has been a joint effort with SANDAG, Kimley-Horn, and Parsons Brinckerhoff. The new facility will include a new maintenance and operations building, service lanes, bus wash, CNG fueling station, and will accommodate 120 buses. He talked about the design progression, provided details regarding the CNG station, and talked about a MOU with the City of El Cajon. He talked about the next steps and provided a schedule for completion. He then provided 3D renderings to show what the facility could look like upon completion.

Action Taken

Mr. Minto moved to receive a report for information on the East County Bus Maintenance Facility. Mr. Ovrom seconded the motion, and the vote was 5 to 0 in favor.

D. REVIEW OF DRAFT OCTOBER 18, 2012, BOARD AGENDA

Recommended Consent Items

6. State Lobbying Services Contract - Exercise Contract Option Year Two

Action would: (1) ratify MTS Doc. No. G1204.1-09 with Smith Watts & Company LLC for continued state lobbying services; and (2) authorize the CEO to execute MTS Doc. No. G1204.2-09 with Smith Watts & Company LLC to exercise option year two for state lobbying services.

7. Compass Card Risk Follow-up - Audit Report

Action would receive an internal audit report on Compass Card risk follow-up for information.

8. LRV Warranty Operations - Audit Report

Action would receive an internal audit consultative report on light rail vehicle (LRV) warranty operations

9. Follow-up Audit Reports - Status Updates

Action would receive internal audit reports as a status update on follow-up reviews.

10. Vehicle Advertising Services

Action would authorize the CEO to execute MTS Doc. No. G1140.2-08 with Michael-Allen & Associates for vehicle advertising services.

11. Hazardous Materials Disposal Services - Contract Award

Action would authorize the CEO to execute MTS Doc. No. G1474.0-12 with Environmental Logistics, Inc. for a five-year period to provide hazardous materials disposal services to San Diego Transit Corporation (SDTC) and San Diego Trolley, Inc. (SDTI).

12. Reallocated Transportation Development Act Funds for the La Mesa Village Trolley Access Improvements Project

Action would approve the use of Transportation Development Act (TDA) Article 4 funds currently held by the City of La Mesa for MTS's La Mesa Village Trolley Access Improvements Project.

13. Increased Authorization for Legal Services - Law Offices of Michael Ripley

Action would authorize the CEO to execute MTS Doc. No. G1428.1-12 with the Law Offices of Michael Ripley for current and future legal expenses throughout the remainder of FY 2013.

14. Federal Transit Administration 5316 Grant Applications

Action would adopt Resolution No. 12-14 authorizing the CEO to submit applications for federal fiscal year 2012 Job Access and Reverse Commute (JARC) funding.

15. Transmissions and In-Frame Engine Overhaul Services – Contract Award

Action would authorize the CEO to: (1) execute MTS Doc. No. B0592.0-13 with Harbor Diesel and Equipment, Inc. for the provision of transmission and in-frame engine overhaul services for Group II-Transmission Rebuilds for a three-year base period with 2 one-year options; and (2) exercise each option year at his discretion.

16. Federal Legislative Representation

Action would: (1) ratify the Chief Executive Officer's (CEO) approval of Amendment No. 4 to Task Order 5 of the San Diego Association of Governments' (SANDAG's) contract with Blank Rome Government Relations, LLP (MTS Doc. No. G0980.5-06/ Ref. SANDAG Contract No. 5000276), which assigned the remainder of the contract to Peyser Associates, LLC; and (2) authorize the CEO to execute Task Order 6 and Amendment No. 5 of the triagency contract with Peyser Associates, LLC effective November 1, 2012.

17. MTS Job Order Contract Work Order for Track Way Pavement Replacement on C Street

Action would authorize the CEO to execute Work Order No. MTSJOC1582-07 with Herzog Contracting (MTS Doc No. PWL134.0-12) to remove the existing asphalt paving and install new rubber rail interfacing boot along C Street.

18. Adoption of Amended 2012 Conflict of Interest Code

Action would: (1) adopt Resolution No. 12-15 amending the MTS Conflict of Interest Code pursuant to the Political Reform Act (PRA) of 1974; (2) adopt the amended 2012 MTS Conflict of Interest Code; and (3) forward the amended 2012 MTS Conflict of Interest Code to the County of San Diego (the designated code-reviewing body).

Mr. Jablonski commented that there was a late addition to the Board meeting, a discussion item will be presented regarding Greyhound.

E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA

There was no SANDAG Transportation Committee agenda discussion.

F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS

Mr. Minto commented that the Federal Aviation Administration (FAA) is looking at placing a tower on the southwest corner of Cuyamaca Street and Marshall Avenue, near the Gillespie Field Trolley station. He explained that there have been some preliminary discussions about coordinating multimodal transportation in the area and the FAA would have to provide funding.

Mr. Young questioned whether there are plans in the near future for a more permanent Greyhound facility located near the 12<sup>th</sup> & Imperial Transit Center. Mr. Jablonski explained that Greyhound has a short-term lease and until regional long term plans are implemented the structure will remain as-is.

G. PUBLIC COMMENTS

There were no Public Comments.

H. NEXT MEETING DATE

The next Executive Committee meeting is scheduled for November 8, 2012, at 9:00 a.m. in the Executive Committee Conference Room.

I. ADJOURNMENT

Chairman Mathis adjourned the meeting at 10:12 a.m.

  
Chairman

Attachment: A. Roll Call Sheet

**EXECUTIVE COMMITTEE  
METROPOLITAN TRANSIT SYSTEM**

ROLL CALL

MEETING OF (DATE) October 11, 2012

CALL TO ORDER (TIME) 9:02 AM

RECESS \_\_\_\_\_

RECONVENE \_\_\_\_\_

CLOSED SESSION \_\_\_\_\_

RECONVENE \_\_\_\_\_

ADJOURN 10:12 AM

BOARD MEMBER (Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
YOUNG <input checked="" type="checkbox"/> (Gloria) <input type="checkbox"/>	9:05 AM	
MATHIS <input checked="" type="checkbox"/>		
OVROM <input checked="" type="checkbox"/> (Bragg) <input type="checkbox"/>		
ROBERTS <input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>		
MINTO <input checked="" type="checkbox"/> (Cunningham) <input type="checkbox"/>		
Transportation Committee Rep Slot (Mathis)		

SIGNED BY THE CLERK OF THE BOARD: Valerie Vizkeletti

CONFIRMED BY THE GENERAL COUNSEL: Barry Capa



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

## Agenda Item No. C1

### MEETING OF THE METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

December 6, 2012

#### SUBJECT:

TROLLEY RENEWAL PROJECT UPDATE (WAYNE TERRY AND JOHN HAGGERTY  
OF SANDAG)

#### RECOMMENDATION:

That the Executive Committee receive a report for information.

#### Budget Impact

None.

#### DISCUSSION:

The Trolley Renewal Project is a system-wide rehabilitation and upgrade of the existing Trolley system. The project includes the purchase of new low-floor vehicles, the rehabilitation and retrofit of stations and transit centers throughout the system, new crossovers and upgraded signaling, replacement of the overhead catenary wire, track work and rail replacement, slope repair, and traction power substation replacement and rehabilitation. Construction and infrastructure work is currently underway in downtown San Diego and on the Orange and Blue Lines. Staff will provide an update on the construction project.

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](mailto:Sharon.Cooney@sdmts.com)

# MTS Executive Committee

## Blue and Orange Line Improvement Corridor

Updated  
December 6, 2012



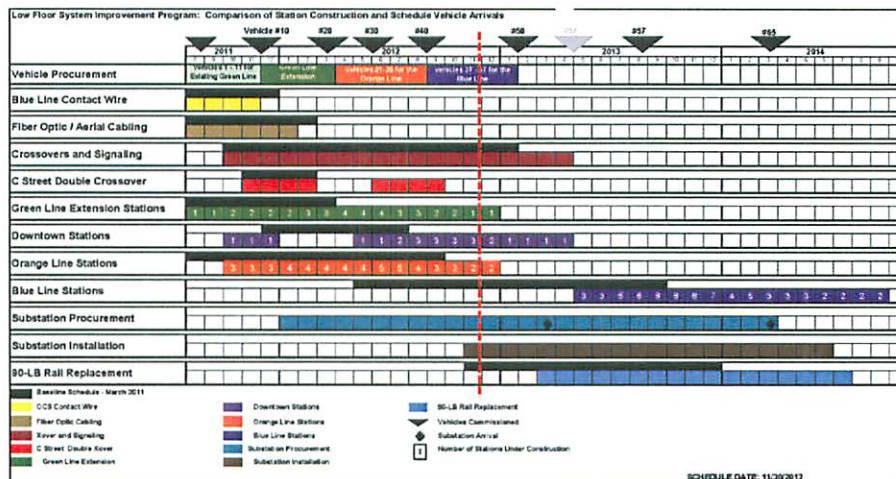
Blue & Orange Line Improvement Corridor



①

# MTS Executive Committee

## Construction Schedule

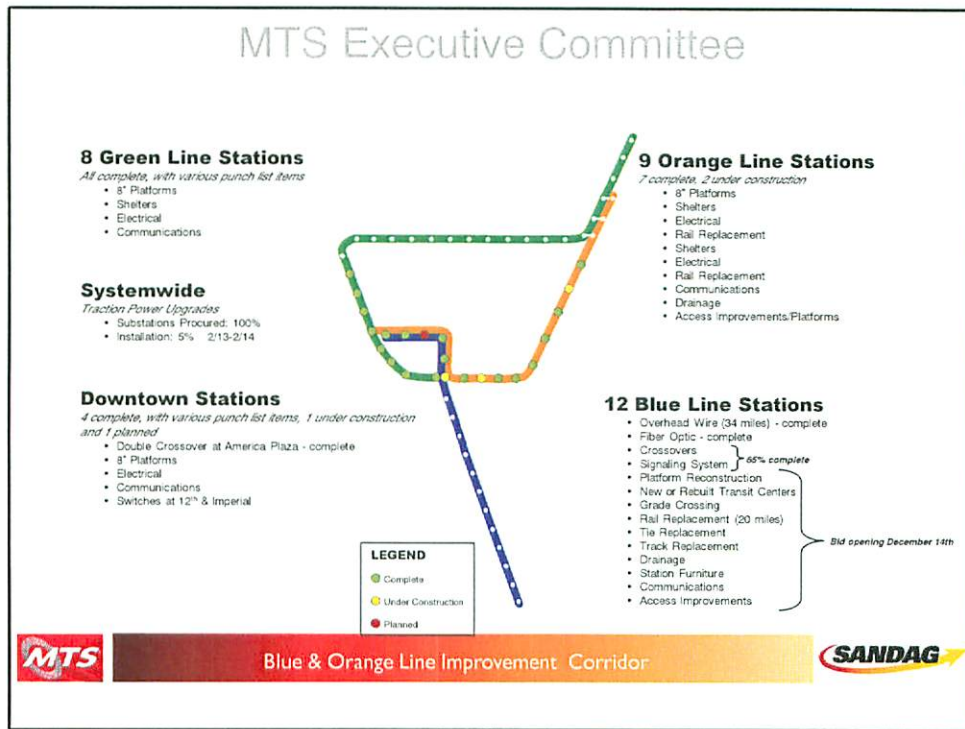


Blue & Orange Line Improvement Corridor



②





3

### MTS Executive Committee Budget – Expended Status

Description	\$ in Millions			
	FY2013 Budget	Committed As of 11/30/2012	Expended As of 11/30/2012	Expended (percent of Budget)
Program & Construction Management	\$23.6	\$22.7	\$17.2	73%
Blue Line Crossovers & Signaling	\$41.6	\$37.9	\$31.5	76%
Blue Line Station Improvements	\$146.2	\$19.6	\$7.1	5%
Blue Line Infrastructure	\$31.5	\$23.7	\$3.5	11%
Communications Upgrades & Substation Roofs	\$5.7	\$3.0	\$0.1	<1%
Green Line Extension, Downtown & Orange Line Station Improvements	\$63.2	\$62.0	\$50.8	80%
Low Floor Vehicles	\$271.1	\$230.7	\$100.2	37%
<b>TOTAL</b>	<b>\$582.9</b>	<b>\$399.6</b>	<b>\$210.4</b>	<b>36%</b>

**MTS** Blue & Orange Line Improvement Corridor **SANDAG**

4

## MTS Executive Committee Project Status

- **Design                      2009 – 2012**
  - No items at this time
- **Construction            (Work Completed)**
  - Blue Line Contact Wire
  - Fiber Optic / Aerial Cabling
  - Euclid Avenue Station Trackwork and Grade Crossing
  - 32<sup>nd</sup> & Commercial Station Trackwork and Grade Crossing
  - America Plaza Station
  - Civic Center Station Trackwork
  - C Street Double Crossover



Blue & Orange Line Improvement Corridor



5

## MTS Executive Committee Project Status

- **Construction            2010 – 2014 (Work In Progress)**
  - Crossovers & Signaling                      65% JV HMS/WCG (local)
  - Green Line Extension Stations            95% Wier, HMS and ABC (all local)
  - Orange Line Stations                      80% WCG (local)
  - Downtown Stations                      75% HMS (local)
  - Traction Power Substations
    - Substation Procurement            > 15% Siemens
    - Substation Installation            > 5% Shimmick
  - Blue Line Station Improvements    Bid Opening December 14



Blue & Orange Line Improvement Corridor



6

## MTS Executive Committee

### Green Line Stations



Blue & Orange Line Improvement Corridor



7

## MTS Executive Committee

### Convention Center Station



Low Floor Vehicles in Operation and Open for Low Floor Boarding



Blue & Orange Line Improvement Corridor



8



⑨



Blue & Orange Line Improvement Corridor

Low Floor Vehicle in Operation and Open for Low Floor Boarding



Seaport Village

MTS Executive Committee

⑩



Blue & Orange Line Improvement Corridor

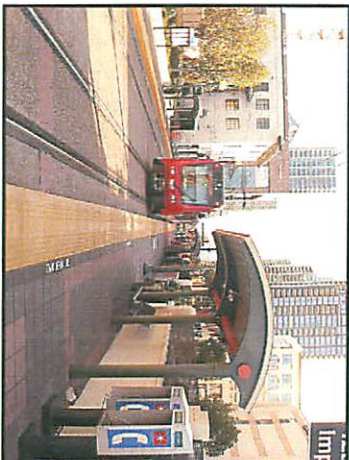
Low Floor Vehicles in Operation and Open for Low Floor Boarding



Santa Fe Depot

MTS Executive Committee

MTS Executive Committee  
County Center / Little Italy



Low Floor Vehicle in Operation and Open for Low Floor Boarding

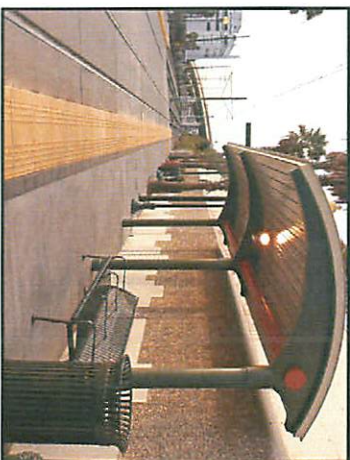


Blue & Orange Line Improvement Corridor



(11)

MTS Executive Committee  
Middletown



Low Floor Vehicles in Operation and Open for Low Floor Boarding



Blue & Orange Line Improvement Corridor



(12)

MTS Executive Committee

## ORANGE LINE STATIONS



Blue & Orange Line Improvement Corridor



(13)

MTS Executive Committee

## La Mesa Station



Station Open for Boarding



Blue & Orange Line Improvement Corridor



(14)



## MTS Executive Committee Spring Street Station



WB Platform Boarding – EB Platform Under Construction



Blue & Orange Line Improvement Corridor



15

## MTS Executive Committee Encanto / 62<sup>nd</sup> Street Station



Station Open for Boarding



Blue & Orange Line Improvement Corridor



16

MTS Executive Committee  
Encanto / 62<sup>nd</sup> Street Station



Pedestrian Ramp and Bus Station Open



Blue & Orange Line Improvement Corridor



17

MTS Executive Committee  
32<sup>nd</sup> Street & Commercial Station



EB Platform Open – WB Platform Under Construction



Blue & Orange Line Improvement Corridor



18



## MTS Executive Committee 25<sup>th</sup> & Commercial



Station Platforms Open for Boarding



Blue & Orange Line Improvement Corridor



19

## MTS Executive Committee

### Orange Line Operation Milestones

- Substantial Completion
- Ribbon Cutting
- Start Low Floor Operations



Blue & Orange Line Improvement Corridor



20

MTS Executive Committee

## DOWNTOWN STATIONS



Blue & Orange Line Improvement Corridor



(21)

MTS Executive Committee

## Civic Center



Station Open for Boarding



Blue & Orange Line Improvement Corridor



(22)

## MTS Executive Committee 5<sup>th</sup> Avenue Improvements



Pedestrian "Bulb-Out" and Bus Stop Reopened



Blue & Orange Line Improvement Corridor



23

## MTS Executive Committee 6<sup>th</sup> Avenue Improvements



6<sup>th</sup> Avenue - Southeast Sidewalk Improvements



Blue & Orange Line Improvement Corridor



24



## MTS Executive Committee 6<sup>th</sup> Avenue Improvements



6<sup>th</sup> Avenue - Northeast Bulb-out Improvements



Blue & Orange Line Improvement Corridor



25

## MTS Executive Committee C Street Improvements



C Street - Between 6<sup>th</sup> Ave. and 7<sup>th</sup> Ave.



C Street - Between 7<sup>th</sup> Ave. and 8<sup>th</sup> Ave.

New Paving on C Street



Blue & Orange Line Improvement Corridor



26

## MTS Executive Committee City College Station



Station Open for Boarding



Blue & Orange Line Improvement Corridor



27

## MTS Executive Committee Park & Market Station



Station Open for Boarding – EB Platform Paver Installation Continues



Blue & Orange Line Improvement Corridor



28



## MTS Executive Committee 12<sup>th</sup> and Imperial Station



Station Open for Boarding – Island Platform Under Construction

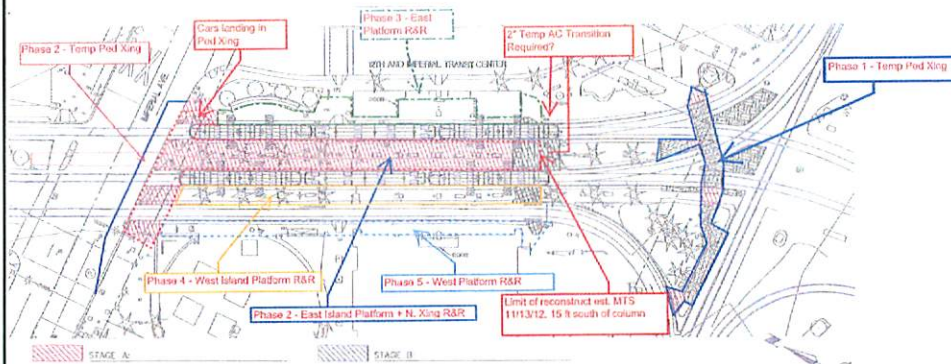


Blue & Orange Line Improvement Corridor



(29)

## MTS Executive Committee 12<sup>th</sup> and Imperial Station



Station Construction Phasing Plan



Blue & Orange Line Improvement Corridor



(30)

MTS Executive Committee

## BLUE LINE CROSSOVER & SIGNALING PROJECT



Blue & Orange Line Improvement Corridor



(31)

## MTS Executive Committee Blue Line Crossover & Signaling



Milestone D Cutover Scheduled for December 8-9 and for December 15-16  
Final Completion Scheduled for April 2013



Blue & Orange Line Improvement Corridor



(32)

MTS Executive Committee

## BLUE LINE IMPROVEMENTS



Blue & Orange Line Improvement Corridor



33

MTS Executive Committee



Blue & Orange Line Improvement Corridor

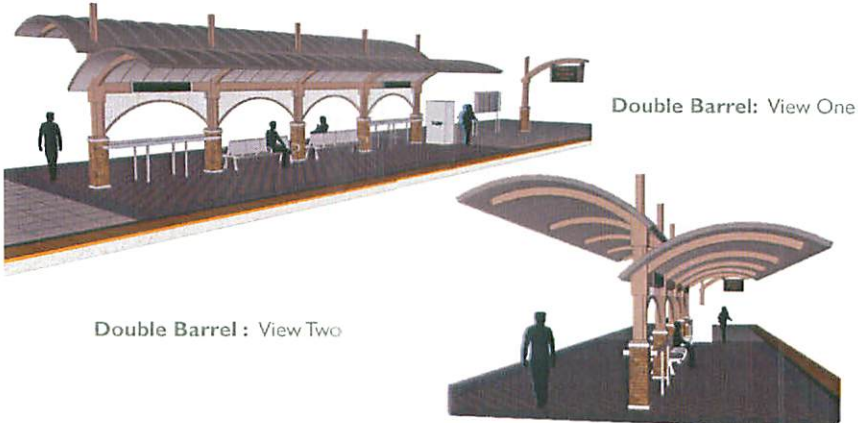


34





MTS Executive Committee

STATION SHELTER DESIGN FOR BUS/TROLLEY BERTHING



Double Barrel: View One

Double Barrel: View Two

 Blue & Orange Line Improvement Corridor 

35

35

MTS Executive Committee

Light Rail Procurement Status

- Production Timeframe: 2010 to 2013
  - Production Status: 80%
  - Delivered: 46 of 65
  - In Revenue Service: 27
  - In Production at the Plant: 5



 Blue & Orange Line Improvement Corridor 

36



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

## Agenda Item No. C2a

### MEETING OF THE METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

December 6, 2012

#### SUBJECT:

40-FOOT LOW-FLOOR CNG TRANSIT BUS PROCUREMENT - CONTRACT AWARD  
(ERNESTO DEGUZMAN)

#### RECOMMENDATION:

That the Executive Committee forward a recommendation to the Board of Directors to authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0589.0-13 with Gillig, LLC, for the purchase of 40-foot low-floor compressed natural gas (CNG) buses for a five-year period contingent upon the successful completion of the federally required Buy America audit.

#### Budget Impact

The proposed contract would provide for the option to purchase up to 350 low-floor CNG buses at a cost of \$187,184,982.47, inclusive of Americans with Disabilities Act (ADA) equipment, training, special tools, manuals, contract spares (up to \$100,000), taxes, and delivery charges. The procurement would be funded through MTS Capital Improvement Program (CIP) 11310 (MTS Bus Replacement). Estimated bus orders are approximately 50 busses per year, with the ability to purchase 100 busses in both year 4 and year 5. Bus orders are submitted on an annual basis, at which time the contract will commit the associated funds.

#### DISCUSSION:

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

On July 18, 2012, staff published a Request for Proposals (MTS Doc. No. B0589.0-13) to solicit offers for the procurement of 40-foot low-floor CNG transit buses. As this is a very complex procurement and would not lend itself to a decision based on price and price-related factors alone, and considering that this procurement needed additional discussions to ensure clarity of expectations between the proposer and MTS, a competitive negotiated procurement approach was used. Two proposals were received by the due date of September 14, 2012. Based on an initial review of the technical



proposal and a subsequent price reasonable analysis performed by the procurement team, both proposers were deemed responsive and responsible per the requirements of the solicitation. An evaluation team comprised of representatives from the Bus Maintenance and Bus Operations Departments was then convened. The team met with both proposers for clarification and subsequent negotiations.

This was followed by a Request for Best and Final Offers from both proposers. In the final evaluation, the team determined that Gillig, LLC, provided the most advantageous offer to MTS based on price and technical qualifications.

The award of this contract would allow staff to start a phased-in rolling stock replacement program for buses that will be reaching the end of their useful lives between 2013 and 2018. The contract also has options that may be exercised at MTS's discretion should there be a need for additional capacity during the term of the agreement. These 40-foot CNG heavy-duty buses would be deployed throughout MTS's operating jurisdiction.

Replacing old buses helps MTS control costs as older buses are more expensive to maintain and experience more down time as they age. Having a robust replacement program also ensures that a reliable and safe fleet is constantly available to provide uninterrupted service to MTS's customers.



---

Paul C. Jablonski  
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, [Sharon.Cooney@sdmts.com](mailto:Sharon.Cooney@sdmts.com)

## 40 Ft. Low-Floor CNG Transit Bus Procurement B0589.0-13

MTS Executive Committee Agenda  
Item No. C2a

December 6, 2012



1



### QUANTITY TO PURCHASE

- ☐ Up to 250 buses with the option to purchase up to an additional 100 buses for a total up to 350 buses.

### REASON FOR PURCHASE

- ☐ Over the next five years, the MTS fleet will require replacement of approximately 250 buses. Option quantities will be utilized in the event of fleet expansion due to increased demand and service.



2



#### BUDGETARY IMPACT

- ☐ Up to 250 buses for MTS funded through MTS Capital Improvement Project (CIP) 11310 (MTS Bus Replacement)

*Total Estimate Value = \$132,002,887.32*

- ☐ Up to 100 option buses for MTS funded through MTS Capital Improvement Project (CIP) 11310 (MTS Bus Replacement)

*Total Estimated Value up to \$55,190,095.15*

Grand Total Estimated Value = \$187,192,982.47



3



#### HIGHLIGHTS OF THE NEW 40 Ft. BUSES:

- ☐ Wheelchair restraint system with forward passenger barrier wall for reduced securement times and additional passenger safety.
- ☐ Disc Brakes; provides improved braking efficiency and reduced maintenance costs.
- ☐ Improved CNG Tank Life; rated for 20 years vs. 15 years.
- ☐ On-Board Video Surveillance; Installed during factory assembly.
- ☐ EMP Cooling System; replaces the hydraulic cooling system which reduces power draw on engine horsepower and improves maintenance and repair efficiencies.
- ☐ Manufactured 100% in the U.S.A. (Hayward, CA)



4





## PROCUREMENT PROCESS

- ❑ A negotiated procurement process was selected in order to accommodate the need for significant technical discussion between MTS and OEM proposers and in order to obtain the best value buses which meet the requirements and needs of MTS.
  - *Note: Gillig's price was also the lowest price.*
- ❑ Procurement process conducted in accordance with applicable local, state, and federal requirements:
  - *MTS Policy 52 (Procurement of Goods and Services)*
  - *Title 49 United States Code, Chapter 53*
  - *Federal Transit Administration Circular 4220.1F; Third Party Contracting Guidance*
  - *Federal Transit Administration's Best Practices Procurement Manual*



## RECOMMENDATION:

That the Executive Committee recommend to the Board of Directors that they approve authority to the Chief Executive Officer (CEO) to execute MTS Doc. No. B0589.0-13 with Gillig LLC. for the purchase of 40 ft., Low-Floor, CNG transit buses for a five year period contingent upon the successful completion of the Federally required Buy America audit and as funding permits.







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

## Agenda Item No. C2b

### MEETING OF THE METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

December 6, 2012

#### SUBJECT:

60-FT LOW-FLOOR ARTICULATED CNG TRANSIT BUS PROCUREMENT -  
CONTRACT AWARD (ERNESTO DEGUZMAN)

#### RECOMMENDATION:

That the Executive Committee forward a recommendation to the Board of Directors to authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0570.0-12 with New Flyer of America, Inc. for the purchase of 60-foot low-floor articulated CNG transit buses for a five-year period contingent upon the successful completion of the federally required Buy America audit.

#### Budget Impact

The proposed contract would not exceed 85 units to be ordered during its five-year term at a not-to-exceed cost of \$82,359,858.61, which includes an annual Producer Price Index cap of 3%. Of the 85 buses to be delivered under the proposed agreement, 72 would be ordered for and funded by the San Diego Association of Governments (SANDAG) for a total of \$70,195,152.31; 13 would be ordered for and funded by MTS for a total of \$12,164,706.30.

The contract would also include options for an additional 80 buses totaling \$83,264,113.07 should additional funding become available and capacity needs increase. The MTS purchase would be funded through MTS Capital Improvement Project (CIP) 11310 (MTS Bus Replacement). Prices are inclusive of Americans with Disabilities Act (ADA) equipment, taxes, manuals, training, and delivery charges.



## DISCUSSION:

This is a joint procurement between SANDAG and MTS. MTS Policy No. 52 governing the procurement of goods and services requires a formal competitive procurement process for purchases exceeding \$100,000.

On May 25, 2012, staff published a Request for Proposals (MTS Doc. No. B0570.0-12). Considering the complexity of the procurement and given that certain details and features must be mutually resolved before award, staff deemed it prudent to use the competitive negotiated procurement approach. A single response was received from New Flyer of America by the due date of September 12, 2012. The initial review of the technical proposal showed the single proposal to be responsive and responsible per the requirements of the solicitation. Staff conducted a price-reasonableness analysis to ascertain that the proposed costs were reasonable.

An evaluation team was then convened comprised of representatives from the MTS Bus Maintenance and Bus Operations Departments as well as a representative from SANDAG. The team met with the proposer for clarifications and subsequent negotiations. This was followed by a request for Best and Final Offer. After clarifications, negotiations, and the best and final offer, the evaluation team determined that New Flyer's best and final offer provided the most advantageous offer to both SANDAG and MTS with price and technical factors being considered.

The buses funded by SANDAG are being procured to support new service to be operated by MTS in support of three SANDAG projects: the I-15 Corridor, the Mid-City Rapid, and the I-805 Corridor BRT Projects. The quantity of buses purchased has been established through planning studies that have identified the quantity and capacity of the articulated buses to be procured for each service initiative. The articulated bus procurement has been performed with the specific understanding that the fleet will support these three new service initiatives and, as such, only a portion of the existing revenue service fleet in operation that is eligible for retirement will be removed from service. The buses would come from the manufacturer with new fare boxes and CAD/AVL on board as there is no inventory at MTS that can be utilized to support the three projects.

The articulated buses funded by SANDAG will operate on the Mid-City Rapid, I-15, and I-805 Corridor BRT routes. The MTS articulated buses would replace the last remaining diesel-powered buses in the MTS fleet and would operate primarily on Routes 7 and 20 subject to MTS's fleet-deployment standards.

While the Mid-City Rapid buses will look very similar to the MTS buses, the I-15 and I-805 Corridor buses will feature high-back cushioned seats for premium-ride comfort, and all buses will feature a unique SANDAG/MTS paint scheme that will easily identify the bus as an I-15/I-805 Corridor or Mid-City Rapid bus. All buses purchased under this contract will also be equipped with a state-of-the-art all-electric cooling system thus eliminating the hydraulic-cooling system and the potential for hydraulic fluid spills while in revenue service. In addition, the SANDAG-funded buses will feature a traffic-signal priority system as well as a state-of-the-art comprehensive intelligent technology (IT) system to provide a unified point for all IT onboard systems including, but not limited to, video cameras, automatic passenger counting, automatic vehicle maintenance, and next-bus capability.





---

Paul C. Jablonski  
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, [Sharon.Cooney@sdmts.com](mailto:Sharon.Cooney@sdmts.com)

## 60 Ft. Low-Floor Articulated CNG Transit Bus Procurement B0570.0-12

MTS Executive Committee Agenda  
Item No. C2b

December 6, 2012



1



### QUANTITY TO PURCHASE

- ☐ 85 buses with the option to purchase an additional 80 buses.
  - 13 "MTS"; 54 "I-15"; 18 "Mid-City"

### REASON FOR PURCHASE

- ☐ Over the next five years, the MTS fleet will require replacement of 13 diesel buses.
- ☐ New Service for the I-15 Corridor route: initial service starting with 29 buses with a planned additional 25 buses; purchase and operations funded by SANDAG.
- ☐ New/Expanded Service for the Mid-City Rapid: initial vehicle requirement of 18 buses; purchase and operations funded by SANDAG.
- ☐ Option units will be available in the event of increased ridership, additional service, and additional services funded by SANDAG pending future project readiness.



2



#### BUDGETARY IMPACT

- ❑ Up to 72 buses for the I-15 Corridor and Mid-City Rapid Buses funded by SANDAG through Federal and TransNet funding.
  - FY2014 - FY2018 \$70,229,816.31
- ❑ Up to 13 buses for MTS funded through MTS Capital Improvement Project (CIP) 11310 (MTS Bus Replacement)
  - FY2015 \$11,758,230.89

*Grand Total Value = \$81,988,047.20*

- ❑ Up to 80 option buses upon available funding, conservatively estimated up to \$83,264,113.07

*Grand Total Estimate Value = \$165,252,160.27*



3



#### HIGHLIGHTS OF THE NEW 60 FT. BUSES

- ❑ I-15 Corridor buses will feature high-back seating, thicker seat cushions, and forward facing seating with minimal transverse positions for improved rider comfort during longer average transit time.
- ❑ Intelligent Vehicle Network (IVN); Includes Automated Voice Announcements, Vehicle Diagnostics, Computer Aided Dispatch and Automated Vehicle Location system (CAD/AVL)
- ❑ Traffic Signal Priority Systems; emits a signal to traffic lights to obtain a green light , maintaining vehicle movement and contribute to on-time performance.
- ❑ On-Board Video Surveillance; Installed during factory assembly.
- ❑ Wheelchair restraint systems with forward passenger barrier wall for reduced securement times and additional passenger safety.
- ❑ Improved CNG Tank Life; rated for 20 years vs. 15 years.



4



## PROCUREMENT PROCESS

- ☐ A negotiated procurement process was selected in order to accommodate the need for significant technical discussion between MTS and OEM proposers and in order to obtain the best value buses which meet the requirements and needs of MTS.
- ☐ Procurement process conducted in accordance with applicable local, state, and federal requirements:
  - *MTS Policy 52 (Procurement of Goods and Services)*
  - *Title 49 United States Code, Chapter 53*
  - *Federal Transit Administration Circular 4220.1F; Third Party Contracting Guidance*
  - *Federal Transit Administration's Best Practices Procurement Manual*



## Recommendation:

That the Executive Committee recommend to the Board of Directors that they approve authority to the Chief Executive Officer (CEO) to execute MTS Doc. No. B0570.0-12 with New Flyer Industries for the purchase of 60 ft., Low-Floor, Articulated, CNG transit buses for a five year period contingent upon the successful completion of the federally required Buy America audit and as funding permits.





  
**NEW FLYER**



**Metropolitan Transit System**

**60' Low-Floor CNG Buses**

**BAFO  
B0570.0-12**



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

## Agenda Item C3

### MEETING OF THE METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

December 6, 2012

#### SUBJECT:

TAXICAB ADMINISTRATION (SHARON COONEY)

#### RECOMMENDATION:

That the Executive Committee receive a report on Taxicab Administration activities and provide direction to staff regarding renewal of contracts with the cities of San Diego, El Cajon, Imperial Beach, La Mesa, Lemon Grove, Poway, and Santee.

#### Budget Impact

None with this action.

#### DISCUSSION:

MTS is under contract with the cities of San Diego, El Cajon, Imperial Beach, La Mesa, Lemon Grove, Poway and Santee to administer taxicab regulations on their behalf. The contracts expire July 1, 2013. This report provides background regarding the history and activities of Taxicab Administration and some possible alternative approaches for contract negotiation.

#### City Taxicab Administration

Prior to MTS agreeing to regulate private for-hire vehicle permits, the City of San Diego Financial Management Department performed the following:

- Processed new and transfer permit applications
- Referred background investigations of owners to the police department
- Approved fares, company names, and colors for taxis and jitneys
- Provided public information to those seeking permits
- Prepared quarterly reports regarding fare regulation (setting) for taxis

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

- Monitored and evaluated insurance
- Monitored administrative violations (ensured vehicle replacement forms were submitted when new vehicles were purchased, ensured required annual statements were filed by owners in person, ensured notices were filed with transfer of ownership, ensured vehicles were not out of service longer than permitted, etc.) and conducted analyses, including negotiations of penalties for administrative violations
- Presented policy issues to the City Council
- Communicated with the industry
- Developed the budget, which included establishing permit fee and fine levels

The City of San Diego Police Department (SDPD) monitored complaints and insurance policies, and were responsible for all aspects of code enforcement. The SDPD performed vehicle inspections that included general safety and appearance checks only. Costs for enforcement activities were absorbed in the City budget.

In 1988, the City of San Diego administered a permit program for approximately 895 taxis and 95 jitneys. The permit program with an estimated annual operating cost of \$358,000 had a cost recovery between 35 to 44 percent and was administered by eight positions.

Each of the other cities in the MTS jurisdiction performed similar duties with varying costs and resources prior to contracting with MTS to administer taxicab regulation.

#### MTS Assumption of Taxicab Administration

The City of San Diego contracted with MTS to perform taxicab administration in 1988. The decision to contract out this responsibility was based on concerns with internal regulation. There was a perceived need for more rigorous vehicle safety enforcement and inspections, more reasonable code enforcement, regular communication between industry representatives and regulatory staff, and better enforcement of permit holder accountability for the equipment and services operated under the permit. Another benefit of MTS assumption of the duties would be taxicab regulation based on transportation patterns rather than municipal boundaries.

During contract negotiations, both parties agreed that the City would remain as the policy-setting entity. The City of San Diego Council Policy 500-02 (Attachment A) sets policy for taxicab permit regulation. During contract negotiations there was some discussion regarding whether MTS would regulate drivers, but it was determined that MTS's responsibility would be limited to permit regulation only. MTS Ordinance No. 11 (Attachment B) is the basis of MTS's regulatory authority.

When MTS assumed regulatory responsibility of private for-hire vehicles from the City of San Diego, seven full-time staff members were needed. The permit fees in place at that time did not cover the full cost of taxicab administration activities. The California Public Utilities Code requires that MTS recover its costs entirely and therefore MTS adjusted permit fees accordingly.

MTS contracted with the cities of El Cajon, Imperial Beach, Lemon Grove, and Santee in 1990, the City of Poway in 1991, and the City of La Mesa in 1999. The contracts were based on the contract with the City of San Diego and in accordance with Ordinance No. 11. Attachment C provides samples of the contracts.

### Taxicab Administration Activities

The Taxicab Administration Department reports to the MTS Chief of Staff and consists of 10 full-time staff members. Operations are carried out at an inspection facility and administrative offices owned by MTS. The Fiscal Year 2013 budget is \$941,589 (Attachment D), and the reserve balance is \$401,025.

Taxicab Administration regulates a total of 1,258 for-hire vehicle permits:

992	City of San Diego Taxicab Permits (79% of permits)
59	Suburban Taxicabs Permits (El Cajon, Imperial Beach, La Mesa, Lemon Grove, Poway, and Santee) (4.7% of permits)
193	Nonemergency Medical Vehicle Permits (15.3% of permits)
10	Jitney Vehicle Permits
4	Charter Vehicle Permits

As of this writing, vehicles regulated by MTS are operated by 490 permit holders. A schedule of fees is approved by the Chief Executive Officer to achieve full-cost recovery.

Vehicle inspections are a critical component of regulation of permit holders. As referenced in the *Vehicle Inspection Notice*, there are 8 types of vehicle inspections with the potential of 56 individual items/functions inspected. Currently, staff is in the process of conducting the 20th round of scheduled inspections since late 1990. In the round of inspections completed most recently, staff conducted 1296 scheduled vehicle inspections; 247 replacement vehicle inspections; 68 permit issuance vehicle inspections; and an estimated 559 reinspections for a total of 2,170 inspections. These totals do not include inspections for the airport, rates of fare, or field report referrals which add several hundred inspections to the total.

Field enforcement is also essential for guaranteeing compliance with Ordinance No. 11 regulations. Activities in this area include vehicle compliance inspections in the field; driver compliance with regulations; "Secret Shopper" details; identification of illegal operators; monitoring taxicab stand standards; addressing complaints; conducting police line-ups; attending hearings at MTS and other agencies; conducting community outreach; and planning, setting up, and staffing of taxicab stands for large events. Taxicab code enforcement officers frequently work with public safety officers from other agencies and with MTS Security.

Administering permits and ensuring compliance with the requirements of Ordinance No. 11 for all permit holders is another function of Taxicab Administration. Some of the activities include processing permit applications; determining eligibility to transfer San Diego taxicab medallions; monitoring insurance compliance; handling operational requests (radio service changes, company name) and collection of fees; data collection (all permit and permit holder information, insurance, vehicle, and operational changes); annual statement submission/review; processing corporate/LLC officer/member and shareholder changes; monitoring permit holder compliance; addressing compliance and permit holder inquiries; reviewing radio service compliance; and reviewing equipment and vehicle markings and specifications.



Taxicab Administration engages in a number of activities to maintain the health of the industry in the region. Periodic reviews of rates of fare are completed, and MTS sets fares to provide a balance between the public demand for reasonable fares and the need to provide drivers and permit holders with a return for their efforts. MTS is currently in the process of procuring a consultant to perform a comprehensive fare analysis as a first step toward the next fare adjustment. In 2009, Taxicab Administration conducted a passenger survey to better understand customer demographics, trip purpose, and overall satisfaction. A permit issuance study on behalf of the City of San Diego was conducted in 2011 to determine whether more permits should be issued. That study concluded that additional permit issuance is unwarranted at this time. Finally, MTS has sought to require event recorders inside of vehicles as a way to promote driver safety.

As part of its efforts to maintain an open communication with the industry, MTS maintains a Taxicab Advisory Committee. Taxicab Administration staff is responsible for conducting the Taxicab Advisory Committee meetings, as well as those of several subcommittees, such as the Workshop on Regulatory Matters Subcommittee, Finance Subcommittee, Taxicab Stand Subcommittee, and the San Diego Border Wildcat Task Force.

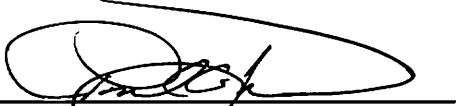
Taxicab Administration works with the San Diego County Sheriff's Department in its effort to ensure that drivers are properly licensed and operating in a safe manner. Since 1968, the Sheriff's Licensing Division has issued the driver's identification cards to for-hire vehicle drivers. In addition, the department handles driver-related issues, such as complaints and penalties. Currently, half of the 20 Licensing Division staff members are assigned to administer the for-hire driver's licenses.

#### Contract Renewal

All of the City Taxicab Administration contracts will expire in July 2013. A number of options are available to the Board.

1. *Renew contracts with all of the cities.* If the Board determines to renew all of the city contracts, staff would prepare the contracts for Board approval prior to expiration. A number of individuals have requested that MTS expand the scope of its authority and responsibility to include regulation of various aspects of the business relationship between drivers and permit holders. The Board could choose to deliberate this request as part of contract negotiations. Additional points of the contract renewal discussion could be the implications of the recent San Diego City Council amendment to its Policy 500-02 (Attachment A) that include additional permit issuance and transfer requirements, as well as clarifications of the cities' role in setting policy.
2. *Renew contracts with some of the cities.* For the cities that have few permits, not renewing the contracts would have few implications for how MTS carries out its responsibilities. However, nonrenewal of the contract with the City of San Diego would significantly impact revenue available to cover the cost of regulatory activities. Taxicab Administration would be downsized to meet the needs of the other cities. In addition, staff would explore other ways to fund essential functions, such as conducting inspections for San Diego and Airport Authority taxicabs.

3. Renew none of the contracts. If the Board chose this option, MTS staff would immediately notify the cities and begin working with them to find an alternative method of regulation.



Paul C. Jablonski  
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, [Sharon.Cooney@sdmts.com](mailto:Sharon.Cooney@sdmts.com)

Attachments: A. City of San Diego Council Policy 500-02  
B. MTS Ordinance No. 11  
C. Cities of San Diego and Lemon Grove Contracts  
D. Taxicab Administration Budget

**CITY OF SAN DIEGO, CALIFORNIA  
COUNCIL POLICY**

**CURRENT**

**SUBJECT:** TAXICAB PERMITS  
**POLICY NO.:** 500-02  
**EFFECTIVE DATE:** June 26, 2012

**BACKGROUND:**

Regulation of taxicab service is in the interest of providing residents and visitors to the City of San Diego with a good quality local transportation service. Towards this end, the City finds it desirable to regulate the issuance of taxicab permits.

**PURPOSE:**

To establish a policy for the issuance of additional taxicab permits, for the purpose of expanding the taxi industry to meet growing demand for taxi service throughout the City, and providing opportunity for both existing and new taxi operators and for experienced drivers.

**POLICY:**

The City will periodically issue additional taxicab permits based on a formula. The formula will take into account both the demand for taxicab services and the supply of taxicabs.

New permits will be issued on a full cost recovery basis. All applicants will first have to submit an application and satisfy Screening Criteria based on quality and customer service standards. Two methods of issuance will be used:

1. 60% of new permits will be issued in blocks of five or more permits by lottery to entities that demonstrate an ability to manage a fleet of taxicabs.
2. 40% of new permits will be issued one at a time by lottery to experienced drivers.

The process through which permits are issued will limit the concentration of permits. No permits will be issued or transferred to any person, company, business, corporation, or other entity if such issuance or transfer would result in any permit holder having an interest in more than 40% of the existing permits. New permits shall not be transferred for a period of five years after issuance. No single permit will be issued or transferred to any person, company, business, corporation, or other entity if such issuance or transfer would result in single permit holders in aggregate having interest in more than 40% of the existing permits.

**CITY OF SAN DIEGO, CALIFORNIA  
COUNCIL POLICY**

**CURRENT**

Permit holders of newly awarded permits must demonstrate that they are in compliance with Screening Criteria as a condition of annual permit renewal or the permit may be suspended or revoked.

When any taxicab permit is transferred, the transferee must satisfy Screening Criteria at time of transfer and thereafter as a condition of annual permit renewal or the permit may be suspended or revoked.

All permits held by corporations or limited liability companies shall comply with Screening Criteria within five years of the adoption of this Policy.

**IMPLEMENTATION:**

Increases in the number of taxicab permits will be based on a formula to be computed every three years. Permits that are authorized but not awarded, as well as permits that are vacant due to revocation or relinquishment, shall not be considered to be active permits for the purposes of determining need for new permits.

Screening Criteria will be evaluated on a pass-fail basis. Each element must be a “pass” in order for the applicant to have been considered to have satisfied the screening. Applicants are responsible for providing complete and accurate information needed for the screening evaluations.

**1. Screening Criteria**

**A. Applicants must:**

- a. Meet regulatory requirements for a taxicab permit holder and operator specified in ordinance and regulation
- b. Provide evidence of at least five years’ experience driving a taxicab or managing a demand responsive transportation service, or similar service-oriented business
- c. Provide evidence of ability to meet insurance requirements
- d. Provide evidence of ability to finance the meeting of screening criteria and regulatory requirements



**CITY OF SAN DIEGO, CALIFORNIA  
COUNCIL POLICY**

**CURRENT**

- B. Vehicles must:**
  - a. Meet regulatory and ordinance requirements
  - b. Meet California Air Resources Board criteria for Zero Emission Vehicle or Low Emission Vehicle
  - c. Be ADA-compliant (applies to first permit, thereafter at least 50% of vehicles must comply)
  - d. Be equipped with GPS
  - e. Be equipped with security cameras
- C. Adequate facilities must be demonstrated for:**
  - a. Administrative functions
  - b. Vehicle maintenance
  - c. Off-street vehicle storage when not in service
- D. Dispatch must be:**
  - a. Staffed 24 hours
  - b. Computerized
  - c. Utilize GPS
- E. Customer service plan must include:**
  - a. Acceptance of credit cards
  - b. Customer complaint system
  - c. Record keeping of every call, dispatch, trip, and complaint
  - d. 25% of trips must originate in underserved communities
- F. Additional screening criteria may be added as needed by regulatory action to fulfill the purpose of improving industry standards and customer service and keeping current with technology.**

CITY OF SAN DIEGO, CALIFORNIA  
**COUNCIL POLICY**

**CURRENT**

**2. Lottery of Permit Blocks**

**Eligibility:** Applicants must satisfy Screening Criteria as well as demonstrating ability to finance and manage a fleet of taxicabs.

**Blocks of Permits:** 60% of the permits available shall be divided as evenly as possible into blocks five or more permits, maximizing the number of blocks available. For example, if 24 permits are available, then they shall be divided into four blocks of six permits; 25 permits shall be divided into five blocks of five permits; and 26 permits shall be divided into one block of six and four blocks of five permits.

**Distribution:** Applicants shall be screened for eligibility. Eligible applicants are placed in a lottery. The first 25 names drawn shall be placed on a list based on order of selection, with blocks awarded starting with the first drawn until all of the available blocks have been awarded. Larger blocks shall be awarded first. Names that are drawn but not awarded blocks shall constitute a waiting list. Applicants who subsequently fail to meet regulatory requirements shall be removed from the list and blocks reassigned in order to include the next listed applicant on the waiting list.

**3. Lottery to Individual Drivers**

**Eligibility:** Applicants must satisfy Screening Criteria, and: 1) not have any ownership interest in any taxicab permits, 2) have a current Taxicab Drivers Identification Card issued by the San Diego County Sheriff, 3) demonstrate a minimum of five years' experience leasing and driving a taxicab for at least 1000 hours per year, and 4) if awarded a permit, must drive the taxicab for at least 1000 hours per year for the first five years that the permit is held.

**Individual Permits:** 40% of the permits available shall be distributed one at a time.

**Distribution:** Applicants shall be screened for eligibility. Eligible applicants are placed in a lottery. The number of names drawn shall equal twice the number of permits available in the lottery. The names drawn shall be placed on a list based on order of selection. One permit shall be awarded starting with the first name on the list until all of the available permits have been awarded. Names that are drawn but not awarded a permit shall constitute a waiting list. Applicants who subsequently fail to meet regulatory requirements shall be removed from the list and the permit reassigned to the next listed applicant on the waiting list.

**CITY OF SAN DIEGO, CALIFORNIA  
COUNCIL POLICY**

**CURRENT**

**FORMULA**

The formula will be computed as follows:

$$S=D/M$$

Where:

- S= the calculated ideal supply of taxicabs
- D=measured aggregate demand for taxicab trips
- M=the number of taxicab trips needed to sustain one new taxicab vehicle entering the market

The formula shall be applied every three years. Economic studies shall be conducted to determine the values of D and M.

Additional permits shall be issued when S exceeds the number of active permits by 40 or more. The number of permits distributed shall be S minus the number of active permits. The number of active permits is the number of authorized permits minus unassigned and vacant permits.

**HISTORY:**

**“Taxicabs - Certificates of Convenience and Necessity”**

Adopted by Resolution R-72292 - 08/21/1962

Amended by Resolution R-216590 - 08/11/1976

Amended by Resolution R-217293 - 12/15/1976

Amended by Resolution R-222474 - 12/19/1978

Repealed by Resolution R-258090 - 03/14/1983

**“Taxicabs - Permits”**

Added by Resolution R-260636 - 05/07/1984

Amended by Resolution R-261739 - 10/15/1984

Amended by Resolution R-271307 - 06/28/1988

Amended by Resolution R-295355 - 08/06/2001

Amended by Resolution R-302130 - 12/06/2006

Amended by Resolution R-307494 - 06/26/2012

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CODIFIED ORDINANCE NO. 11  
*(as amended through November 15, 2012)*

An Ordinance Providing for the Licensing and the Regulating  
of Transportation Services Within the City by the Adoption  
of a Uniform Paratransit Ordinance

## MTS CODIFIED ORDINANCE NO. 11

## TABLE OF CONTENTS

Description	Page No.
<b>SECTION 1.0 - GENERAL REGULATIONS.....</b>	<b>1</b>
Section 1.1 - Definitions.....	1
Section 1.2 - Operating Permits .....	4
Section 1.3 – Application for Permit .....	4
Section 1.4 - Issuance of Permit.....	5
Section 1.5 - Transfer and Administration of Permits.....	6
Section 1.6 - Limited Permits.....	7
Section 1.7 - Blank.....	7
Section 1.8 - Equipment and Operating Regulations .....	7
Section 1.9 - Public Liability.....	13
Section 1.10 - Financial Ownership and Operating Records: Reporting Requirements .....	13
Section 1.11 - Destruction, Permanent Replacement or Retirement of For-Hire Vehicles.....	15
Section 1.12 - Driver's Identification Cards .....	16
Section 1.13 - Suspension and Revocation of Permit.....	17
Section 1.14 - Suspension and Revocation of Driver's Identification Cards.....	20
Section 1.15 - Surrender of Medallion .....	20
Section 1.16 - Right of Administrative Appeal from Denial, Suspension or Revocation of Permit or Driver's Identification Card or Related Adverse Action.....	21
Section 1.17 - Procedure Upon Administrative Appeal.....	21
Section 1.18 - Exceptions to Provisions .....	22
Section 1.19 - Chief Executive Officer's Authority to Adopt Rules and Promulgate a Schedule of Fines ...	22
Section 1.20 - Americans with Disabilities Act .....	22
<b>SECTION 2.0 - TAXICABS .....</b>	<b>23</b>
Section 2.1 - Types of Service.....	23
Section 2.2 - Rates of Fare.....	23
Section 2.3 - Equipment and Specifications.....	25
Section 2.4 - Operating Regulations.....	27
Section 2.5 - Stands .....	29
Section 2.6 - Radio Services .....	30
Section 2.7 - Driver Safety Requirements .....	31



<b>SECTION 3.0 - CHARTER VEHICLES .....</b>	<b>32</b>
Section 3.1 - Rates of Fare.....	32
Section 3.2 - Operating Regulations.....	32
<b>SECTION 4.0 - SIGHTSEEING VEHICLES .....</b>	<b>33</b>
Section 4.1 - Rates of Fare.....	33
Section 4.2 - Operating Regulations.....	33
<b>SECTION 5.0 - NONEMERGENCY MEDICAL VEHICLES .....</b>	<b>34</b>
Section 5.1 - Rates of Fare.....	34
Section 5.2 - Operating and Equipment Regulations.....	34
Section 5.3 - Driver Identification Cards.....	34
<b>SECTION 6.0 - JITNEY VEHICLES .....</b>	<b>35</b>
Section 6.1 - Rates of Fare.....	35
Section 6.2 - Jitney Routes.....	35
Section 6.3 – Operating Regulations.....	36
Section 6.4 - Jitney Holding Zones.....	37
Section 6.5 - Equipment and Specifications.....	37
<b>SECTION 7.0 – LOW-SPEED VEHICLES .....</b>	<b>37</b>
Section 7.1 – Low-Speed Vehicle (LSV) Definition .....	38
Section 7.2 – Establishment of Zones .....	38
Section 7.3 – Zone Rates of Fare.....	38
Section 7.4 – Spare Vehicle Policy.....	38
Section 7.5 – LSV Driver Identification Cards.....	39
Section 7.6 - Equipment and Specifications .....	39
<b>SECTION 8 - EFFECTIVE DATE OF ORDINANCE .....</b>	<b>41</b>

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CODIFIED ORDINANCE NO. 11

*(as amended through October 18, 2012)*

An Ordinance Providing for the Licensing and the Regulating  
of Transportation Services Within the City By the Adoption  
of a Uniform Paratransit Ordinance

SECTION 1.0 - GENERAL REGULATIONS

Section 1.1 - Definitions

The following words and phrases, wherever used in this section, shall be construed as defined in this section, unless from the context a different meaning is intended, or unless a different meaning is specifically defined and more particularly directed to the use of such words or phrases.

- (a) "Association" shall mean an incorporated or unincorporated group of persons united for some purpose related to the operation of for-hire vehicles.
- (b) "Board" shall mean the Board of Directors of the San Diego Metropolitan Transit System.
- (c) A "low-speed vehicle" is a motor vehicle, other than a motor truck, having four wheels on the ground and an unladen weight of 1,800 pounds or less, that is capable of propelling itself at a minimum speed of 20 miles per hour and a maximum speed of 25 miles per hour, on a paved level surface. For the purposes of this section, a "low-speed vehicle" is not a golf cart, except when operated pursuant to California Vehicle Code Section 21115 or 21115.1.
- (d) "Charter vehicle" shall mean every vehicle which:
  - (1) Transports passengers or parcels or both over the public streets of the City;
  - (2) Is routed at the direction of the hiring passenger;
  - (3) Is prearranged in writing for hire;
  - (4) Is not made available through "cruising"; and
  - (5) Is hired by and at the service of a person for the benefit of himself or herself or a specified group.
- (e) "City" and "Cities" shall mean the incorporated areas of the Cities of El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, and Santee; and the unincorporated area of the county of San Diego within MTS's area of jurisdiction.
- (f) "Compensation" shall mean any money, thing of value, payment, consideration, reward, tip, donation, gratuity or profit paid to, accepted, or received by the driver or owner of any vehicle in exchange for transportation of a person, or persons; whether paid upon solicitation, demand or contract, or voluntarily, or intended as a gratuity or donation.

(g) "Cruising" shall mean the movement over the public streets of a taxicab or low-speed vehicle (LSV) in search of prospective passengers; except the term does not include either the travel of a taxicab or LSV proceeding to answer a call for service received by telephone or radio from an intended passenger or the travel of such a vehicle, having discharged a passenger or passengers, returning to the owner's place of business or to its established point of departure.

(h) "Days" shall mean working days, exclusive of weekends and holidays for which MTS offices are closed.

(i) "Doing business" shall mean accepting or soliciting passengers for hire in a City.

(j) "Driver" shall mean every person operating any for-hire vehicle.

(k) "Driver's identification card" shall mean license, issued pursuant to this Ordinance, which permits a person to drive a for-hire vehicle within the City.

(l) "Employ" as used in this Ordinance includes any form of agreement or contract under which the driver may operate the permit holder's for-hire vehicle.

(m) "Exclusive ride" shall mean exclusive use of a for-hire vehicle by one or more related passengers at a time.

(n) "For-hire vehicle" shall mean every vehicle, other than public transit vehicles or vehicles involved in an organized carpool not available to the general public, which is operated for any fare for compensation and used for the transportation of passengers over city public streets, irrespective of whether such operations extend beyond the boundary limits of said City. Such for-hire vehicles shall include taxicabs, vehicles for charter, jitneys, nonemergency medical vehicles, sightseeing vehicles, and LSVs.

(o) "Chief Executive Officer" shall mean the Chief Executive Officer of MTS or his or her designated representative.

(p) "Group ride" shall mean shared use of a taxicab or LSV where a group of related passengers enter at the same point of origin and disembark at the same destination and pay a single fare for the trip.

(q) "Hearing officer" shall mean any person or entity that meets the requirements of this ordinance and that has been retained to conduct administrative hearings.

(r) "Jitney" shall mean every vehicle which:

(1) Transports passengers or parcels or both over the public streets of the City;

(2) Follows a fixed route of travel between specified points with the fare based on a per capita charge established in its permit; and

(3) Is made available to boarding passengers at specified locations along its route on a variable schedule.

(s) "Medallion" shall mean the numbered plate, sticker, or decal issued by MTS to the permit holder which is displayed on a for-hire vehicle to indicate the authorized use or uses of that vehicle.

(t) "MTS" shall mean the San Diego Metropolitan Transit System Board, a public agency created pursuant to Public Utilities Code Section 120050 et seq.

(u) "MTS inspector" shall mean those individuals, regardless of job title, who are authorized by the Board, by ordinance, to enforce the provisions of this Ordinance.

(v) "Nonemergency medical vehicle" shall mean every vehicle which:

(1) Transports physically and/or mentally disabled persons who require supervision and/or specialized transportation equipment or assistance related to the disability, and such persons' attendants, over the public streets of the city.

(w) "Operate" or "Operating" shall refer to the solicitation or acceptance of a fare within City limits for compensation. It shall also include, as the context may require, the act of driving, managing or directing the utilization of one or more for-hire vehicles.

(x) "Owner" shall mean the person, partnership, association, firm or corporation that is the registered owner of any for-hire vehicle and that holds the right to use the vehicle for its advantage.

(y) "Passenger" shall mean every occupant other than the driver of the for-hire vehicle.

(z) "Permit" shall mean the authority under which a person, firm, partnership, association, or corporation may operate a for-hire vehicle as a business.

(aa) "Permit holder" shall mean any person or approved entity operating a business under a for-hire vehicle permit.

(bb) "Shared ride" shall mean nonexclusive use of a for-hire vehicle by two or more unrelated passengers traveling between different points of origins and/or destination, and traveling in the same general direction.

(cc) "Shifts" shall mean the minimum number of hours a permit holder or driver operates a for-hire vehicle.

(dd) "Sightseeing vehicle" shall mean every vehicle which:

(1) Transports passengers for sightseeing purposes of showing points of interest over the public streets of the City; and

(2) Charges a fee or compensation therefor; regardless of whether any fee or compensation is paid to the driver of such sightseeing vehicle, either by the passenger or by the owner or by the person who employs the driver or contracts with the driver or hires such sightseeing vehicle with a driver to transport or convey any passenger; and irrespective of whether or not such driver receives any fee or compensation for his or her services as driver.

(ee) "Stands" shall mean public areas designated for specific use of for-hire vehicles.

(ff) "Street" shall mean any place commonly used for the purpose of public travel.

(gg) "Taxicab" shall mean every vehicle other than a vehicle-for-charter, a jitney, a nonemergency medical vehicle, a sightseeing vehicle, or LSV which:

(1) Transports passengers or parcels or both over city public streets.

(2) Is made available for hire on call or demand through "cruising," at taxi stands or by telephone to destination(s) specified by the hiring passenger.

(hh) "Taximeter" shall mean any instrument, appliance, device, or machine by which the charge for hire of a passenger-carrying vehicle is calculated, either for distance traveled or time consumed, or a combination of both, and upon which such charge is indicated by figures.

(ii) "Vehicle" is a device by which any person or property may be propelled, moved, or drawn upon a street, excepting a device moved exclusively by human power or used exclusively upon stationary rails or tracks.

***(Section 1.1 amended 8/7/03)***

***(Section 1.1 amended 11/14/02)***

***(Section 1.1 amended 6/24/99)***

***(Sections 1.1(d), 1.1(R)(1) amended 6/22/95)***

***(Section 1.1 amended 1/12/95)***

***(Section 1.1 amended 6/27/91; effective 7/27/91)***

***(Section 1.1 amended 5/23/91; effective 6/23/91)***

#### **Section 1.2 - Operating Permits**

(a) No person shall engage in the business of operating any for-hire vehicle or in the business of providing any vehicle for the operation of vehicle for-hire services within the cities without first having obtained an operating permit from the Chief Executive Officer or his designated representative, which permit has not been revoked, suspended or otherwise canceled or terminated by operation of law or otherwise. A separate permit is required for each for-hire vehicle operated or provided for operation.

(b) An operating permit represents the granting of a privilege to operate a for-hire vehicle within the cities or zones specified by the permit for the purpose of the public convenience and necessity. This privilege may be rescinded at any time by operation of law or otherwise.

(c) A person who obtains an operating permit shall be responsible for the provision of vehicle-for-hire services in accordance with the provisions of this ordinance and shall exercise due diligence to assure that drivers of the permitted vehicles adhere to all pertinent requirements of this ordinance.

***(Section 1.2 amended 8/7/03)***

***(Section 1.2 amended 11/14/02)***

***(Section 1.2 amended 6/24/99)***

#### **Section 1.3 - Application for Permit**

(a) All persons applying to the Chief Executive Officer for permit(s) for the operation of one or more for-hire vehicles shall file with the Chief Executive Officer a sworn application therefore on forms provided by the Chief Executive Officer, stating as follows:

(1) The applicant name, company name (doing business as, mailing and business address (a business address is not a Post Office [PO] Box), and telephone number of the permit applicant;



- (2) The number of permitted vehicles actually owned and operated by such owner on the date of application, if any;
- (3) The name and address of all legal and registered owner(s) of the vehicle(s);
- (4) The name and address of each person with a financial interest in the business which operates the vehicle;
- (5) Data sufficient to establish the applicant's financial responsibility;
- (6) The number of vehicle(s) for which a permit(s) is desired;
- (7) The intended make, type, year of manufacture and passenger seating capacity of each vehicle for which application for permit is made;
- (8) The rates of fare which the applicant proposes to charge for vehicle-for-hire services;
- (9) A description of the proposed color scheme, insignia, trade style, or any other distinguishing characteristics of the proposed vehicle design;
- (10) Where the application is for a limited permit or LSV, a detailed description of the geographic area in which said permit shall be in existence; and
- (11) Such other information as the Chief Executive Officer may in his or her discretion require.

(b) The applicant shall also submit, with the application, a nonrefundable application fee prior to the permit approval. Upon issuance of the permit, the applicant shall also pay an initial nonrefundable permit vehicle regulatory fee to be determined by the Chief Executive Officer in order to recover the cost of processing such applications.

***(Section 1.3 amended 11/15/12)***

***(Section 1.3 amended 8/7/03)***

***(Section 1.3 amended 11/14/02)***

#### **Section 1.4 - Issuance of Permit**

(a) The Board shall, in its discretion, determine the total number of for-hire vehicle permits to be granted.

(b) The Chief Executive Officer shall, in accordance with Board policy, determine the number of permits to be granted any applicant(s) and approve permits for any applicant(s) subject to such conditions as the Board may deem advisable or necessary in the public interest. Before a permit may be approved, the applicant shall pay an initial regulatory fee in an amount to be determined by the Chief Executive Officer.

(c) The Chief Executive Officer shall deny the approval of a permit upon making a finding:

- (1) That the applicant is under twenty-one (21) years of age; or
- (2) That within the five (5) years immediately preceding the processing of the application, the applicant has been convicted of, or held by any final administrative determination to

have been in violation of any statute, ordinance, or regulation reasonably and rationally pertaining to the same or similar business operation which would have resulted in suspension or revocation of the permit in accordance with Section 1.13 of this Ordinance. For purposes of this section, a plea or verdict of guilty, a finding of guilty by a court, a plea of nolo contendere or a forfeiture of bail shall be deemed a conviction; or

(3) That the applicant provided false information of a material fact in an application within the past five (5) years.

(d) All permits shall be renewable annually upon payment of a regulatory fee in an amount and on a date to be determined by the Chief Executive Officer.

(e) No permit shall be approved or renewed for any person who has not fully complied with all of the requirements of this Ordinance and all other applicable laws and/or regulations necessary to be complied with before commencement of the operation of the proposed service.

(f) When the permit has been approved and upon determination by the Chief Executive Officer that the color scheme and the company name (doing business as) are sufficiently distinctive so as not to cause confusion with other for-hire vehicles already operating, and that the for-hire vehicle, after appropriate inspection, meets the requirements of this Ordinance, the Chief Executive Officer will issue a numbered medallion(s) to be affixed to the for-hire vehicle.

***(Section 1.4 amended 11/15/12)***

***(Section 1.4 amended 11/14/02)***

#### **Section 1.5 - Transfer and Administration of Permits**

(a) Each permit issued pursuant to the provisions of this section is separate and distinct and shall be transferable from the permit holder to another person or entity only with the approval of the Chief Executive Officer. City of San Diego taxicab permits represented by medallion numbers 0001 through 1199 may be transferred only after the passage of one (1) year from the date a permit was issued to the current permit holder. All other City of San Diego taxicab permits and LSV permits shall be transferable only after the passage of five (5) years from the date a permit was issued to the current permit holder. All taxicab permits may be transferred upon the verifiable death or permanent disability of the current permit holder. The transferability of permits may be limited by policy of the Board established by resolution.

(b) In the event that the permit holder is a corporation, partnership or legal entity other than a natural person, prior approval of the Chief Executive Officer shall be required for any transfer or acquisition of majority ownership or control of that corporation, partnership or legal entity to a person or group of persons acting in concert, none of whom already owns or controls a majority interest. Any such acquisition or transfer occurring without prior approval of the Chief Executive Officer shall constitute a failure to comply with a provision of this section.

(c) The proposed transferee shall file with the Chief Executive Officer a sworn application for the transfer and shall comply with the requirements of Section 1.3. The permit holder shall certify in writing that the permit holder has notified the proposed transferee of the requirements of this section pertaining to the transfer of a permit. Whenever an application for a transfer of permit is filed, the Chief Executive Officer shall process the application for transfer in accordance with Section 1.4 of this Ordinance.

(d) The Chief Executive Officer shall charge regulatory fees to affect the full cost recovery of activities associated with the administration, regulation, issuance, or transfer of for-hire vehicle permits and associated records.

(1) Changes in fee schedules affecting permits shall be mailed to all permit holders. Changes shall be effective thirty (30) calendar days thereafter.

(2) Any person objecting to a particular fee or charge may file, within ten (10) days of the mailing of such changes, an appeal for review with the Chief Executive Officer who shall thereafter process it in accordance with Section 1.17; provided, however, that the sole issue to be determined on review is whether the fee or charge exceeds the reasonable costs for personnel salaries and administrative overhead associated with the particular administrative service or function.

**(Section 1.5 amended 8/7/03)**

**(Section 1.5 amended 11/14/02)**

#### Section 1.6 - Limited Permits

(a) The Chief Executive Officer may approve permits which are limited in duration of time and/or limited to a specific geographical area of the cities. Applicants for limited permits must submit all relevant information as set forth in Section 1.3 (a), Subsections (1) through (11), and shall state specifically the appropriate time and/or the geographical limitations. In addition to the requirements set forth in this section, services operating pursuant to a limited permit shall:

(1) Commence operations at the specified date approved by the Chief Executive Officer and cease operations at the ending date approved by the Chief Executive Officer;

(2) Pick up passengers only in the specified geographical area of the City approved by the Chief Executive Officer and shall not pick up passengers under any circumstances outside the specified geographical area;

(3) Be allowed to transport passengers from a specified geographical area to points within or outside the area;

(4) Prominently display on the vehicle the geographical area of the City in which the driver is authorized to pick up passengers; and

(5) Be subject to each and every provision relating to the operation of a for-hire vehicle as if granted a regular permit for the operation of a for-hire vehicle.

**(Section 1.6 amended 11/14/02)**

#### Section 1.7 - Blank

The text of Section 1.7 is deleted in its entirety effective October 24, 1998.

**(Section 1.7 was deleted 9/24/98)**

#### Section 1.8 - Equipment and Operating Regulations

(a) No medallion shall be issued for a vehicle unless the vehicle conforms to all the applicable provisions of this Ordinance.

(b) The privilege of engaging in the business of operating a for-hire vehicle in a City granted in the permit is personal to the permit holder, who must be the owner of the for-hire vehicle. The rights, requirements, and responsibilities which attach to the permit remain with the holder at all times the

for-hire vehicle is operated under the authority of the permit. These rights, requirements and responsibilities, which include, but are not limited to, the requirements of this Ordinance, will remain unaffected by any agreement or contractual arrangement between the permit holder and those persons who operate for-hire vehicles, irrespective of the form or characterization of the agreement under which the driver operates the for-hire vehicle.

(c) The permit holder shall maintain a business address, a mailing address where he or she can accept mail directed to his or her company, and a business telephone in working order which must be answered during normal business hours, Monday through Friday, and during all hours of operation. The permit holder shall, in the case of any change in his or her business address, mailing address, or business telephone, notify the Chief Executive Officer in writing of such change within forty-eight (48) hours of the effective date of this change.

(d) Before a for-hire vehicle is placed in service and at least annually thereafter, the for-hire vehicle shall be delivered to a place designated by the Chief Executive Officer for inspection. All new permit holders are required to observe at least one full vehicle inspection as part of the initial permit issuance. MTS inspectors shall inspect the for-hire vehicle and its equipment to ascertain whether the vehicle complies with the provisions of this Ordinance. Failure to produce the vehicle for inspection shall be cause for suspension or revocation of the permit for such vehicle.

(e) Any MTS inspector or peace officer, after displaying proper identification, may make reasonable and periodic inspections of any for-hire vehicle operating under an MTS permit for the purpose of determining whether the vehicle is in compliance with the provisions of this Ordinance.

(f) Any for-hire vehicle which fails to meet the requirements of the California Vehicle Code or this section after inspection shall be immediately ordered out-of-service by an MTS inspector or Peace Officer if it is unsafe for service. Ordering a vehicle out-of-service does not constitute a suspension or revocation of the permit. A vehicle is deemed unsafe for service when any of the following conditions exists:

- (1) Tires fail to meet the requirements of the California Vehicle Code;
- (2) Headlights, taillights or signal lights are inoperable during hours of darkness (sunset to sunrise);
- (3) Windshield wipers are inoperable during rain conditions;
- (4) Meter is not working or the seal is broken;
- (5) Brakes, brake lights or brake system are inoperable or otherwise fail to meet the requirements of the California Vehicle Code;
- (6) Excessive play in steering wheel exceeding three (3) inches;
- (7) Windshield glass contains cracks or chips that interfere with driver's vision;
- (8) Any door latch is inoperable from either the interior or exterior of the vehicle;
- (9) Any seat is not securely fastened to the floor;
- (10) Seat belts, when required, fail to meet requirements of the California Vehicle Code;

(11) Either side or rearview mirrors are missing or defective; and

(12) Any other condition which reasonably and rationally pertains to the operating safety of the vehicle or to passenger or pedestrian safety.

(g) If the vehicle is not unsafe but is unsuitable or otherwise in violation of this Ordinance, the operator or permit holder, as appropriate, shall be issued a notice to correct said violation within seventy-two (72) hours.

(1) Failure to correct such violation within the seventy-two (72) hours shall then be cause to order the vehicle out-of-service. When a vehicle is ordered out-of-service, the medallion shall be immediately removed.

(2) Before the vehicle may again be placed in service, the violation shall be corrected and the vehicle shall be inspected by an MTS inspector.

(3) The medallion shall be reaffixed when the MTS inspector finds that the vehicle meets prescribed standards.

(h) The interior and exterior of the for-hire vehicle shall be maintained in a safe and efficient operating condition, and meet California Vehicle Code requirements and the requirements of this Ordinance at all times when in operation. The following minimum vehicle standards must be maintained to comply with this section:

(1) Wheels. Hubcaps or wheel covers shall be on all wheels for which hubcaps or wheel covers are standard equipment.

(2) Body Condition. There shall be no tears or rust holes in the vehicle body and no loose pieces hanging from the vehicle body. Fenders, bumpers, and light trim shall be securely fixed to the vehicle. No extensive unrepaired body damage shall be allowed. The vehicle shall be equipped with front and rear bumpers. The exterior of the vehicle shall be maintained in a reasonably clean condition so as not to obscure the approved color scheme and/or vehicle markings.

(3) Paint. The vehicle shall be painted and marked in accordance with the color scheme approved under Section 1.4 (f) of this Ordinance. Paint and markings may not be faded or deteriorated in such a manner as to preclude immediate recognition of the approved color scheme.

(4) Lights. Headlights shall be operable on both high and low beam. Taillights, parking lights, signal lights, and interior lights shall all be operable.

(5) Wipers. Each vehicle shall be equipped with adequate windshield wipers maintained in good operating condition.

(6) Brakes. Both the parking and hydraulic or other brake system must be operable.

(7) Steering. Excessive play in the steering mechanism shall not exceed three (3) inches free play in turning the steering wheel from side to side.

(8) Engine. The engine compartment shall be reasonably clean and free of uncontained combustible materials.



(9) Mufflers. Mufflers shall be in good operating condition.

(10) Windows. The windshield shall be without cracks or chips that could interfere with the driver's vision. All other windows shall be intact and able to be opened and closed as intended by the manufacturer. The windows and windshield shall be maintained in a reasonably clean condition so as not to obstruct visibility.

(11) Door Latches. All door latches shall be operable from both the interior and exterior of the vehicle.

(12) Suspension. The vehicle's suspension system shall be maintained so that there are no sags because of weak or broken springs or excessive motion when the vehicle is in operation because of weak or defective shock absorbers.

(13) Seats. All seats shall be securely fastened. Seat belts, when required by the California Vehicle Code, shall be installed. The upholstery shall be free of grease, holes, rips, torn seams, and burns.

(14) Interior. The interior of each vehicle and the trunk or luggage area shall be maintained in a reasonably clean condition, free of foreign matter, offensive odors, and litter. The seats shall be kept reasonably clean and without large wear spots. The door handles and doors shall be intact and clean. The trunk or luggage area shall be kept empty except for spare tire and personal container for the driver not exceeding one (1) cubic foot in volume and emergency equipment, to allow maximum space for passenger luggage and belongings.

(i) Each for-hire vehicle except taxicabs shall contain:

(1) A fire extinguisher of the dry chemical or carbon dioxide type with an aggregate rating of at least 5 B/C units and a current inspection card affixed to it.

(2) A minimum of three (3) red emergency reflectors.

(3) A first-aid kit containing medical items to adequately attend to minor medical problems.

(j) In the event that a for-hire vehicle for which a permit has been approved is taken out of service, the permit holder may utilize a spare for-hire vehicle which has been duly inspected by an MTS inspector and approved prior to use. The permit holder must immediately inform an MTS inspector when a spare for-hire vehicle is in use and the location of the disabled vehicle. The spare vehicle will be issued a "spare vehicle" sticker which must be affixed to the left rear portion of the for-hire vehicle for which it is approved, in plain view from the rear of the for-hire vehicle. The permit holder may utilize one (1) spare for-hire vehicle for a period not to exceed sixty (60) days. This subsection shall not be construed, nor deemed to replace, those provisions in this Ordinance which apply to permanent replacement of a for-hire vehicle.

(k) The medallion issued to the permit holder must be affixed by an MTS inspector on the for-hire vehicle for which the permit is approved in plain view from the rear of the for-hire vehicle. The permit holder must immediately report the loss, destruction, or defacing of a medallion to the Chief Executive Officer. Except as provided in Subsection (j), it shall be unlawful to operate a for-hire vehicle without the medallion affixed and visible.

(l) There shall be displayed in the passenger compartment of each for-hire vehicle between the sun visors, in full view of the passengers in the front and rear seats, a card not less than ten (10) inches wide by six (6) inches high in size. Posted on this card, utilizing "Universe" font in black ink on white background, shall be:

1) The first line of the card, 3/4 inch in height, shall say one of the following according to permit type: TAXICAB, SIGHTSEEING, CHARTER, NONEMERGENCY, LOW-SPEED VEHICLE, OR JITNEY LOST AND FOUND.

2) Below this, the card shall include the vehicle medallion number in three-inch numerals.

3) Below the medallion number, the name, address, and phone number of the MTS Taxicab Administration and the permit holder and/or permit holder trade name shall be printed, 1/4-inch in height.

4) No other signs, markings, lettering, decals, or any type of information shall be displayed within 18 inches around the above sign.

5) No other signs, markings, lettering, decals or any type of information except the rates of fare and the tire size specifications required by San Diego County Weights and Measures shall be posted within the area 18 inches around the taxicab meter.

(m) There shall be carried either on the person of the driver or in each for-hire vehicle, a map of the City, published within the past two (2) years, which shall be displayed to any passenger upon request.

(n) The rates of fare charged for for-hire vehicle services shall be clearly displayed in the passenger compartment.

(o) Each for-hire vehicle licensed to operate in the City shall have located in a convenient place in the driver's compartment, in full view of the passengers, a container of type and design approved by the Chief Executive Officer. The container shall contain a card provided by the Sheriff of the County of San Diego or by the Chief Executive Officer. The card shall be visible to passengers and shall bear the following information:

(1) The number of the license of the driver;

(2) The name and business address of the driver;

(3) The name of the owner of the vehicle; and

(4) A small photograph of the driver.

(p) Each for-hire vehicle shall be equipped with a rearview mirror affixed to the right side of the vehicle, as an addition to those rearview mirrors otherwise required by the California Vehicle Code.

(q) The driver shall offer each passenger a receipt upon payment of the fare. The receipt shall accurately show the date, the amount of the fare, the medallion number, the trade name, and the name and signature of the driver.

(r) All disputes to fare shall be determined by the peace officer or MTS inspector most readily available where the dispute is had. It shall be unlawful for any person to fail or refuse to comply with such determination by the peace officer or MTS inspector.

(s) It is unlawful for any person to refuse to pay the lawful fare of a for-hire vehicle after employing or hiring the same.

(t) The driver of any for-hire vehicle shall promptly obey all lawful orders or instructions of any peace officer, fire fighter, or MTS inspector.

(u) No driver of any for-hire vehicle shall transport any greater number of persons, including the driver, than the manufacturer's rated seating capacity for the vehicle.

(v) It shall be unlawful for any person to solicit business for a for-hire vehicle by making a contract or agreement with any owner of any hotel, apartment house, motel, inn, rental units, restaurant, or bar, or with the agent or employees of such owner, by which the owner, agent or employee receives any type of payment or commission for recommending or directing any passenger to a specific for-hire vehicle or company. It shall be unlawful for any permit holder, association, or driver to have or make a contract or agreement with any owner of any hotel, apartment house, motel, inn, rental units, restaurant, or bar, or with the agents or employees of such owner, by which the permit holder, association or driver receives any type of payment or commission for recommending or directing any passenger to an establishment operated by a specific owner.

(w) The driver of a for-hire vehicle shall wear, in a manner clearly visible on their person, an identification card approved by the Chief Executive Officer.

(x) The Board specifically finds that the dress, grooming, and conduct of for-hire vehicle drivers affect the public health and safety, particularly as it relates to visitors and the tourist industry. Therefore, while driving or operating a for-hire vehicle, drivers shall be hygienically clean, well groomed and neat, and suitably dressed. Violations of this subsection are administrative in nature and shall not be the subject of criminal prosecution.

(1) The term "hygienically clean" shall refer to that state of personal hygiene, body cleanliness, and absence of offensive body odor normally associated with bathing or showering on a regular basis.

(2) The term "well-groomed" shall mean that male drivers shall be clean-shaven, except for those parts of the face where a beard or mustache is worn and their hair shall be neatly trimmed; beards or mustaches shall be groomed and neatly trimmed at all times in order not to present a ragged appearance. For all drivers, it shall mean that scalp or facial hair shall be combed or brushed and that all clothing is clean, free from soil, grease and dirt, and without unrepaired rips or tears.

(3) The term "neat and suitably dressed" shall be interpreted to require that a driver shall be fully covered by clothing at a minimum from a point not to exceed four (4) inches above the center of the kneecap to the base of the neck, excluding the arms. Drivers shall wear shoes. It shall not be permissible for any driver to wear as an outer garment any of the following: undershirt or underwear, tank tops, body shirts (see-through mesh), swim wear, jogging or warm-up suits or sweatshirts or similar attire, jogging or bathing shorts or trunks, or sandals. Trouser-type shorts that are no shorter than four inches above the center of the kneecap are permissible.

(y) The color scheme of a for-hire vehicle may not be changed without the prior written permission of the Chief Executive Officer.

(z) For-hire vehicles shall comply with the California Vehicle Code, e.g., not impede traffic, and, where applicable, not operate on streets where posted speed limits are above 35 miles per hour. For-hire vehicle drivers, including taxicab, shall not load or unload passengers in traffic lanes.

**(Section 1.8 amended 8/7/03)**

**(Section 1.8 amended 11/14/02)**

**(Section 1.8 amended 9/24/98)**

**(Section 1.8 amended 2/13/97)**

**(Section 1.8 amended 6/24/93)**

#### Section 1.9 - Public Liability

(a) It shall be unlawful to operate a for-hire vehicle unless the permit holder establishes and maintains in effect one of the forms of financial responsibility specified in this section.

(1) This requirement may be met by maintaining a valid policy of insurance executed and delivered by a company authorized to carry on an insurance business in the State of California, the financial responsibility of which company has been approved by the Chief Executive Officer. The terms of the policy shall provide that the insurance company assumes financial responsibility for injuries to persons or property caused by the operation of the for-hire vehicle in an amount determined by the Chief Executive Officer.

(2) The permit holder may also meet this requirement by obtaining a certificate of self-insurance for a specified amount approved by the Board and pursuant to the applicable provisions of the California Vehicle Code.

(b) A valid proof of insurance issued by the company providing the insurance policy required under Subsection (a) (1) of this section shall be filed with and approved by the Chief Executive Officer. This certificate shall provide that MTS is a named certificate holder and shall be placed in each vehicle, per California Vehicle Code Section 16020. It shall also provide that the insurer will notify MTS of any cancellation and that the cancellation notice shall be in writing and shall be sent by registered mail at least thirty (30) days prior to cancellation of the policy. The certificate shall also state:

- (1) The full name of the insurer;
- (2) The name and address of the insured;
- (3) The insurance policy number;
- (4) The type and limits of coverage;
- (5) The specific vehicle(s) insured;
- (6) The effective dates of the certificate; and
- (7) The certificate issue date.

**(Section 1.9 amended 11/14/02)**

#### Section 1.10 - Financial Ownership and Operating Records: Reporting Requirements

(a) Every person engaged in the business of operating a for-hire vehicle within the City under a permit granted by the Chief Executive Officer shall maintain:

(1) Financial records, including but not limited to the current taxicab driver lease agreement, in accordance with good accounting practices;

(2) Ownership records; and

(3) Operating records in a form, and at intervals, which shall be determined from time to time by the Chief Executive Officer.

(b) Ownership and operating records shall be made available to the Chief Executive Officer upon demand at any reasonable time. The permit holder shall retain operating records for a minimum of six (6) months from the date the records are created.

(c) For purposes of this section, ownership records shall include, but are not limited to, the following:

(1) Copies of the Articles of Incorporation as filed with the Secretary of State of California;

(2) Records identifying all corporate officers and members of the corporation's Board of Directors. A corporation shall report any change in corporate officers or members of its Board of Directors to MTS within ten (10) days of the effective date.

(3) A stock register recording the issuance or transfer of any shares of the corporate stock; and

(4) The registration cards issued by the State of California Department of Motor Vehicles to the vehicle owner for all for-hire vehicles operated under the authority of an MTS for-hire vehicle permit.

(d) For purposes of this section, operating records shall include, but are not limited to, the following:

(1) Typed or written dispatch records for taxicab or LSV companies which operate their own radio dispatch service;

(2) Any logs which a for-hire vehicle driver keeps describing the trips carried by a for-hire vehicle other than a taxicab;

(3) Copies of the daily trip log required by taxicab or LSV drivers under Section 2.4 (p); and

(4) Any other similar records.

(e) Between January 1 and December 31 of each calendar year, every permit holder shall file with the Chief Executive Officer a signed statement which shall report and attest to the accuracy of the following information:

(1) The individual name(s), business name, business address, and telephone number of the permit holder(s);

(2) The name and address of all legal and registered owner(s) of the for-hire vehicle(s);

(3) The name and address of each person with a financial interest in the business which operates the vehicle(s); and



(4) The year, manufacturer, model, vehicle identification number, license plate, and medallion number affixed to the permitted vehicle(s).

(f) If the permit holder is an individual, the permit holder must appear in person in the offices of MTS to file the statement; if the permit holder is a partnership, one of the partners must appear in person in the offices of MTS to file the statement; if the permit holder is an association or corporation, an officer of the association or corporation authorized to represent the company must appear in person in the offices of MTS to file the statement.

**(Section 1.10 amended 8/7/03)**

**(Section 1.10 amended 11/14/02)**

**(Section 1.10 amended 6/24/93)**

#### **Section 1.11 - Destruction, Permanent Replacement or Retirement of For-Hire Vehicles**

(a) Whenever a for-hire vehicle is destroyed, rendered permanently inoperative, is sold, or the permit holder is no longer the owner of the for-hire vehicle, the permit holder shall notify the Chief Executive Officer in writing within forty-eight (48) hours.

(b) A replacement vehicle must be placed in service within sixty (60) days of the date the original vehicle is removed from service unless prior written permission has been obtained from the Chief Executive Officer. It is the intent of this section that the Chief Executive Officer, in granting such permission, gives due consideration to the operating situation of the permit holder on a case-by-case basis.

The following guidelines are to be used in granting permission for a permit holder to take longer than sixty (60) days in placing a replacement vehicle in service.

(1) The permit holder must submit a written request for an extension of time, stating the specific reason(s) additional time is required and identifying a plan and timetable for placing the replacement vehicle in service. Written documents sufficient to substantiate the factual information contained in the request should also be submitted.

(2) The plan and timetable submitted must reflect a reasonable approach for placing the vehicle in service within the shortest possible time frame.

(3) An additional period of time, not to exceed sixty (60) calendar days, may be granted to a permit holder in case of severe personal illness or other similar hardship.

(4) An additional period of time, not to exceed thirty (30) calendar days, may be granted to a permit holder in case of extensive vehicle repairs or other similar reasons.

(5) No extensions will be granted to any permit holder who is unable to meet the basic operational costs, including liability insurance, regulatory fees, and normal maintenance and repairs of operating a for-hire vehicle.

(6) No more than one (1) extension will be granted for each vehicle in a single twelve (12) month period.

(c) The Chief Executive Officer shall, as a matter of owner right, allow the replacement of a vehicle which is destroyed, rendered inoperative, sold or transferred, provided that the permit holder has complied with, and the for-hire vehicle is in conformance with, all applicable provisions of this

Ordinance. An owner must remove the markings from the vehicle that indicate it is a taxicab or LSV before the owner disposes of it.

(d) When a permit holder retires any for-hire vehicle or vehicles from service and does not replace them within sixty (60) days, the permit for each such retired for-hire vehicle shall be considered abandoned and will be void. The permit holder shall immediately surrender each related medallion to the Chief Executive Officer. Such abandoned permits may not be restored by any means other than through application for new permits in the manner provided in this Ordinance.

**(Section 1.11 amended 8/7/03)**

**(Section 1.11 amended 11/14/02)**

**(Section 1.11 amended 2/13/97)**

#### **Section 1.12 - Driver's Identification Cards**

(a) No person shall drive or operate any for-hire vehicle under the authority of a permit granted under this Ordinance unless such person has and displays a valid driver's identification card obtained annually through the Sheriff of the County of San Diego.

(b) No permit holder shall employ as a for-hire vehicle driver or operator any person who has not obtained a for-hire vehicle driver's identification card through the Sheriff of the County of San Diego.

(c) No permit holder shall employ as a driver or operator any person whose privilege to operate a for-hire vehicle within the City has expired, or has been revoked, denied or suspended or prohibited.

(d) A driver may drive for more than one permit holder. The driver must, however, have on file with and accepted by the Sheriff of the County of San Diego, a separate application on forms provided by the Sheriff, for each permit holder with whom he has a current driving agreement. A driver may have on file with the Sheriff a maximum of four (4) such applications at any one time. It shall be unlawful for a driver to accept or solicit passengers for hire in the City while operating the taxicab or LSV of any permit holder for whom the driver does not have such an application on file with the Sheriff.

(e) No person shall drive or operate any for-hire vehicle, except nonemergency medical, under the authority of a permit granted under this Ordinance unless such person has successfully completed an MTS-approved driver training course concerning driver safety, rules, and regulations. Map reading, crime prevention, courtesy and professionalism and a corresponding qualification examination.

(f) No person who has received a notice of prohibition pursuant to Section 1.14, or whose privilege to operate a for-hire vehicle within the City has expired, or has been suspended, revoked or denied by the Sheriff or the Chief Executive Officer shall drive or operate a for-hire vehicle within the City.

(g) No for-hire vehicle driver's identification card shall be issued or renewed to any of the following persons:

(1) Any person under the age of twenty-one (21) years.

(2) Any person who has been convicted of a felony involving a crime of force or violence against any person, or the theft of property, unless five (5) years have elapsed since his or her

discharge from a penal institution or satisfactory completion of probation for such conviction during which period of time his or her record is good.

(3) Any person who has been convicted of assault, battery, resisting arrest, any infraction, misdemeanor, or felony involving force and violence, or any crime reasonably and rationally related to the paratransit industry or any similar business operation which bears upon the integrity or ability of the driver to operate a for-hire vehicle business and transport passengers, unless five (5) years shall have elapsed from the date of discharge from a penal institution or the satisfactory completion of probation for such conviction.

(4) Any person who, within the five (5) years immediately preceding the processing of the application, has been convicted of or held by any final administrative determination to have been in violation of any statute, ordinance, or regulation reasonably and rationally related to the for-hire vehicle industry or any similar business operation which would have authorized the suspension or revocation of the driver's identification card in accordance with Section 1.14 of this Ordinance.

(5) Any person who is required to register as a sex offender pursuant to the California Penal Code.

(6) Any person who has provided false information of a material fact in their application within the past five (5) years.

(7) No person shall obtain or renew a driver's identification card unless such person has successfully completed a personal safety training course approved by the Chief Executive Officer.

(8) When a driver permanently no longer drives for an MTS Taxicab Administration permit holder, the permit holder shall report this to the Sheriff's Department within 10 calendar days.

(h) The Sheriff is authorized to issue temporary for-hire vehicle driver identification cards pending the approval or denial of an application for a regular for-hire vehicle driver identification card. No temporary for-hire vehicle driver identification card shall be issued without the satisfactory completion of a local law enforcement agency record check of the applicant. Any temporary identification card so issued shall be valid for a period not to exceed ninety (90) days or until the date of approval or denial of the application for a regular for-hire vehicle driver identification card, whichever shall occur first. The issuance of a temporary identification card hereunder shall not authorize the operation of a for-hire vehicle following the denial of the application while pending the resolution of any appeal otherwise provided for in Section 1.16 of this Ordinance.

(1) The Sheriff or the Chief Executive Officer shall establish nonrefundable filing fees to defray the costs of processing regular and temporary driver identification cards.

***(Section 1.12 amended 11/15/12)***

***(Section 1.12 amended 8/7/03)***

***(Section 1.12 amended 11/14/02)***

***(Section 1.12 amended 9/24/98)***

***(Section 1.12 amended 10/30/97)***

***(Section 1.12 amended 11/9/95)***

#### **Section 1.13 - Suspension and Revocation of Permit**

(a) Permits may be suspended or revoked by the Chief Executive Officer at any time in case:

(1) The Chief Executive Officer finds the permit holder's past record to be unsatisfactory with respect to satisfying the provisions of this Ordinance.

(2) The permit holder fails to comply with the applicable provisions of this Ordinance.

(3) The drivers of the for-hire vehicle or vehicles fail to act in accordance with those provisions of this Ordinance which govern driver actions. The permit holder shall have strict liability in this regard; however, this provision shall not restrict the Chief Executive Officer's ability to penalize a driver for violations of those provisions of this Ordinance which govern driver actions.

(4) The owner shall cease to operate any for-hire vehicle for a period of sixty (60) consecutive days without having obtained written permission for cessation of such operation from the Chief Executive Officer. It is the intent of this section that the Chief Executive Officer, in granting such permission, gives due consideration to the operating situation of the permit holder on a case-by-case basis.

The following guidelines are to be used in granting permission for a permit holder to cease operating a for-hire vehicle for a period longer than sixty (60) days.

(a) The permit holder must submit a written request for an extension of time, stating the specific reason(s) additional time is required and identifying a plan and timetable for placing the vehicle back in service. Written documents sufficient to substantiate the factual information contained in the request should also be submitted.

(b) The plan and timetable submitted must reflect a reasonable approach for placing the vehicle back in service within the shortest possible time frame.

(c) An additional period of time, not to exceed sixty (60) calendar days, may be granted to a permit holder in case of severe personal illness or other similar hardship.

(d) An additional period of time, not to exceed thirty (30) calendar days, may be granted to a permit holder in case of extensive vehicle repairs or other similar reasons.

(e) No extension will be granted to any permit holder who is unable to meet the basic operational costs including liability insurance, regulatory fees, and normal maintenance and repairs of operating a for-hire vehicle.

(f) No more than one (1) extension in time will be granted for each vehicle permit in a single twelve (12) month period.

(5) The for-hire vehicle or vehicles, if operated as other than a taxicab, are operated at a rate of fare other than those fares on file with the Chief Executive Officer.

(6) The for-hire vehicle or vehicles, if operated as a taxicab or LSV, are operated at a rate of fare greater than those fares on file with the Chief Executive Officer or posted on the taxicab or LSV pursuant to Section 2.2 (b) of this Ordinance.

(7) The for-hire vehicle or vehicles, if operated as a taxicab or LSV, are operated at a rate of fare greater than current maximum rate established by the Board pursuant to Section 2.2(a) of this Ordinance.

(8) The permit holder fails to begin operating the for-hire vehicle for which the permit is first approved within ninety (90) days after the approval date.

(9) The permit holder has been convicted of assault, battery, resisting arrest, any infraction, misdemeanor, or felony involving force and violence, or any crime reasonably and rationally related to the paratransit industry or any similar business operation which bears upon the integrity or ability of the applicant or permit holder to operate a for-hire vehicle business and transport passengers, unless five (5) years shall have elapsed from the date of discharge from a penal institution or the satisfactory completion of probation for such conviction.

(10) The permit holder has been convicted of a crime that would require a person to register as a sex offender under the California Penal Code. For purposes of this section, a plea or verdict of guilty, a finding of guilt by a court, a plea of nolo contendere or a forfeiture of bail shall be considered a conviction.

(a) A permit holder shall be notified in writing within 10 working days when a credible complaint has been filed with the Chief Executive Officer by a member of the public where such complaint involves the permit holder, the driver of the permitted for-hire vehicle, or the radio service to which the permit holder is subscribed. It shall be the responsibility of the permit holder to investigate the complaint and report in writing to the Chief Executive Officer within 30 days the result of the investigation and any corrective action taken or proposed. Where the complainant has agreed to the sharing of their identity, the results of the investigation, findings, and actions shall be communicated to the complainant.

(b) In the event the Chief Executive Officer finds a permit holder has failed to responsibly respond to notification of complaints or to initiate corrective action, the Chief Executive Officer shall issue a notice of proposed adverse action to the permit holder. If the circumstances of the complaint or subsequent investigation so warrant, the Chief Executive Officer may issue a notice of adverse action to a driver independently of or in conjunction with any adverse action proposed to the permit holder. The Chief Executive Officer shall refer to the Administrative Penalty Guidelines in determining a proposed adverse action.

(c) The permit holder or driver in receipt of a notice of proposed adverse action shall be given the opportunity to appear for an informal hearing before the Chief Executive Officer or his designated representative. Failure to appear will constitute waiver of the hearing. Following the hearing or waiver thereof, the Chief Executive Officer shall issue the notice of adverse action if justified by the facts. If the Chief Executive Officer determines that the performance of the permit holder or driver involves criminal activity or constitutes a serious degradation of the public safety, convenience, or necessity, a notice of adverse action may be issued and the action effected without hearing.

(d) Upon a finding by the Chief Executive Officer that a permit holder falls within the provisions of this section, the permit holder or driver shall be notified that his or her permit has been subjected to an adverse action and that the matter is such that the action may be appealed. In lieu of an action provided for in the Administrative Penalty Guidelines, the Chief Executive Officer may impose a fine or a fine and a period of suspension for any violation(s) of this Ordinance.

**(Section 1.13 amended 8/7/03)**

**(Section 1.13 amended 11/14/02)**

**(Section 1.13 amended 6/24/99)**

#### Section 1.14 - Suspension and Revocation of Driver's Identification Cards

(a) Driver's identification cards may be suspended or revoked by the Chief Executive Officer at any time in case:

(1) The Chief Executive Officer finds the driver's past record to be unsatisfactory with respect to satisfying the provisions of this Ordinance; or

(2) The driver fails to comply with the applicable provisions of this Ordinance; or

(3) Circumstances furnish grounds for the denial, suspension, revocation or refusal to renew the driver's identification card by the Sheriff under the terms of the applicable Ordinance of the County of San Diego; or

(4) His/her California Driver's License is revoked or suspended; or

(5) The driver is convicted of reckless driving or driving while under the influence of intoxicating liquors and/or narcotics; or

(6) The driver has been convicted of assault, battery, resisting arrest, any crime involving force and violence, or reasonably and rationally is related to the ability or integrity of the driver to operate a for-hire vehicle or transport passengers; or

(7) The driver has ever been convicted of a crime that requires registration under the California Penal Code as a sex offender.

(b) For purposes of Subsections (a) (1) through (a) (6) of this section, a plea of nolo contendere, or a forfeiture of bail shall be considered a conviction if it occurred within the five (5) years immediately preceding the date of application for a permit or identification card.

(c) Notwithstanding a driver's possession of a valid taxicab or LSV driver identification card, the Chief Executive Officer may deny, suspend, revoke, or refuse to renew the driver's privilege to operate a for-hire vehicle in the City if the driver falls within the provisions of this section. The Chief Executive Officer shall send a notice of prohibition the date postmarked to operate a taxicab or LSV to any holder of a Sheriff's driver identification card who is ineligible under Subsection (a) to operate a for-hire vehicle within the City limits. The notice of prohibition shall be appealable in accordance with Section 1.16.

**(Section 1.14 amended 8/7/03)**

**(Section 1.14 amended 11/14/02)**

**(Section 1.14 amended 6/24/99)**

#### Section 1.15 - Surrender of Medallion

(a) When a permit has been suspended or revoked, the operation of any for-hire vehicle authorized by such permit shall cease, and its medallion surrendered immediately to the Chief Executive Officer.

**(Section 1.15 amended 11/14/02)**



**Section 1.16 - Right of Administrative Appeal from Denial, Suspension or Revocation of Permit or Driver's Identification Card or Related Adverse Action**

(a) The permit holder or driver shall be notified that he or she may file with the Chief Executive Officer a written administrative appeal ten (10) days after delivery of the notice of revocation or suspension, or the denial of a license, permit, or driver's identification card, the notice of prohibition to operate or the imposition of a fine. The permit holder or driver shall set forth in the appeal the reasons why such action is not proper.

(b) If no administrative appeal is filed within the proper time, the permit or driver's identification card shall be considered revoked, suspended or denied, and shall be surrendered, the fine be imposed, as applicable, or the notice of prohibition to operate take effect.

(c) Except as provided in Subsection (d), once an administrative appeal is filed, the revocation or suspension of the permit or driver's identification card, the effect of the notice of prohibition to operate, or the imposition of the fine shall be stayed pending the final determination of the administrative appeal.

(d) If, in the Chief Executive Officer's opinion, the continued operation of a for-hire vehicle or possession of a driver's identification card represents an unsafe condition for any passenger or pedestrian, the revocation or suspension of the related permit, driver's identification card, or the effect of any notice of prohibition to operate shall not be stayed. A revocation or suspension of a permit imposed for failure to comply with Section 1.8 (f) or Section 1.9 is rebuttably presumed to represent an unsafe condition pending the determination of the appeal or the correction of the violation, whichever shall occur first. Notwithstanding, no medallion shall be reattached to a vehicle until the violation under Sections 1.8 (f) or 1.9 has been corrected.

***(Section 1.16 amended 8/7/03)***

***(Section 1.16 amended 11/14/02)***

**Section 1.17 - Procedure Upon Administrative Appeal**

(a) When an appeal is filed, the Chief Executive Officer shall review the appeal, and based on additional information provided therein, may revise his findings and penalty; in accordance with the additional information provided; or cause the appeal to be assigned to a Hearing Officer, who shall expeditiously schedule the hearing before him/her.

(1) The Chief Executive Officer shall maintain a list of qualified Hearing Officers and shall regularly rotate assignments based on availability of the proposed Hearing Officers.

(2) The Hearing Officer shall be appointed by the Chief Executive Officer, shall be a member of the California State Bar, and shall not be an MTS employee.

(b) The appellant and the Chief Executive Officer or designate shall each have the right to appear in person and be represented by legal counsel, to receive notice, to present evidence, to call and cross-examine witnesses under oath, and to present argument.

(c) An appellant may select an individual to interpret for them. MTS will not pay any costs or be held responsible for any aspect of the interpreter's ability to accurately interpret the hearing.

(1) The Hearing Officer shall have the power to compel attendance of witnesses and documents by subpoena, in accordance with state law.

(2) The formal rules of evidence need not apply, and any relevant evidence that is the sort of evidence upon which responsible persons are accustomed to rely in the conduct of serious affairs shall be admissible. Hearsay evidence may be considered by the Hearing Officer, but no findings may be based solely on hearsay evidence unless supported or corroborated by other relevant and competent evidence. The formal exceptions to the hearsay rule shall apply.

(c) The Chief Executive Officer shall promulgate supplementary rules and procedures for the conduct of the hearing, the forms of notice and proceedings, and the preparation and submission of the record.

(d) The decision of the Hearing Officer shall be the final administrative remedy and shall be binding upon the parties to the appeal.

(e) If the Hearing Officer decides to suspend or revoke a permit or driver's identification card, the appellant shall immediately surrender the medallion or driver's identification card to the Chief Executive Officer.

***(Section 1.17 amended 11/15/12)***

#### **Section 1.18 - Exceptions to Provisions**

(a) The provisions of this Ordinance do not apply to a vehicle properly licensed under the jurisdiction of the Public Utilities Commission of the State of California (CPUC), or to public transit vehicles owned, operated, or contracted for by the Metropolitan Transit System Board or to a vehicle properly licensed by the State or County as an ambulance.

(b) For compliance purposes, MTS Inspectors may inspect all CPUC licensed vehicles, ensure they are not exceeding the authority granted by their license or operating as unlicensed private-hire transportation provider.

***(Section 1.18 amended 11/15/12)***

***(Section renumbered to 1.18 9/24/98)***

***(Section 1.17 amended 1/12/95)***

***(Section 1.17 amended 6/24/93)***

#### **Section 1.19 - Chief Executive Officer's Authority to Adopt Rules and Promulgate a Schedule of Fines**

(a) Except where Board action is specifically required in this Ordinance, the Chief Executive Officer may adopt any rules and regulations reasonable and necessary to implement the provisions of this Ordinance. The Chief Executive Officer shall promulgate a schedule of administrative fines and penalties for violations of this Ordinance in lieu of the revocation or suspension of a permit or identification card, a copy of which schedule shall be filed with the Clerk of the Board.

***(Section renumbered to 1.19 9/24/98)***

#### **Section 1.20 - Americans with Disabilities Act**

(a) Permit holders, vehicles, and drivers are required to comply with the requirements of the federal Americans with Disabilities Act (ADA), and ADA regulations are hereby incorporated into MTS Ordinance No. 11 by reference. A violation of ADA requirements is a violation of this Ordinance and subject to a fine or suspension or revocation or a combination.

***(Section renumbered to 1.20 9/24/98)***

***(Section 1.19(a) was added 4/10/97)***

## SECTION 2.0 - TAXICABS AND/OR LSVs

### Section 2.1 - Types of Service

(a) A taxicab or LSV is authorized to provide exclusive ride and group ride service.  
**(Section 2.0 and 2.1 amended 8/7/03)**

### Section 2.2 - Rates of Fare

(a) After a notice and open public hearing of the Taxicab Advisory Committee, MTS shall establish a maximum rate of fare for exclusive ride and group ride hire of taxicabs and/or LSVs except for trips from San Diego International Airport. A permit holder may petition the Board for any desired change in the maximum taxicab or LSV rates for exclusive ride and/or zone rates and group ride hire.

(b) Taxicab trips from San Diego International Airport shall be at a uniform rate of fare. Rates for trips originating at the airport may include an extra charge equal to the Airport Trip Fee assessed against the individual taxicab operator by the San Diego County Regional Airport Authority. The extra may not be charged on any trip that does not originate at the airport or on any trip where the taxicab operator does not pay the fee to the San Diego County Regional Airport Authority. The extra charge may only be charged to the customer by utilizing the extra button on the taxicab meter. A driver may not verbally request payment. All taxicabs utilizing the Airport Trip Fee extra button must have a decal, approved by the Chief Executive Officer and the County of San Diego Office of Weights and Measures. The decal shall identify and accurately describe the extra charge consistent with regulatory requirements.

(c) Each permit holder shall file with the Chief Executive Officer the rates of fare that he/she will charge, which shall not exceed the maximum rate set by the Board pursuant to Section 2.2(a).

(1) Each taxicab permit holder shall have the taximeter set by properly licensed personnel for the rate that he/she will charge and have the taximeter sealed and inspected.

(2) All taxicabs shall accept major credit cards including, but not limited to, VISA, MasterCard, American Express, and Discover. Fees shall not be passed onto passengers.

(3) Each taxicab permit holder shall prominently post rates in dollars-per-mile centered on the upper third part of both rear doors one (1) inch in height utilizing "Univers" or other MTS pre-approved font in black or white lettering to produce maximum contrast adequately spaced for maximum readability.

(4) No other information shall be posted on rear doors.

(d) If a taxicab permit holder desires to change his/her rates of fare, he/she shall file with the Chief Executive Officer the new rates, reset the taximeter, have the taximeter sealed and inspected, and post the revised rates on each side of the taxicab as provided in Subsection (c) of this section.

(e) It shall be unlawful for a permit holder or driver to operate any taxicab in the City, unless the vehicle is equipped with a taximeter that meets the requirements of the State of California.

(1) The taximeter shall be of a style and design approved by the Chief Executive Officer.

(2) The taximeter shall calculate fares upon the basis of a combination of mileage traveled and time elapsed. When operative with respect to fare indication, the fare-indicating mechanism shall be actuated by the mileage mechanism whenever the vehicle is in motion at such a speed that the rate of mileage revenue equals or exceeds the time rate, and may be actuated by the time mechanism whenever the vehicle speed is less than this, and when the vehicle is not in motion.

(3) Waiting time shall include all time when a taxicab occupied or engaged by a passenger is not in motion or is traveling at a speed which is slow enough for the time rate to exceed the mileage rate. Waiting time will also include the time consumed while standing at the direction of the passenger or person who has engaged the taxicab.

(4) It shall be the duty of every permit holder operating a taxicab to keep the taximeter in proper condition so that the taximeter will, at all times, correctly and accurately indicate the charge for the distance traveled and waiting time. The taximeter shall be at all times subject to the charge for the distance traveled and waiting time.

(5) The taximeter shall be at all times subject to inspection by an MTS inspector or any peace officer. The MTS inspector or peace officer is hereby authorized at his or her instance or upon complaint of any person to investigate or cause to be investigated the taximeter, and upon discovery of any inaccuracy in the taximeter, or if the taximeter is unsealed, to remove or cause to be removed the vehicle equipped with this taximeter from the streets of the City until the taximeter has been correctly adjusted and sealed. Before being returned to service, the vehicle and taximeter must be inspected and approved by the Chief Executive Officer.

(6) Any device repairperson who places into service, repairs, or recalibrates a taximeter shall record the tire size and pressure of the drive wheels of that vehicle, as tested, on the repair person's sticker.

(7) It shall be the duty of the permit holder to ensure the proper device repair person's sticker is affixed to the taximeter and to ensure the tires are the proper size.

(f) It shall be unlawful for any driver of a taxicab, while carrying exclusive or group ride passengers, to display the flag or device attached to the taximeter in such a position as to denote that the vehicle is for hire, or is not employed, or to have the flag or other attached device in such a position as to prevent the taximeter from operating. It shall be unlawful for any driver to throw the flag into a position which causes the taximeter to record when the vehicle is not actually employed, or to fail to throw the flag or other device into nonrecording position at the termination of each and every service.

(g) The taximeter shall be so placed in the taxicab that the reading dial showing the amount of fare to be charged shall be well-lighted and easily readable by the passenger riding in such taxicab.

(h) It shall be unlawful for any permit holder and/or driver of a taxicab or LSV to demand of a passenger a charge for hire which is greater than the current maximum rate approved by the Board pursuant to Section 2.2 (a) or (b) of this Ordinance.

(i) Except as provided in this section, it shall be unlawful for any permit holder and/or driver to demand of a passenger a charge for hire which is greater than the permit holder's meter rate filed with the Chief Executive Officer pursuant to Sections 2.1 (a), 2.2 (b), or 2.2 (c) of this Ordinance.

(j) Nothing in this Ordinance shall preclude a permit holder or driver from agreeing with prospective passenger(s) to a rate of fare which is less than the permit holder's filed and posted rates of fare if the agreement is entered into in advance of the passenger(s), hiring the taxicab for the trip, except for trips commencing at the Lindbergh Field International Airport.

*(Section 2.2(c)(2) amended 11/15/12)*

*(Section 2.2(b) amended 4/19/12)*

*(Section 2.2 amended 8/7/03)*

*(Section 2.2 amended 5/8/03)*

*(Section 2.2 amended 11/14/02)*

*(Section 2.2 amended 6/24/99)*

*(Section 2.2 amended 9/24/98; Section 2.2c operative May 1, 1999)*

*(Section 2.2 amended 10/30/97)*

*(Section 2.2 amended 4/10/97)*

**Section 2.3 - Equipment and Specifications**

(a) No taxicab shall be operated until the taximeter thereon has been inspected, tested, approved and sealed by an authorized representative of the State of California, and thereafter so maintained in a manner satisfactory to the Chief Executive Officer.

(b) Each taxicab shall be equipped with a device which shall plainly indicate to a person outside the taxicab whether the taximeter is in operation or is not in operation.

(c) **Exterior Markings**

(1) The permit holder's trade name shall be painted or permanently affixed in letters and numerals four (4) inches high all on one line on the upper third part of both front doors utilizing "Univers" or other Chief Executive Officer pre-approved font in black or white lettering to produce maximum contrast adequately spaced for maximum readability. In the event the trade name does not fit on one line utilizing four (4) inch lettering, the trade name lettering must be as large as possible, up to four (4) inches in height, to enable the trade name to fit on one line.

(2) The medallion number shall be painted or permanently affixed, on both front doors, one (1) inch below the permit holder's trade name, six (6) inches high, utilizing "Univers" or other Chief Executive Officer pre-approved font in black or white lettering to produce maximum contrast adequately spaced for maximum readability.

(3) The permit holder's trade name and medallion number shall be painted or permanently affixed on the rear of the taxicab, four (4) inches high, utilizing "Univers" or other Chief Executive Officer pre-approved font in black or white lettering to produce maximum contrast adequately spaced for maximum readability. In the event the rear of the vehicle does not have four inches of vertical space for the trade name and medallion number, the rear lettering may be less than four inches, provided that it is easily readable from a distance of 50 feet.

(4) No other information shall be permitted to be posted on front doors.

(5) **Optional Exterior Vehicle Markings.** The permit holder has the option of choosing to post any combination of the below-listed five options on his or her taxicab which must be posted only at the specific location and in the size noted and are subject to the Chief Executive Officer's approval.

a) Trade Name Logo. If the permit holder chooses to display his or her trade name logo, the trade name logo shall be posted only on the rear portion of both side rear quarter panels.

b) Radio Service Provider. If the permit holder chooses to display the radio service provider name or logo, the radio service provider name or logo cannot utilize the words "cab" or "taxi." The radio service provider name or logo must be displayed only on the rear portion of both side rear quarter panels.

c) Telephone Number. If permit holder chooses to display a telephone number, the telephone number must be no more than three (3) inches in height and posted only on the top front portion of both front side quarter panels.

d) "Driver Carries Only \$ \_\_\_\_\_ Change." If the permit holder chooses to post "Driver Carries only \$ \_\_\_\_\_ Change," postings must be located only on rear quarter panels near the rear door but clear of the rates of fare.

e) "Leased to Driver." If permit holder chooses to post "Leased to Driver," it must be posted only on both side rear quarter panels near the rear door but clear of the rate of fares in lettering no larger than 1 inch.

(6) Body Numbers. If the permit holder chooses to post an internally assigned body number, different from the medallion number, the body number shall be posted in one (1) inch numerals on the front and rear bumpers.

(7) All other exterior vehicle markings are prohibited unless they are directly related to the permit holder's business and pre-approved by the Chief Executive Officer.

(d) All taxicabs shall be equipped and operated so that they may be dispatched by two-way radio communication in response to a telephone or other request for service by a prospective passenger. This requirement may not be met by use of a mobile radio telephone service.

(1) Radio must be turned on, and audible to driver, at all times the taxicab is in service.

(e) The radio dispatch capability described in paragraph (d) of this section must be provided so as to conform to the regulations of the Federal Communications Commission pertaining to Land Transportation Radio Services. Failure to conform to those regulations will additionally constitute a failure to meet the requirements of this section.

(1) The current valid FCC license shall be on file with MTS.

(2) Taxicab permit holder shall provide current proof the radio has passed inspection by an MTS-approved inspector.

(3) Taxicab radios shall have the capability to receive or transmit only on frequencies specified in the FCC license of the radio service subscribed to by the permit holder.



(f) Radio scanners are not allowed in taxicabs.

(g) Each permit holder shall equip each permitted taxicab with a device capable of electronically processing credit card transactions

**(Section 2.3 amended 11/15/12)**

**(Section 2.3 amended 6/27/02)**

**(Section 2.3 amended 9/24/98; Section 2.3c operative May 1, 1999)**

**(Section 2.3 amended 6/27/91; effective 7/27/91)**

**(Section 2.3 amended 4/10/97)**

#### Section 2.4 - Operating Regulations

(a) Operating regulations shall be promulgated and adopted from time to time by resolution of the Board. These resolutions will have the force of law and will be published and processed as though set forth in this Ordinance.

(1) Smoking is not permitted at any time inside a MTS-permitted vehicle.

(b) Any driver employed to transport passengers to a definite point shall take the most direct route possible that will carry the passenger to his destination safely and expeditiously.

(c) It shall be unlawful for the driver or operator of any taxicab or LSV to refuse a prospective or actual fare or to take any action to actively discourage a prospective or actual fare on the basis of race, creed, color, age, sex, national origin, disability, or for any other reason, unless it shall be readily apparent that the prospective or actual fare is a hazard to the driver or operator. Rude or abusive language directed to a passenger(s) or any physical action that a reasonable person would construe as threatening or intimidating shall be specifically defined as a violation of this section.

(1) A driver, however, is not obligated to transport any person who is verbally or otherwise abusive to the driver. Such incidents shall also be noted on the trip log and notification shall be immediately sent to the radio service organization, which shall record the incident and keep the record for the minimum of 6 months.

(2) A failure of the driver of any taxicab or LSV to assist a passenger with the loading or unloading of a reasonable size, number, and kind of passenger luggage or other items, when requested to do so, shall be specifically defined as a violation of this section. A driver is not required to lift any single piece of passenger luggage or other item that exceeds 25 pounds in weight. The requirement for loading or unloading assistance shall be limited to retrieval from or deposit onto the nearest curbside adjacent to the legally parked taxicab or LSV. A sign in the form of a transparent decal may be affixed to the rear-door, side window stating that, "DRIVER IS NOT REQUIRED TO LOAD LUGGAGE IN EXCESS OF 25 POUNDS PER ITEM OR OF A SIZE OR KIND THAT WILL NOT SAFELY FIT IN THE DESIGNATED LUGGAGE AREA OF THIS VEHICLE."

(3) A driver with a lawful disability that prevents him/her from handling items as defined in subsection (2) above is, upon submission of proof of such disability, relieved of responsibility for the requirements of subsection (2). A driver so situated may affix a small sign either in the passenger section of the vehicle to be clearly visible to a rear seat passenger or on the inside of the trunk cover lid stating that, "DRIVER HAS DISABILITY THAT PREVENTS HANDLING OF LUGGAGE."

(d) It shall be unlawful for taxicab operators to refuse or discourage a prospective or actual fare based upon trip length within the cities.

(1) A vehicle designated as an LSV may refuse a prospective or actual fare if the trip distance is outside allowed areas of operations.

(2) All LSV operators will carry a current list of MTS-approved radio services and refer the prospective or actual fare to that list of radio service organizations. All referrals shall be noted on the driver daily trip sheet.

(3) A failure to promptly dispatch (within the standards required by Sections 2.6(a)(1), (2), and (3) of this Ordinance), or any action by a driver of any taxicab or LSV to refuse or discourage a prospective or actual passenger who must transport foodstuffs or who must meet a medical appointment, irrespective of trip length, shall be specifically defined as a violation of this section so long as that prospective passenger has notified the dispatch service of this circumstance at the time a request for taxi service was made.

(e) No driver of any taxicab or LSV shall stop, park, or otherwise leave standing a taxicab or LSV on the same side of the street in any block in which taxicabs or LSVs are already stopped, parked, or otherwise standing except the taxicab or LSV may actively unload in a passenger loading zone or be parked in a marked taxi/LSV stand.

(f) No driver shall stop, park or otherwise leave standing a taxicab or LSV within one-hundred (100) feet of any other taxicab or LSV except in a marked taxi/LSV stand or while actively loading or unloading passengers.

(g) No driver shall stop, park, or otherwise leave standing a taxicab or LSV within fifteen (15) feet of any fire plug except as modified in Section 2.5 of this Ordinance.

(h) An out-of-service sign must be displayed when the taxicab or LSV is not available for hire and is being operated or is lawfully parked for purposes of maintenance, inspection, or personal use. The sign must be placed in a location in the vehicle that is clearly visible from the exterior of the vehicle. The sign must be of durable material and written in block letters in black ink and easily readable from a distance of not less than 10 feet.

(i) A taxicab driver may seek passengers by driving through any public street or place without stops, other than those due to obstruction of traffic, and at such speed as not to interfere with or impede traffic.

(j) It shall be unlawful, however, for the driver to seek passengers by stopping at or driving slowly in the vicinity of an entertainment center or transportation center or any other location of public gathering, in such a manner as to interfere with public access to or departure from that center or location, or so as to interfere with or impede traffic.

(k) It shall also be unlawful for a taxicab or LSV driver, having parked and left his or her taxicab or LSV, to solicit patronage among pedestrians on the sidewalk, or at any entertainment center, transportation center, or other location of public gathering.

(l) No person shall solicit passengers for a taxicab or LSV other than the driver thereof; however, the Chief Executive Officer may authorize a dispatcher to solicit passengers and assist in loading passengers at such times and places as, in his or her discretion, public service and traffic conditions require.

(m) It shall be unlawful for the driver or operator of any taxicab or LSV to remain standing in any established taxicab or LSV stand or passenger loading zone, unless the driver or operator remains

within twelve (12) feet of his or her taxicab or LSV, except when the driver or operator is actually engaged in assisting passengers to load or unload.

(n) Only paying passengers and persons specifically authorized by the Chief Executive Officer may occupy a taxicab or LSV that is already occupied by a paying passenger. No driver, once a paying passenger has occupied his taxicab or LSV, shall permit any other nonpaying passenger to occupy or ride in the taxicab or LSV.

(o) It shall be unlawful to respond to a call for service dispatched to another operator except when an LSV refers service to another operator because the trip distance is outside of the approved area of jurisdiction.

(p) The taxicab or LSV driver shall maintain a daily trip log which shall be available for inspection upon request by any peace officer or MTS inspector. The trip log will accurately show the driver's name, taxicab or LSV number, date, time, beginning odometer reading, starting and ending locations, type of service provided, and fare paid for each trip provided.

(1) The daily trip log shall consist, at a minimum, of a five- by seven-inch paper form retained on a stiff-board writing surface with ruled lines and columns sufficient to contain the required information. All entries will be in black or dark blue ink, block letters, and be clearly legible. Colored paper that is lightly shaded is allowed provided there is sufficient contrast for entries to be easily read. Onboard electronically generated reports that meet the legibility requirements are acceptable.

(2) The driver shall deliver trip logs to the permit holder upon request or at a weekly interval, whichever is less.

(q) All operating regulations set forth in Section 1.8 apply.

(r) The permit holder for any taxicab or LSV with a permit issued after July 1, 1991, shall comply with the following:

(1) The color scheme of the vehicle will conform to that of the radio dispatch service organization.

(2) Establish a business office in a location available to the public, and have staff on duty during regular business hours.

(3) File with MTS, and charge a rate of fare common to the radio service organization providing service required by this Ordinance.

**(Section 2.4 amended 11/15/12)**

**(Section 2.4 amended 8/7/03)**

**(Section 2.4 amended 11/14/02)**

**(Section 2.4 amended 6/24/99)**

**(Section 2.4 amended 2/13/97)**

**(Section 2.4 amended 6/27/91; effective 7/27/91)**

## **Section 2.5 - Stands**

(a) The Chief Executive Officer may establish, locate and designate shared use taxicab/LSV stands for one or more taxicabs/LSVs, which stands when so established shall be appropriately designated "Taxis/LSVs Only." The operating regulations of this Ordinance shall apply to such stands

and to taxicab/LSV stands established by the San Diego Unified Port District in areas under its jurisdiction within the City.

(b) Each taxicab or LSV stand established hereunder may be in operation twenty-four (24) hours of every day, unless otherwise specified by the Chief Executive Officer.

(c) Any individual, partnership, association, or other organization may petition MTS requesting that a new taxicab/LSV stand be established, or that the location of an existing taxicab/LSV stand be changed to another location. A nonrefundable filing fee to be determined by the Chief Executive Officer must be paid at the time the petition is submitted.

(d) It shall be unlawful for a vehicle other than a taxicab or LSV with a proper MTS taxicab or LSV permit to occupy a taxi/LSV stand.

(e) LSVs may only occupy taxicab stands that are specially signed, designated their approved use.

**(Section 2.5 amended 11/15/12)**

**(Section 2.5 amended 8/7/03)**

#### Section 2.6 - Radio Services

(a) In order to provide taxicab or LSV radio dispatch service required by Section 2.3(d, e), the dispatch service organization adding or changing subscribers after July 1, 1991 shall establish and conform to written policies and procedures concerning the following:

- (1) Standard time elapse for answering the telephone service-request line(s).
- (2) Standard time elapse for the taxicab's or LSV's arrival at requested pick-up location.
- (3) Passenger's request for a specific driver ("personals").
- (4) Additional two-way communication devices (mobile or cellular phones) in taxicabs or LSVs.
- (5) 10-code.
- (6) Lost and found for passengers' items.
- (7) Assignment of vehicle body numbers.
- (8) Immediately notify the permit holder of all lost items and inquiries.

Current written policies and procedures shall be available to subscribers from the radio dispatch organization, and on file with MTS.

(b) Taxicab and/or LSV service organizations shall, 24 hours a day, have dispatch staff on duty at the business location, which must be a preapproved physical address, answer telephone-request line(s), properly dispatch those requests to all members, provide radio response to all licensed radio frequencies/channels, and respond to direct requests from drivers, permit holders, and MTS as well as law enforcement and local regulatory agencies.

(c) Taxicab and or LSV radio dispatch services shall keep written records of all requests for taxi and/or LSV service, calls dispatched, and the time(s) each taxicab and/or LSV goes in and out of service. These records shall be kept on file for a minimum of six months, and made available to MTS, upon request.

(d) Taxicab and/or LSV radio dispatch services shall maintain a listing in the major business telephone directory.

(e) No person, partnership, corporation, association, other organization providing radio or other dispatch service shall dispatch a request for service to a driver, owner, or vehicle unless the driver, owner, and vehicle are properly licensed to provide the service requested.

(f) The Chief Executive Officer may, at any time, revoke or suspend the taxicab or LSV privileges of or fine any person, partnership, corporation, association, other organization providing radio or other dispatch service that violates a provision of this ordinance.

***(Section 2.6 amended 11/15/12)***

***(Section 2.6 amended 8/7/03)***

***(Section 2.6 amended 9/24/98)***

***(Section 2.6 added 6/27/91; effective 7/27/91)***

#### **Section 2.7 - Driver Safety Requirements**

(a) No taxicab vehicle or LSV shall be operated unless such vehicle is equipped with an emergency signaling device approved by the Chief Executive Officer.

(b) No taxicab vehicle may be operated with window tinting, shades, or markings that could interfere with a clear view of the cab interior from the outside.

(c) Taxicab/LSV radio services required by Section 2.3 shall at all times have a dispatch staff person on duty who has successfully completed a driver safety training course approved by the Chief Executive Officer.

(d) Cellular phone use by drivers is prohibited at all times when a passenger is in the vehicle and the vehicle begins moving. Otherwise, California Vehicle Code rules apply.

***(Section 2.7 amended 11/15/12)***

***(Section 2.7 amended 8/7/03)***

***(Section 2.7 added 9/24/98)***

## SECTION 3.0 - CHARTER VEHICLES

### Section 3.1 - Rates of Fare

(a) Within thirty (30) calendar days following the issuance of a permit by the Chief Executive Officer, each permit holder shall file a document with the Chief Executive Officer reflecting the rates of fare being charged by said permit holder for charter services.

(b) If a permit holder desires to change the rates of fare being charged for charter services during any calendar year, he shall first file a document with the Chief Executive Officer indicating said changes, and no change shall be effective until fourteen (14) days following the filing of said change.

(c) No permit holder shall charge any rate of fare for charter services unless said rates are on file with the Chief Executive Officer as aforesaid, and duly displayed.

(d) The rates of fare shall be established by a prearranged written contract on a per-mile or per-hour basis.

***(Section 3.1 amended 4/10/97)***

### Section 3.2 - Operating Regulations

(a) It shall be unlawful for any charter vehicle to remain standing on any public street in the City, except such reasonable time necessary when enabling passengers to load or unload.

(b) It shall be unlawful for any person, either as owner, driver, or agent, to approach and solicit patronage upon the streets, sidewalks, in any theater, hall, hotel, public resort, railway or airport, or light rail transit station.

(c) The charter for-hire vehicle driver shall maintain a daily trip log which shall be available for inspection upon request by any peace officer or MTS inspector. The trip log will accurately show the driver's name and the medallion number on the vehicle. In addition, the trip log shall identify the scheduling parties by name, date, and time of the prearranged hire.

(d) All other operating regulations defined in Section 1.8 apply.  
***(Section 3.2 amended 11/14/02)***



## SECTION 4.0 - SIGHTSEEING VEHICLES

### Section 4.1 - Rates of Fare

(a) Within thirty (30) calendar days following the issuance of a permit by the Chief Executive Officer, each permit holder shall file a document with the Chief Executive Officer reflecting the rates of fare being charged by said permit holder of sightseeing vehicle services.

(b) If a permit holder desires to change the rates of fare being charged for sightseeing services during any calendar year, he shall first file a document with the Chief Executive Officer indicating said changes, and no change shall be effective until fourteen (14) days following the filing of said changes.

(c) No permit holder shall charge any rate of fare for sightseeing services unless said rates are on file with the Chief Executive Officer as aforesaid, and duly displayed.

(d) The rate of fare shall be established on a per capita or per event basis.  
**(Section 4.1 amended 4/10/97)**

### Section 4.2 - Operating Regulations

(a) It shall be unlawful for any sightseeing vehicle to remain standing on any public street in the City, except such reasonable time necessary when enabling passengers to load or unload.

(b) It shall be unlawful for any person, either as owner, driver, or agent, to approach and solicit patronage upon the streets, sidewalks, in any theater, hall, hotel, public resort, railway or airport, or light rail transit station.

(c) All other operating regulations defined in Section 1.8 apply, except Section 1.8 (v).

## SECTION 5.0 - NONEMERGENCY MEDICAL VEHICLES

### Section 5.1 - Rates of Fare

(a) Within thirty (30) calendar days following the issuance of a permit by the Chief Executive Officer, each permit holder shall file a document with the Chief Executive Officer reflecting the rates of fare being charged by said permit holder for nonemergency medical vehicle services.

(b) If a permit holder desires to change the rates of fare being charged for nonemergency medical vehicle services during any calendar year, he shall first file a document with the Chief Executive Officer indicating said changes, and no change shall be effective until fourteen (14) days following the filing of said change.

(c) No permit holder shall charge any rate of fare for nonemergency medical vehicle services unless said rates are on file with the Chief Executive Officer as aforesaid, and duly displayed.

(d) The rate of fare for exclusive ride service shall be established on a per capita plus per mile basis.

(e) The rates of fare for shared ride service shall be established on a per capita plus per mile basis, or on a per capita plus per zone basis.

***(Section 5.1 amended 4/10/97)***

### Section 5.2 - Operating and Equipment Regulations

(a) It shall be unlawful for any nonemergency medical vehicle to remain standing on any public street in the City, except when enabling passengers to load or unload.

(b) All other operating regulations defined in Section 1.8 apply.

(c) Special equipment on a nonemergency medical vehicle shall, at all times the vehicle is in operation, be in proper working order. Such vehicles equipped with wheelchair ramps or lifts shall have proper device(s) to secure each wheelchair on board.

(d) The permit holder is responsible for ensuring that the driver of a nonemergency medical vehicle is properly trained:

(1) in the use of any of the vehicle's special equipment;

(2) concerning supervision of or assistance to the disabled passengers whom the driver is to transport.

***(Section 5.2 amended 6/22/95)***

***(Section 5.2 amended 6/24/93)***

### Section 5.3 - Driver Identification Cards

In addition to the requirements set forth in Section 1.12, nonemergency medical vehicle drivers shall acquire and maintain valid proof of proper first-aid and CPR training.

***(Section 5.3 added 6/24/93)***

## SECTION 6.0 - JITNEY VEHICLES

### Section 6.1 - Rates of Fare

(a) Within thirty (30) calendar days following the issuance of a permit by the Chief Executive Officer, each permit holder shall file a document with the Chief Executive Officer reflecting the rates of fare being charged by said permit holder for jitney services.

(b) If a permit holder desires to change the rates of fare being charged for jitney services during any calendar year, he shall first file a document with the Chief Executive Officer indicating said changes, and no change shall be effective until fourteen (14) days following the filing of said change.

(c) No permit holder shall charge any rate of fare for jitney services unless said rates are on file with the General Manager as aforesaid, and duly displayed.

(d) The rates of fare shall be established on a per capita basis.  
**(Section 6.1 amended 4/10/97)**

### Section 6.2 - Jitney Routes

(a) A permit holder who wishes to provide a fixed route service shall apply to the Chief Executive Officer for authorization to serve a defined route with a specific vehicle. No for-hire vehicle may be operated as a jitney until it has met all other requirements of this Ordinance and has been approved for service on a specific fixed route. A jitney may be authorized to serve more than one route; however, a jitney may provide fixed route service on only those routes which the Chief Executive Officer has approved in writing for that vehicle.

(b) The application for a fixed route shall be in writing and shall contain the following information:

- (1) A description of the vehicle(s) which will be utilizing the route;
- (2) A detailed written description of the route, to include starting location, ending location, and the street name and direction of travel for all streets to be used in the route;
- (3) A map in sufficient detail to clearly indicate the proposed route;
- (4) The fare to be charged; and
- (5) Such other information as the Chief Executive Officer may, in his or her discretion, require.

(c) Upon approval of a fixed route by the Chief Executive Officer, the permit holder shall display a representation of the route, the fare, and the permit holder's trade name on each side of the vehicle in letters large enough to be easily read by potential customers in accordance with the standards established by the Chief Executive Officer under Section 6.5 of this Ordinance. Only one (1) route may be displayed on a vehicle at any time.

(d) If a permit holder wishes to alter his or her approved fixed route(s), he or she must apply in writing to the Chief Executive Officer, submitting the information required in Section 6.2 (b).

(e) The Chief Executive Officer may, in his or her discretion, place conditions on the approval of fixed routes.

(f) The Chief Executive Officer may change a route that has been approved previously when the Chief Executive Officer finds it necessary to do so. A change of route may be necessary when a street has been closed temporarily or permanently because of construction, or the direction of a street has been changed, or a street has been vacated, or for similar reasons as determined by the Chief Executive Officer. The Chief Executive Officer shall notify in writing any permit holder whose route has been changed. The Chief Executive Officer's change of a route is subject to appeal under Section 1.16 of this Ordinance.

(g) Except as provided for within this subsection, an approved fixed route may not be transferred to another vehicle or permit holder. A permit holder may receive approval for a vehicle that is replacing a jitney already in service to use the approved fixed routes of the replaced vehicle.  
**(Section 6.2 amended 11/14/02)**

### Section 6.3 – Operating Regulations

(a) It is unlawful for any jitney to remain standing on any public street in the City, except when enabling passengers to load or unload, or except when standing in a jitney holding zone for the time period established by MTS.

(b) It is unlawful for any person including, but not limited to, a jitney owner, driver, or agent thereof, to approach and solicit patronage upon the streets, sidewalks, in any theater, hall, hotel, public resort, railway, airport, or light rail transit station.

(c) A peace officer or MTS inspector may authorize a dispatcher to solicit passengers and assist with loading passengers at such times and places as, in his/her discretion, public service and traffic conditions require.

(d) Except when a driver or operator is actually engaged in assisting passengers to load or unload, a jitney driver or operator must remain within twelve (12) feet of his/her jitney while the jitney is in service.

(e) It is unlawful for a jitney vehicle to operate a fixed route service on other than that route designated by the Chief Executive Officer.

(f) It shall be unlawful for a jitney driver to load or unload passengers in any place other than an authorized jitney stop, bus stop, or passenger loading zone.

(g) All other operating regulations defined in Section 1.8 apply.  
**(Section 6.3 amended 11/14/02)**

#### Section 6.4 - Jitney Holding Zones

(a) The Chief Executive Officer may, by resolution, locate and designate holding zones for one (1) or more jitneys, which holding zones when so established, shall be designated by appropriate signs. The operating regulations of Section 6.3 shall apply to any holding zones so established, and to holding zones established by the San Diego Unified Port District in areas under its jurisdiction. The Chief Executive Officer may, by his or her discretion, establish the maximum number of jitneys permitted to remain standing at one time in a holding zone.

(b) Each holding zone established hereunder shall be in operation twenty-four (24) hours of every day, unless otherwise specified by the Chief Executive Officer. The Chief Executive Officer shall adopt written standards to determine whether to allow holding zones to be in operation fewer than twenty-four (24) hours every day. If a holding zone is to be in operation fewer than twenty-four (24) hours every day, the Chief Executive Officer shall cause signs to be posted at or near the holding zone indicating the hours and days of operation.

(c) The Chief Executive Officer may, on his or her own motion, establish holding zones.

(d) Any individual, partnership, corporation, association or other organization may petition MTS requesting that a new holding zone be established. The petition must be filed in writing with the Chief Executive Officer or his/her designee. The petition must state the reason for the request and the proposed location(s). The Board may approve, deny, or modify the request.

(e) Whether initiated by the Chief Executive Officer under Subsection (c) of this section or by persons described in Subsection (d) of this section, before any holding zone is established, the proposed location of any holding zone must be reviewed by the Traffic Engineer of the City. The Traffic Engineer shall report his/her recommendations to approve, deny, or modify the proposed location in writing to the Chief Executive Officer. The Traffic Engineer's report shall include a statement of reasons supporting the recommendation to the Chief Executive Officer.

(f) The Chief Executive Officer shall, by resolution, establish a maximum time limit for individual jitneys to remain standing in any holding zone. The time limit shall apply uniformly to all holding zones.

(g) It shall be unlawful for a vehicle other than a jitney with a proper MTS jitney permit to occupy a jitney holding zone.

**(Section 6.4 amended 11/15/12)**

#### Section 6.5 - Equipment and Specifications

(a) Each jitney shall bear on the outside, signs clearly designating the route which it serves. The specifications of the sign are subject to the approval of the Chief Executive Officer. The Chief Executive Officer shall adopt written standards for approval or denial of the size of the signs, the location of the signs on the vehicle, the size of the lettering or graphics on the signs, and other specifications that the Chief Executive Officer finds necessary.

(b) All jitney vehicles must bear a trade name and shall be assigned a body number by the permit holder. The trade name and body number so assigned shall be placed on the vehicle in accordance with written standards adopted by the Chief Executive Officer.

Any violation of this Ordinance shall constitute an infraction unless otherwise specified.

#### **SECTION 7.0 – LOW-SPEED VEHICLES**

### Section 7.1 – Low-Speed Vehicle (LSV) Definition

Low-Speed Vehicles (LSV) shall mean every vehicle that is designated per the requirements of Ordinance No. 11, Section 1.1(c). LSVs may operate by zones and/or a prearranged basis as set forth in Section 1.1 (d) (1)-(5).

**(Section 7.0 and 7.1 added 8/7/03)**

### Section 7.2 – Establishment of Zones

The Chief Executive Officer shall establish and authorize the use of zones of operation.

**(Section 7.2 added 8/7/03)**

### Section 7.3 – Zone Rates of Fare

(a) All vehicles permitted as LSV may use two methods of seeking compensation, either by zone rates or on a prearranged basis. Either method may be used when working inside of an approved zone. However, when operating on a prearranged charter basis, within an approved zone, no operator may exceed the maximum number of vehicles that are medallioned.

(b) Within thirty (30) calendar days following the issuance of a permit by the Chief Executive Officer, each permit holder shall file a document with the Chief Executive Officer reflecting the rates of fare being charged by said permit holder for LSV services.

(c) When a permit holder desires to change the rates of fare being charged for LSV services during any calendar year, he shall first file a document with the Chief Executive Officer indicating said changes, and no change shall be effective until fourteen (14) days following the filing of said change.

(d) No permit holder shall charge any rate of fare for LSV services unless said rates are on file with the Chief Executive Officer as aforesaid, and duly displayed.

(e) The rates of fare shall be established by a zone and/or prearranged written contract on a per-mile or per-hour basis.

(f) The maximum rates of fare shall be established pursuant to Section 2.2.

**(Section 7.3 added 8/7/03)**

### Section 7.4 – Spare Vehicle Policy

(a) The following sets out procedures for LSV permit holders to place a spare vehicle into service as either a temporary replacement for a permitted vehicle that is out of service for recharging or mechanical problems.

(1) Spare LSVs must be marked with the approved company markings.

(2) In place of the medallion number, the spare LSV must be marked "Spare LSV." Where more than one spare LSV is being requested, under the provisions of paragraph 9, the LSVs will be marked "Spare LSV 1," "Spare LSV 2," and so on. The "Spare LSV" marking should be sized to fit in approximately the same space as the medallion number would otherwise be placed with legibility and visibility being the primary criteria.

(3) Spare LSVs must be inspected upon initial issuance and annually thereafter.



(4) All spare LSVs must meet all MTS insurance requirements.

(5) To use a spare LSV that meets the requirements of 1 through 4 above, the permit holder must communicate in writing (facsimile is acceptable), a request to place a spare LSV into service.

The request must state:

(a) the medallion number of the LSV being taken out of service, the reason for being out of service, and the location of the out-of-service LSV; and

(b) the estimated time the spare LSV will be in use.

(6) When the out-of-service LSV is ready to re-enter service, the permit holder must immediately notify MTS in writing (facsimile is acceptable).

(7) The out-of-service LSV may not be required to be reinspected to be placed back into service.

(8) The spare LSV must be removed from service at the time the LSV it has been replacing is placed back into service.

(9) Under normal circumstances, a permit holder may utilize spare LSVs. Permit holders may utilize spare LSVs in a ratio of 3:1 permits held.

(10) Spare LSVs that are placed in service may only operate inside of the MTS-approved zone or zones. A permit holder shall not operate more spare vehicles than he/she has regular medallioned vehicles.

(11) A permit holder found to have operated a spare LSV in deliberate violation of these procedures will be subject to immediate suspension/revocation of the permit and the loss of the spare LSV utilization privilege.

**(Section 7.4 amended 10/16/03)**

**(Section 7.4 added 8/7/03)**

#### **Section 7.5 – LSV Driver Identification Cards**

(a) Refer to Section 1.12 of this Ordinance to reference driver and permit holder ID requirements.

**(Section 7.5 added 8/7/03)**

#### **Section 7.6 - Equipment and Specifications**

(a) Each LSV shall be equipped with a device which shall plainly indicate to a person outside the LSV whether the LSV is in operation or is not.

(b) Exterior Markings

(1) The permit holder's trade name shall be painted or permanently affixed in letters and numerals 2-1/2 inches high all on one line on the upper third part of both the front and rear of the vehicle utilizing "Univers" or other Chief Executive Officer preapproved font in black or white lettering to produce maximum contrast adequately spaced for maximum readability. In the event the trade name does not fit on one line utilizing 2-1/2 inch lettering, the trade name lettering must be as large as possible, up to 2-1/2 inches in height, to enable the trade name to fit on one line.

(2) The medallion number shall be painted or permanently affixed, on both the front and rear of the vehicle, one (1) inch below the permit holder's trade name, two (2) inches high, utilizing "Univers" or other Chief Executive Officer pre-approved font in black or white lettering to produce maximum contrast adequately spaced for maximum readability.

(3) Optional Exterior Vehicle Markings. The permit holder has the option of choosing to post any combination of the below-listed five options on his or her LSV which must be posted only at the specific location and in the size noted and are subject to the Chief Executive Officer's approval.

a) Trade Name Logo. If the permit holder chooses to display his or her trade name logo, the trade name logo shall be posted only on the rear portion of both side rear quarter panels.

b) Radio Service Provider. If the permit holder chooses to display the radio service provider name or logo, the radio service provider name or logo cannot utilize the words "cab" or "taxi." The radio service provider name or logo must be displayed only on the rear portion of both side rear quarter panels.

c) Telephone Number. If permit holder chooses to display a telephone number, the telephone number must be no more than two (2) inches in height and posted only on the top front portion of both front side quarter panels.

d) "Driver Carries Only \$ \_\_\_\_\_ Change." If the permit holder chooses to post "Driver Carries only \$ \_\_\_\_\_ Change," postings must be located only on panels near the rear door but clear of the rates of fare.

e) "Leased to Driver." If permit holder chooses to post "Leased to Driver," it must be posted only on both rear quarter panels near the rear door area but clear of the rate of fares in lettering no larger than 1 inch.

(4) All other exterior vehicle markings are prohibited unless they are directly related to the permit holder's business and pre-approved by the Chief Executive Officer.

(c) All LSVs shall be equipped and operated so that they may be dispatched by two-way radio communication in response to a telephone or other request for service by a prospective passenger. This requirement may not be met by use of a mobile radio telephone service.

(1) Radio must be turned on, and audible to driver, at all times the LSV is in service.

(d) The radio dispatch capability described in paragraph (d) of this section must be provided so as to conform to the regulations of the Federal Communications Commission pertaining to Land Transportation Radio Services. Failure to conform to those regulations will additionally constitute a failure to meet the requirements of this section.

(1) The current valid FCC license shall be on file with MTS.

(2) LSV permit holder shall provide current proof the radio has passed inspection by an MTS-approved inspector.

(3) LSV radios shall have the capability to receive or transmit only on frequencies specified in the FCC license of the radio service subscribed to by the permit holder.

(e) Radio scanners are not allowed in LSVs.

**(Section 7.6 added 8/7/03)**

## SECTION 8 - EFFECTIVE DATE OF ORDINANCE

This Ordinance shall be effective 30 days after adoption, and before the expiration of 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.

Amended: 11/15/12

Amended: 4/19/12

Amended: 10/16/03

Amended: 8/7/03

Amended: 5/8/03

Amended: 11/14/02

Amended: 6/27/02

Amended: 5/23/02

Amended: 6/24/99

Amended: 9/24/98

Amended: 10/30/97

Amended: 4/10/97

Amended: 2/13/97

Amended: 11/9/95

Amended: 6/22/95

Amended: 1/12/95

Amended: 6/24/93

Amended: 6/27/91

Amended: 5/23/91

Amended: 10/11/90

Repealed & Readopted: 8/9/90

Amended: 4/12/90

Amended: 4/27/89

Adopted: 8/11/88



Att. C, AI C3, 12/3/12

590,10

Metropolitan Transit System

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

COPY

MTS Doc. No. G0225.7-95  
TAXI 590.10 (PC 50761)

**SEVENTH AMENDMENT TO AGREEMENT FOR  
ADMINISTRATION OF TAXICAB AND OTHER FOR-HIRE VEHICLE REGULATIONS  
BETWEEN  
SAN DIEGO METROPOLITAN TRANSIT SYSTEM  
AND  
CITY OF SAN DIEGO**

THIS AGREEMENT is entered into by and between the City of San Diego, a municipal corporation, 202 C Street, San Diego, CA (herein called "CITY"), and the San Diego Metropolitan Transit System, a public agency, 1255 Imperial Avenue, Suite 1000, San Diego, CA (herein called "MTS"), in view of the following recitals, which are a substantive part of this Agreement:

**RECITALS**

- A. MTS is authorized under Section 120266, Chapter 2, Division 11 of the California Public Utilities Code (PUC), to enter into contracts to regulate transportation services within a city in its area of jurisdiction;
- B. CITY is within MTS's jurisdiction created January 1, 1976, under Section 120050, et seq., Chapter 2, Division 11 of the PUC;
- C. CITY desires that MTS regulate taxicabs and other for-hire vehicles and services such as charter vehicles, sight-seeing vehicles, nonemergency medical vehicles, low speed vehicles (LSV), and jitney vehicles pursuant to PUC Section 120266 and in accordance with MTS Ordinance No. 11, "An Ordinance Providing for the Licensing and Regulating of Transportation Services Within the City";
- D. MTS Ordinance No. 11 is based on San Diego Municipal Code, Chapter 7, Article 5, Divisions 1 through 6, "Paratransit Code", which provided for CITY regulation prior to 1988, and was repealed in 1989;
- E. CITY continues to set the fundamental public policy pursuant to regulation of taxicabs and other for-hire vehicles and services through Council Policy 500-02;

CITY and MTS entered into an agreement, Document No. RR-271306, for the period of July 1, 1988 through December 31, 1988; a first amendment to that agreement, Document No. RR-272517, for the period of January 1, 1989 through December 31, 1993; a second amendment to that agreement, Document No. RR-283074, for the period of January 1, 1994 through June 30, 1994; a third amendment to that agreement, Document No. RR-284038 for the period of July 1, 1994 through June 30, 1995; a fourth amendment to that agreement, Document No. RR-285794 for the period of July 1, 1995 through June 30, 1998; a fifth amendment to that agreement, Document No. OO-18526 for the period of July 1, 1998 through June 30, 2003; a sixth amendment to that agreement, Document No. OO-19195 for the period of July 1, 2003 through June 30, 2008;

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 the taxicab administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

DOCUMENT NO. 00-19761  
FILED MAY 27 2008  
OFFICE OF THE CITY CLERK  
SAN DIEGO, CALIFORNIA

- G. CITY and MTS now desire to enter into an agreement to extend the period from July 1, 2008 through June 30, 2013; and

NOW THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement, CITY and MTS agree as follows:

1. MTS will administer and enforce its taxicab and other for-hire vehicles Ordinance policies, and regulations as in effect on July 1, 2008, and as thereafter from time to time amended by MTS, and thereby regulate such taxicab and other for-hire vehicles and transportation services rendered wholly within the CITY's corporate limits during the period of July 1, 2008 through June 30, 2013, pursuant to PUC Section 120266.

2. MTS will collect and administer all such regulatory fees, fines, and forfeitures as now or hereafter provided by the MTS Taxicab and Other For-Hire Vehicles Ordinance No. 11 policies, and regulations.

3. MTS will not alter a fundamental policy or regulation in accordance with the Taxicab and Other For-Hire Vehicles Ordinance No. 11 without prior approval of the CITY.

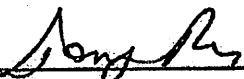
4. The CITY Mayor and MTS Chief Executive Officer may supplement this agreement by executing a Memorandum of Understanding relative to administrative and operating procedures of taxicab and other for-hire vehicles regulation, and to provide for reimbursable staff and legal support services.


IN WITNESS THEREOF, this seventh amendment to the agreement is executed by the CITY acting by and through its City Mayor pursuant to Council Ordinance No. 0-19781 and by MTS acting through its Chief Executive Officer.

Dated this 9<sup>th</sup> day of JUNE, 2008.


THE CITY OF SAN DIEGO

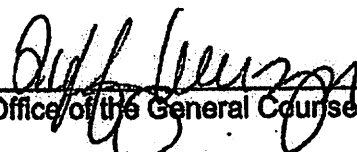
SAN DIEGO METROPOLITAN TRANSIT  
SYSTEM

  
\_\_\_\_\_  
City Attorney

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

WE HEREBY APPROVE the form of the foregoing Agreement.

  
\_\_\_\_\_  
City Attorney

  
\_\_\_\_\_  
Office of the General Counsel

Date: 7/8/08

Date: 2/15/08



Metropolitan Transit System

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

MTS Doc. No. T0049.5-91

TAXI 590.7 (LEMON GROVE)  
(PC 50761)

**FIFTH AMENDMENT TO AGREEMENT FOR  
ADMINISTRATION OF TAXICAB AND OTHER FOR-HIRE VEHICLE REGULATIONS  
BETWEEN  
SAN DIEGO METROPOLITAN TRANSIT SYSTEM  
AND  
CITY OF LEMON GROVE**

---

THIS AGREEMENT is entered into by and between the City of Lemon Grove, a municipal corporation, 3232 Main Street, Lemon Grove, CA (herein called "CITY"), and the San Diego Metropolitan Transit System, a public agency, 1255 Imperial Avenue, Suite 1000, San Diego, CA (herein called "MTS"), in view of the following recitals, which are a substantive part of this Agreement:

**RECITALS**

- A. MTS is authorized under Section 120266, Chapter 2, Division 11 of the California Public Utilities Code (PUC), to enter into contracts to regulate transportation services within a city in its area of jurisdiction;
- B. CITY is within MTS's jurisdiction created January 1, 1976, under Section 120050, et seq., Chapter 2, Division 11 of the PUC;
- C. CITY regulated taxicab and other for-hire vehicles in accordance with the Lemon Grove Municipal Code, Chapter 5.64;
- D. CITY desires that MTS regulate taxicabs and other for-hire vehicles and services such as charter vehicles, sight-seeing vehicles, nonemergency medical vehicles, and jitney vehicles pursuant to PUC Section 120266 and in accordance with MTS Ordinance No. 11, "An Ordinance Providing for the Licensing and Regulating of Transportation Services Within the City";
- E. CITY and MTS entered into an agreement for the period of July 1, 1990, through June 30, 1991; a first amendment to that agreement, correcting Section 1 to reflect the intention that the period was from July 1, 1990, through June 30, 1995; a second amendment to that agreement for a period of July 1, 1995, through June 30, 1998; a third amendment to that agreement for a period of July 1, 1998, through June 30, 2003; a fourth amendment to that agreement for a period of July 1, 2003, through June 30, 2008;
- F. CITY and MTS now desire to enter into an agreement to extend the period from July 1, 2008, through June 30, 2013; and

NOW THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement, CITY and MTS agree as follows:

1. MTS will administer and enforce its taxicab and other for-hire vehicles Ordinance policies, and regulations as in effect on July 1, 2008, and as thereafter from time to time amended by

MTS, and thereby regulate such taxicab and other for-hire vehicles and transportation services rendered wholly within the CITY's corporate limits during the period of July 1, 2008, through June 30, 2013, pursuant to PUC Section 120266.

2. MTS will collect and administer all such regulatory fees, fines, and forfeitures as now or hereafter provided by the MTS Taxicab and Other For-Hire Vehicles Ordinance No. 11 policies, and regulations.


3. The CITY Manager and MTS Chief Executive Officer may supplement this agreement by executing a Memorandum of Understanding relative to administrative and operating procedures of taxicab and other for-hire vehicles regulation, and to provide for reimbursable staff and legal support services.


IN WITNESS THEREOF, this fifth amendment to the agreement is executed by the CITY acting by and through its City Manager pursuant to Council Resolution No. \_\_\_\_\_, and by MTS acting through its Chief Executive Officer,

Dated this 3<sup>RD</sup> day of March, 2008.

THE CITY OF LEMON GROVE

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

  
\_\_\_\_\_  
Graham Mitchell  
City Manager

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

WE HEREBY APPROVE the form of the foregoing Agreement.

\_\_\_\_\_  
City Attorney

  
\_\_\_\_\_  
Office of the General Counsel

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

Date: 2/15/08

DSundh/Taxicab  
AMENDMENT-5.CITY OF LEMON GROVE  
1.30.08



**SAN DIEGO METROPOLITAN TRANSIT SYSTEM  
TAXICAB ADMINISTRATION (761)  
OPERATING BUDGET - CONSOLIDATED  
FISCAL YEAR 2013**

Att. D, AI C3, 12/6/12

	ACTUAL FY11	AMENDED BUDGET FY12	PROPOSED BUDGET FY13	\$ CHANGE BUDGET/ AMENDED	% CHANGE BUDGET/ AMENDED
<b>OPERATING REVENUE</b>					
PASSENGER REVENUE	-	-	-	-	-
ADVERTISING REVENUE	-	-	-	-	-
CONTRACT SERVICE REVENUE	-	-	-	-	-
OTHER INCOME	849,975	881,000	865,000	(16,000)	-1.8%
<b>TOTAL OPERATING REVENUES</b>	<b>849,975</b>	<b>881,000</b>	<b>865,000</b>	<b>(16,000)</b>	<b>-1.8%</b>
<b>NON OPERATING REVENUE</b>					
SUBSIDY REVENUE	-	-	-	-	-
RESERVE REVENUE	53,605	46,523	76,589	30,066	64.6%
OTHER INCOME	-	-	-	-	-
<b>TOTAL NON OPERATING REVENUE</b>	<b>53,605</b>	<b>46,523</b>	<b>76,589</b>	<b>30,066</b>	<b>64.6%</b>
<b>TOTAL COMBINED REVENUES</b>	<b>903,580</b>	<b>927,523</b>	<b>941,589</b>	<b>14,066</b>	<b>1.5%</b>
<b>OPERATING EXPENSES</b>					
LABOR EXPENSES	497,778	473,413	463,995	(9,418)	-2.0%
FRINGE EXPENSES	56,608	110,601	146,290	35,689	32.3%
<b>TOTAL PERSONNEL EXPENSES</b>	<b>554,386</b>	<b>584,014</b>	<b>610,285</b>	<b>26,271</b>	<b>4.5%</b>
SECURITY EXPENSES	-	-	-	-	-
REPAIR/MAINTENANCE SERVICES	13,821	13,000	9,600	(3,400)	-26.2%
ENGINE AND TRANSMISSION REBUILD	-	-	-	-	-
OTHER OUTSIDE SERVICES	140,757	115,108	97,000	(18,108)	-15.7%
PURCHASED TRANSPORTATION	-	-	-	-	-
<b>TOTAL OUTSIDE SERVICES</b>	<b>154,577</b>	<b>128,108</b>	<b>106,600</b>	<b>(21,508)</b>	<b>-16.8%</b>
LUBRICANTS	-	-	-	-	-
TIRES	-	-	-	-	-
OTHER MATERIALS AND SUPPLIES	900	4,500	5,000	500	11.1%
<b>TOTAL MATERIALS AND SUPPLIES</b>	<b>900</b>	<b>4,500</b>	<b>5,000</b>	<b>500</b>	<b>11.1%</b>
DIESEL FUEL	4,186	6,600	7,100	500	7.6%
CNG	-	-	-	-	-
TRACTION POWER	-	-	-	-	-
UTILITIES	4,764	6,000	5,000	(1,000)	-16.7%
<b>TOTAL ENERGY</b>	<b>8,949</b>	<b>12,600</b>	<b>12,100</b>	<b>(500)</b>	<b>-4.0%</b>
RISK MANAGEMENT	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	102,080	105,825	106,200	375	0.4%
DEBT SERVICE	-	-	-	-	-
VEHICLE/FACILITY LEASE	-	-	-	-	-
<b>TOTAL OPERATING EXPENSES</b>	<b>820,892</b>	<b>835,047</b>	<b>840,185</b>	<b>5,138</b>	<b>0.6%</b>
<b>NET OPERATING SUBSIDY</b>	<b>29,083</b>	<b>45,953</b>	<b>24,815</b>	<b>(21,138)</b>	<b>46.0%</b>
OVERHEAD ALLOCATION	(82,688)	(92,476)	(101,405)	(8,928)	9.7%
<b>ADJUSTED NET OPERATING SUBSIDY</b>	<b>(53,605)</b>	<b>(46,523)</b>	<b>(76,589)</b>	<b>(30,066)</b>	<b>-64.6%</b>
<b>TOTAL REVENUES LESS TOTAL EXPENSES</b>	<b>(0)</b>	<b>0</b>	<b>-</b>	<b>(0)</b>	<b>75.0%</b>

# TAXICAB ADMINISTRATION

Executive Committee Meeting  
December 6, 2012



1



## Taxicab Administration

- MTS began administering taxicab regulations in 1988
  - Currently administer for-hire vehicle permits for 7 cities (San Diego, Lemon Grove, El Cajon, Imperial Beach, Poway, La Mesa and Santee)
  - Airport, other cities regulate their own cabs
- Regulate the permit holders
  - 992 San Diego taxicab permits
  - 59 suburban taxi permits
  - 193 nonemergency medical vehicle permits
  - 10 jitney vehicle permits
  - 4 charter vehicle permits
- Policy guidelines set by the cities
  - San Diego Council Policy 500-02
  - Ordinance 11
- Fare setting, permit fee schedule, inspection requirements set by MTS
- Operations
  - \$940,000 budget, 10 FTEs, \$400,000 in reserve
  - operate out of MTS property: inspection facility (garage) and administrative offices



## Taxicab Administration Activities

- Vehicle inspections
  - More than 2000 vehicle inspections in the last round (approximately 7 months)
  - Concern with regard to the high number of failures
- Field enforcement
  - Vehicle inspections in the field
  - Driver compliance with regulations
  - Secret Shopper details
  - Taxi stand monitoring
  - Police assistance
  - Community outreach
  - Special event staffing
  - Administrative hearings and appeals



(3)

## Taxicab Administration Activities

- Permit administration
  - Includes radio services
  - Strong emphasis on maintaining permit holder accountability for all activities associated with the permit
- Maintaining the health of the industry in San Diego
  - Fare setting
    - Planned fare study
  - Driver/dispatcher training
    - Recently enhanced
  - Permit Processing Study (2011)
  - Passenger surveys (2009)
  - In vehicle cameras
    - Recent legislation to permit use of these failed
  - Better complaint procedures
  - Communication with stakeholders



(4)

## Contract Renewal Options:

### Renew all contracts

- Seeking MTS Board direction to staff regarding what should be memorialized in the new contracts
- Need to address a number of requests for change in scope of MTS's responsibilities
  - Must consider implications to MTS: costs, resource needs, distraction from primary agency mission
- Current contracts too vague regarding MTS's responsibilities
  - City has responsibility for setting policy
  - Unclear what happens when the City sets a policy that runs counter to MTS interests



5

## Issues Raised Recently before the MTS Board that Need to be Resolved:

- Change in scope of MTS's regulatory responsibilities has been requested: regulation of lease driver/owner relationship
  - Should MTS take on responsibility of adjudicating driver/permittee disputes?
  - Should MTS investigate, penalize alleged owner retaliation against drivers?
  - Should MTS dictate lease driver contract terms?
  - Should MTS stipulate working conditions for drivers?
  - Could the City perform the requested functions, while MTS continues in its current role?
- Lease drivers want permits issued for their use
  - Should MTS set permit issuance policy, or should City continue to do so?
- Age and condition of taxi fleet portrayed as unacceptable
  - Should MTS set policy regarding vehicle fuel type, mileage, age?
- Communication with stakeholders is believed inadequate (not communicating driver issues, out of touch with driver needs)
  - Should a mechanism/process be created to provide drivers with more direct access to MTS Board? (eg. scheduling special MTS Board meetings for Taxi)



6



## Contract Renewal Options:

### Renew some but not all contracts

- How to cover costs
  - Continue inspection services for City of San Diego
  - Repurpose staff
  - Offer inspection services to Airport
- Determine a sustainable budget

### Renew no contracts

- MTS to get out of the Taxicab regulatory business
- Alert cities and assist them in putting in place an alternative



7

## TAXICAB ADMINISTRATION

Executive Committee Meeting  
December 6, 2012



8



AGENDA ITEM NO. **REQUEST TO SPEAK FORM**ORDER REQUEST RECEIVED 

**PLEASE SUBMIT THIS COMPLETED FORM (AND YOUR WRITTEN STATEMENT)  
TO THE CLERK OF THE BOARD PRIOR TO DISCUSSION OF YOUR ITEM**

**1. INSTRUCTIONS**

This Request to Speak form must be filled out and submitted in advance of the discussion of your item to the Clerk of the Board (please attach any written statement to this form). Communications on hearings and agenda items are generally limited to three minutes per person unless the Board authorizes additional time; however, the Chairperson may limit comment to one or two minutes each if there are multiple requests to speak on a particular item. General public comments on items not on the agenda are limited to three minutes. Please be brief and to the point. No yielding of time is allowed. Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.

(PLEASE PRINT)

DATE	12/6/12		
Name	<del>AKA</del> AKBAR MAJID		
Address	3473 Kurtz St		
Telephone	619-398-2333		
Organization Represented	Yellow Radio Service		
Subject of Your Remarks	Taxicabs		
Regarding Agenda Item No.	C3		
Your Comments Present a Position of:	<input checked="checked" type="checkbox"/>	<b>SUPPORT</b>	<input type="checkbox"/> <b>OPPOSITION</b>

**2. TESTIMONY AT NOTICED PUBLIC HEARINGS**

At Public Hearings of the Board, persons wishing to speak shall be permitted to address the Board on any issue relevant to the subject of the Hearing.

**3. DISCUSSION OF AGENDA ITEMS**

The Chairman may permit any member of the public to address the Board on any issue relevant to a particular agenda item.

**4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA**

Public comment on matters not on the agenda will be limited to five speakers with three minutes each, under the Public Comment Agenda Item. Additional speakers will be heard at the end of the Board's Agenda.

NOTE: Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.



AGENDA ITEM NO. **REQUEST TO SPEAK FORM**ORDER REQUEST RECEIVED 

**PLEASE SUBMIT THIS COMPLETED FORM (AND YOUR WRITTEN STATEMENT)  
TO THE CLERK OF THE BOARD PRIOR TO DISCUSSION OF YOUR ITEM**

**1. INSTRUCTIONS**

This Request to Speak form must be filled out and submitted in advance of the discussion of your item to the Clerk of the Board (please attach any written statement to this form). Communications on hearings and agenda items are generally limited to three minutes per person unless the Board authorizes additional time; however, the Chairperson may limit comment to one or two minutes each if there are multiple requests to speak on a particular item. General public comments on items not on the agenda are limited to three minutes. Please be brief and to the point. No yielding of time is allowed. Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.

(PLEASE PRINT)

DATE	12-6-12		
Name	TONY HUBO		
Address	2660 IMPERIAL AVE		
Telephone	619 231-1144		
Organization Represented	USA CAB		
Subject of Your Remarks	ITEM #3 Renewal support		
Regarding Agenda Item No.	3		
Your Comments Present a Position of:	<input checked="checked" type="checkbox"/>	SUPPORT	<input type="checkbox"/> OPPOSITION

**2. TESTIMONY AT NOTICED PUBLIC HEARINGS**

At Public Hearings of the Board, persons wishing to speak shall be permitted to address the Board on any issue relevant to the subject of the Hearing.

**3. DISCUSSION OF AGENDA ITEMS**

The Chairman may permit any member of the public to address the Board on any issue relevant to a particular agenda item.

**4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA**

Public comment on matters not on the agenda will be limited to five speakers with three minutes each, under the Public Comment Agenda Item. Additional speakers will be heard at the end of the Board's Agenda.

NOTE: Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.



## REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

1

PLEASE SUBMIT THIS COMPLETED FORM (AND YOUR WRITTEN STATEMENT)  
TO THE CLERK OF THE BOARD PRIOR TO DISCUSSION OF YOUR ITEM

## 1. INSTRUCTIONS

This Request to Speak form must be filled out and submitted in advance of the discussion of your item to the Clerk of the Board (please attach any written statement to this form). Communications on hearings and agenda items are generally limited to three minutes per person unless the Board authorizes additional time; however, the Chairperson may limit comment to one or two minutes each if there are multiple requests to speak on a particular item. General public comments on items not on the agenda are limited to three minutes. Please be brief and to the point. No yielding of time is allowed. Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.

(PLEASE PRINT)

DATE	Dec 6, 2012		
Name	MARGO TANGUAY		
Address	229 16th St. # 116 S.D. 92101 Ca		
Telephone	619 231-1144 ext 0671		
Organization Represented	Lease Driver Rep TOTS TAComm		
Subject of Your Remarks	Support Renewal - Dialog Issues		
Regarding Agenda Item No.	C3		
Your Comments Present a Position of:	<input checked="" type="checkbox"/>	SUPPORT	<input type="checkbox"/> OPPOSITION

## 2. TESTIMONY AT NOTICED PUBLIC HEARINGS

At Public Hearings of the Board, persons wishing to speak shall be permitted to address the Board on any issue relevant to the subject of the Hearing.

## 3. DISCUSSION OF AGENDA ITEMS

The Chairman may permit any member of the public to address the Board on any issue relevant to a particular agenda item.

## 4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Public comment on matters not on the agenda will be limited to five speakers with three minutes each, under the Public Comment Agenda Item. Additional speakers will be heard at the end of the Board's Agenda.

NOTE: Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.



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

DRAFT

## Agenda

### MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

December 13, 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 two 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 - November 15, 2012 Approve
3. Public Comments - Limited to five speakers with three minutes per speaker. Others will be heard after Board Discussion items. If you have a report to present, please give your copies to the Clerk of the Board.

Please SILENCE electronics  
during the meeting

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

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

## CONSENT ITEMS

- |    |  |         |
|----|--|---------|
| 6. | <u>Investment Report - October 2012</u><br>Action would receive a report for information.  | Receive |
| 7. | <u>Classroom Day Tripper Program Follow-up - Audit Report</u><br>Action would receive Internal Audit's report on the Classroom Day Tripper Program.  | Receive |
| 8. | <u>San Diego Transit Corporation (SDTC) Management Pension Benefit</u><br>Action would amend the Retirement Plan for Noncontract Employees of the San Diego Transit Corporation (SDTC) to comply with the California Public Employees' Pension Reform Act of 2013 (PEPRA). | Approve |

## CLOSED SESSION

- |     |   |                    |
|-----|---|--------------------|
| 24. | a. CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS Pursuant to California Government Code Section 54957.6; Agency-Designated Representative: Harry Mathis, Board Chair; Unrepresented Employee: Chief Executive Officer  | Possible<br>Action |
|     | b. CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION Pursuant to California Government Code Section 54956.9(a) (IRS Tax Appeal, Ref. No. 569-X)  | Possible<br>Action |
|     | c. CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54956.8<br><u>Property:</u> The San Diego and Arizona Eastern Railway Company (SD&AE) Desert Line from approximate Mile Post 60 to approximate Mile Post 130 (Division to Plaster City) in San Diego and Imperial Counties<br><u>Agency Negotiators:</u> Karen Landers, General Counsel; Tim Allison, Manager of Real Estate Assets; and Paul Jablonski, Chief Executive Officer<br><u>Negotiating Parties:</u> Pacific Imperial Railroad, Inc. (PIR)<br><u>Under Negotiation:</u> Price and Terms of Payment for Assignment of Operating Rights | Possible<br>Action |
|     | <u>Oral Report of Final Actions Taken in Closed Session</u>   |                    |

## NOTICED PUBLIC HEARINGS

25. None.

## DISCUSSION ITEMS

- |     |   |         |
|-----|---|---------|
| 30. | <u>Management Pension Benefit (Jeff Stumbo)</u><br>Action would adopt Resolution No. 12-19 authorizing a contract amendment with CalPERS to establish a new MTS employee pension formula of 2%-at-60 years for employees hired on or after December 24, 2012. | Adopt   |
| 31. | <u>Desert Line (Karen Landers)</u><br>Action would approve a long-term operating agreement and lease for the Desert Line between MTS, San Diego and Arizona Eastern Railway Company (SD&AE), and Pacific Imperial Railroad, Inc. (PIR).                       | Approve |

## DISCUSSION ITEMS - Continued

- |     |   |                    |
|-----|---|--------------------|
| 32. | <u>Taxicab Administration (Sharon Cooney)</u><br>Action would receive a report on Taxicab Administration activities and provide direction to staff regarding renewal of contracts with the cities of San Diego, El Cajon, Imperial Beach, La Mesa, Lemon Grove, Poway, and Santee.  | Possible<br>Action |
| 33. | a. <u>40-Foot Low-Floor CNG Transit Bus Procurement - Contract Award (Ernesto DeGuzman)</u><br>Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0589.0-13 with Gillig, LLC. for the purchase of 40-foot low-floor compressed natural gas (CNG) buses for a five-year period contingent upon the successful completion of the federally required Buy America audit. | Approve            |
|     | b. <u>60-Foot Low-Floor Articulated CNG Transit Bus Procurement - Contract Award (Ernesto DeGuzman)</u><br>Action would authorize the CEO to execute MTS Doc. No. B0570.0-12 with New Flyer of America, Inc. for the purchase of 60-foot low-floor articulated CNG transit buses for a five-year period contingent upon the successful completion of the federally required Buy America audit.      | Approve            |

## REPORT ITEMS

- |     |   |             |
|-----|---|-------------|
| 45. | <u>Comprehensive Annual Financial Report (CAFR) (Cliff Telfer)</u><br>Action would receive a report for information.  | Receive     |
| 46. | <u>FY 2012 Final Budget Comparison (Tom Lynch)</u><br>Action would receive a report for information.  | Receive     |
| 47. | <u>Disadvantaged Business Enterprise (DBE) Report (Karen Landers)</u><br>Action would receive a report for information.   | Receive     |
| 60. | <u>Chairman's Report</u>  | Information |
| 61. | <u>Audit Oversight Committee Chairman's Report</u>  | Information |
| 62. | <u>Chief Executive Officer's Report</u>   | Information |
| 63. | <u>Board Member Communications</u>  |             |
| 64. | <u>Additional Public Comments Not on the Agenda</u><br>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> January 17, 2013  |             |
| 66. | <u>Adjournment</u>  |             |



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

## Agenda Item No. 6

### MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

December 13, 2012

**Draft for  
Executive Committee  
Review Date: 12/6/12**

#### SUBJECT:

INVESTMENT REPORT – OCTOBER 2012

#### 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 October 2012. The combined total of all investments has increased from \$233.6 million to \$237.6 million in the current month. This \$4 million increase is attributable to normal variances in scheduled receipts (including \$15.3 million in budgeted subsidy revenue); vendor payments (including payments totaling \$1.3 million for the acquisition of capital assets); and payroll disbursements.

The first column provides details about investments restricted for capital improvement projects and debt service, 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. In addition, in the current month, MTS transferred \$9 million in Proposition 1B funding restricted for the acquisition of capital assets from the San Diego County Investment Pool to fund the acquisition of trolley cars and other assets.

The second column (unrestricted investments) reports the working capital for MTS operations allowing payments for employee payroll and vendors' goods and services.



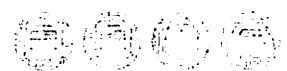
Paul C. Jablonski  
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, [Sharon.Cooney@sdmts.com](mailto:Sharon.Cooney@sdmts.com)

Attachment: A. Investment Report for October 2012

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

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





**San Diego Metropolitan Transit System  
Investment Report  
October 31, 2012**

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	<b>Average rate of return</b>
Cash and Cash Equivalents				
Bank of America - concentration account	\$ -	\$ 404,048	\$ 404,048	0.00%
JP Morgan Chase - concentration account	1,322,629	37,403,726	38,726,355	
Total Cash and Cash Equivalents	1,322,629	37,807,774	39,130,403	
Cash - Restricted for Capital Support				
US Bank - retention trust account	8,043,460	-	8,043,460	N/A *
San Diego County Investment Pool				
Proposition 1B grant funds	23,555,898	214,294	23,770,193	
Proposition 1B TSGP grant funds	5,054,696	70,854	5,125,550	
Total Cash - Restricted for Capital Support	36,654,054	285,148	36,939,202	
Investments - Working Capital				
Local Agency Investment Fund (LAIF)	-	42,038,082	42,038,082	0.340%
Total Investments - Working Capital	-	42,038,082	42,038,082	
Investments - Restricted for Debt Service				
US Bank - Treasury Strips - market value (Par value \$39,474,000)	39,079,895	-	39,079,895	7.69%
Rabobank -				
Payment Undertaking Agreement	80,435,481	-	80,435,481	
Total Investments Restricted for Debt Service	119,515,376	-	119,515,376	
Total cash and investments	<u>\$ 157,492,059</u>	<u>\$ 80,131,004</u>	<u>\$ 237,623,063</u>	

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



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

## Agenda Item No. 7

### MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

December 13, 2012

**Draft for  
Executive Committee  
Review Date: 12/6/12**

#### SUBJECT:

CLASSROOM DAY TRIPPER PROGRAM FOLLOW-UP – AUDIT REPORT

#### RECOMMENDATION:

That the Board of Directors receive Internal Audit's report on the Classroom Day Tripper Program.

#### Budget Impact

None.

#### DISCUSSION:

The MTS Internal Auditor completed a follow-up review of the Classroom Day Tripper Program, which was audited during FY 12. Evidence reviewed indicated that Management implemented corrective action plans addressing previously reported findings, and those controls were operating as designed and intended.

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: Karen Landers, 619.557.4512, [karen.landlers@sdmts.com](mailto:karen.landlers@sdmts.com)

Attachment: A. Classroom Day Tripper Program Follow-up

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

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







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

Att. A, AI 7, 12/13/12

## Memorandum

DATE: 11/1/2012  
TO: John Davenport and Belinda Fragger  
FROM: Daniel Madzellan  
SUBJECT: Follow Up Review – Classroom Day Trip Program

---

### **Background:**

In accordance with MTS Internal Audit Policies, MTS Auditor is responsible for monitoring the progress of corrective actions taken by Management with respect to audit findings. Accordingly, Internal Audit performed a follow up review on the Classroom Day Trip Program. This review corresponds to the audit report that was formally issued on February 27, 2012. The review focused on:

1. Verifying management actions plans were implemented;
2. Determining if the action plans are working as designed and intended, and
3. Evaluate if residual risks remaining are at acceptable levels.

### **Previous Findings Summary:**

The following is a brief overview of the three primary findings with the previous audit.

1. MTS Allocation Reporting Inconsistent with SANDAG's Revenue Remittance Reporting: MTS based their allocation reporting on the month the actual trip took place (i.e. modified accrual basis). SANDAG's bases their remittance reporting around actual checks received and processed during a month (i.e. cash basis). The different methodologies of reporting leads to timing differences that cannot be reconciled in an efficient, easy manner.
2. Validity and Accuracy of MTS Allocation of Revenue Reporting: There were differences between MTS revenue allocation reports and Audit's expected trip revenues based on passenger counts and pricing as outlined above. Accordingly, Audit cannot reasonably conclude the information reflected with MTS reports is valid and accurate, which in turn impacts Audit's ability to reconcile to SANDAG's actual remittances.
3. Program Rates Charged for Ferry Services is Inconsistent with the Rates Reflected within Program Operating Narratives: The program narratives listed the Coronado/San Diego Bay Ferry cost as \$2 per person. Audit observed there were trips where the reported Ferry charges and allocation was for only \$1 per person. Based on discussion with the prior supervisor and Classroom Day Tripper Coordinator these charges arise if the Ferry use is only one way, not a round trip. There were fifty-three (53) one way trips reflected on MTS reporting where only \$1 per person was charged.



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

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

**Management Action Plans from Previous Report:**

1. Management will take an objective look at the current operation of the day tripper program to determine long term needs of the program including the proper resources and skill levels required to successfully operate the classroom day tripper program.
2. Management has implemented a new reporting system that was reviewed by audit to ensure proper record keeping.
3. MTS Finance will assume the role of SANDAG on February 1, 2012.
4. Management will work closely with Finance to ensure all classroom day tripper records are compliant with MTS financial standards.

**Follow Up Results:**

Audit reviewed the new reporting system for the two most recently completed months prior to commencement of follow up activities (August and September). Audit performed the following procedures:

1. Traced each reported trip documented within the monthly report to supporting documentation (Classroom Day Trip Request Form);
2. Validated the accuracy of the revenue calculations and allocations based on rates charged for services provided as documented on the request form;
3. Verified there was evidence of Management review of the reporting; and
4. Traced the reported revenues into accounting reconciliations to verify the revenues were properly deposited and recorded in the general ledger.

Based on testing performed, there were no reportable findings. Evidence indicated Management implemented their corrective action plans addressing the reported findings and those controls were operating as designed and intended. As such, Audit considered any residual risks associated with the specific operations at acceptable levels.

For informational purposes, Audit compared prior year reporting periods with the same periods corresponding to the change in reporting system. Total revenues increased by \$27,328, or 68.1%, while MTS's portion of the total revenues increased by \$18,855.25, or 133.8%. NOTE: Classroom Day Trip Program includes utilization of services provided by North County Transit District (Bus, Sprinter and Coaster), as well as the Coronado Ferry.

While some of the increases can be attributed to outside factors, such as a couple of large group outings, the evidence does suggest new reporting system has eliminated the revenue leakage suspected from the previous audit. Please review Appendix A below for comparison of prior years and current year revenue totals.

**Management Comments:**

Management concurs with Internal Audit that the new program reporting system is working well. The ongoing partnership with MTS Finance has also had a positive impact on the outcome of the internal review. Moving forward, Management does suggest the Agency investigate the feasibility of installing a credit card terminal for classroom day trip payments. This would provide the program a secured payment option and would also help speed up the revenue collection process compared to the current practice of only accepting checks as payment.

**Report Distribution:**

Paul Jablonski, Cliff Telfer, Karen Landers – MTS

**Appendix A – Revenue Comparison:**

**Total Revenue Comparison: Percentage Increase in Revenues – 68.1%**

<b>Month</b>	<b>Prior Year Revenues Old Procedures</b>	<b>Month</b>	<b>Current Year Revenues New Procedures</b>	<b>Difference – Dollars</b>
Mar 2011	\$ 5,351.00	Mar 2012	\$ 10,278.50	\$ 4,927.50
Apr 2011	\$ 6,230.00	Apr 2012	\$ 5,828.00	(\$ 402.00)
May 2011	\$ 8,653.00	May 2012	\$ 18,846.50	\$ 10,193.50
June 2011	\$ 11,458.50	June 2012	\$ 12,315.00	\$ 856.50
July 2011	\$ 4,613.50	July 2012	\$ 14,367.50	\$ 9,754.00
Aug 2011	\$ 2,218.00	Aug 2012	\$ 4,159.00	\$ 1,941.00
Sept 2011	\$ 1,634.00	Sept 2012	\$ 1,691.50	\$ 57.50
<b>TOTALS</b>	<b>\$ 40,158.00</b>		<b>\$ 67,486.00</b>	<b>\$ 27,328.00</b>

**MTS Total Revenue Comparison: Percentage Increase in Revenues – 133.8%**

<b>Month</b>	<b>Prior Year Revenues Old Procedures</b>	<b>Month</b>	<b>Current Year Revenues New Procedures</b>	<b>Difference – Dollars</b>
Mar 2011	\$ 2,421.00	Mar 2012	\$ 7,712.50	\$ 5,291.50
Apr 2011	\$ 1,905.50	Apr 2012	\$ 2,679.50	\$ 774.00
May 2011	\$ 2,027.25	May 2012	\$ 8,643.00	\$ 6,615.75
June 2011	\$ 4,364.00	June 2012	\$ 685.00	(\$ 3,678.50)
July 2011	\$ 1,705.00	July 2012	\$ 10,802.00	\$ 9,097.00
Aug 2011	\$ 691.00	Aug 2012	\$ 2,429.50	\$ 1,738.50
Sept 2011	\$ 983.00	Sept 2012	\$ 949.50	(\$ 33.50)
<b>TOTALS</b>	<b>\$ 14,096.75</b>		<b>\$ 32,952.00</b>	<b>\$18,855.25</b>



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

## Agenda Item No. 8

### MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

December 13, 2012

**Draft for  
Executive Committee  
Review Date: 12/6/12**

#### SUBJECT:

SAN DIEGO TRANSIT CORPORATION (SDTC) MANAGEMENT PENSION BENEFIT

Item to be provided  
with Board mail-out

