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San Diego, CA 92101-7490
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Agenda

MEETING OF THE METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

March 13, 2014

Executive Conference Room
9:00 a.m.

ACTION RECOMMENDED

- A. ROLL CALL
- B. APPROVAL OF MINUTES - February 13, 2014 Approve
- C. COMMITTEE DISCUSSION ITEMS
1. Trolley Renewal Project Update (Bruce Schmith of SANDAG) Informational
2. Update on Contract Services Fixed-Route Procurement (Bill Spraul and Jeff Codling) Informational
3. Taxicab Contract Renewal (Sharon Cooney) Possible
Action
Action would forward a recommendation to the Board of Directors to adopt the principles for renewal of the taxicab administration contract with the City of San Diego as recommended by the Ad Hoc Taxicab Contract Renewal Committee.
4. CLOSED SESSION - CONFERENCE WITH REAL PROPERTY Possible
Action
NEGOTIATORS Pursuant to California Government Code section 54956.8
Property: San Diego and Arizona Eastern (SD&AE) Railway Company
Desert Line (Division to Plaster City)
Agency Negotiators: Karen Landers, General Counsel; Tim Allison, Manager of Real Estate Assets; and Paul Jablonski, Chief Executive Officer
Negotiating Parties: RD Griffin Partners LLC, David Rohal, Ernest Dahlman
Under Negotiation: Price and Terms of Payment.
- D. REVIEW OF DRAFT MARCH 20, 2014, BOARD AGENDA



- | | | |
|----|--|--------------------|
| E. | <u>REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA</u>
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. | Possible
Action |
| F. | COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS | |
| G. | PUBLIC COMMENTS | |
| H. | NEXT MEETING DATE: April 10, 2014 | |
| I. | ADJOURNMENT | |

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

February 13, 2014

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. McClellan moved for approval of the minutes of the January 9, 2014, MTS Executive Committee meeting. Mr. Ovrom seconded the motion, and the vote was 4 to 0 in favor with Mr. Roberts absent.

C. COMMITTEE DISCUSSION ITEMS

1. Trolley Renewal Project Update

Bruce Schmith of SANDAG discussed Blue Line stations and rail construction. He reviewed milestones, status of shelters and completion dates.

Mr. Mathis asked regarding the schedule of Milestone E stations including Blue Line, Harborside and Pacific Fleet with regard to the construction contract. Mr. Schmith was in hopes the shop drawings would be completed. Mr. Jablonski said although construction would continue into 2015, MTS will be operating on temporary platforms and will be able to implement low floor service and new cars before the end of the contract.

Mr. Schmith reviewed the construction status of Barrio Logan station, Harborside station, Pacific Fleet station, 8th Street station, 24th Street station, and other Blue Line projects. He provided pictures of ADA grade crossing improvements and discussed the traction power substation update. Discussion ensued regarding acquisition of a potential substation site. Mr. Mathis asked if speed would need to be slowed down if a particular site for a substation was not acquired and Mr. Jablonski responded it was not likely and provided explanation. Wayne Terry, Chief Operating Officer of Rail reviewed the light rail procurement status.

Action Taken

Informational item only. No action taken.

2. Student Pass Pilot Program

Sharon Cooney, Chief of Staff discussed the prior approval of the student pass pilot program to implement free youth passes at four local high schools and introduced Marcus Smith of Compass Card and Janelle Carey, Transportation Planner who is responsible for the data analysis. Ms. Carey provided the pilot background and the goal of the program and reviewed the steps taken to implement the pilot program. Discussion between Committee members ensued regarding the premise behind the goal of the

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program. She reviewed the transit services connecting the four schools and how students would use the Compass card. Mr. Smith reviewed pass use statistics. Discussion ensued regarding how students would use the pass and how student ridership would be accounted for. Mr. Smith provided a breakdown of pass use statistics by school. Ms. Carey discussed pass tap statistics regarding usage at particular times of day and weekdays. Mr. McClellan asked how MTS would prevent a single pass being used by multiple persons. Mr. Jablonski responded that the student's picture is on the pass. Mr. Roberts asked if the pass could be used on the weekends and Ms. Cooney responded it was previously discussed with the City that it was part of the goal of the program to encourage jobs, internships, extracurricular activities, etc. so the card can be used on the weekends. Ms. Carey reviewed the next steps of the program. Discussion ensued regarding location usage. The Committee members stated MTS's need for schools to report truancy data to fully determine the success of the program. Ms. Carey advised the program would be in place until June, 2014.

Action Taken

Informational item only. No action taken.

3. Senior/Disabled/Medicare (SDM) Reduced-Fare Program

Ms. Cooney explained the program and provided a fare usage breakdown for FY 2013. She discussed the reduced fare eligibility process and its link to the Compass Card program. She discussed the forms and the outreach done to research the types of disabilities that qualify for the program. She stated that a database exists to monitor the use of the program and to eliminate fraud. She reviewed the particulars of the short form where doctor certification is not required. Ms. Cooney stated the Compass Card contains rider information as well as their picture for identification and Mr. Jablonski stated the card can easily be replenished at certain locations such as Albertson's and online. She reviewed the Long Form where doctor's certification is required and the application and verification process. She stated that if an applicant is denied they can go through an appeal process. Karen Landers, General Counsel discussed the certain difficulties of administering the program and the federal standards. Discussion ensued with Committee members regarding the age of those qualifying for the program and its impact on revenue. Ms. Cooney discussed how to obtain the forms and provided additional information regarding the SDM program and stated independent consultants were previously utilized to review the process. She provided preliminary data and discussed the wide array of circumstances uncovered during processing. She reviewed the program's unknown variables.

Action Taken

Informational item only. No action taken.

4. Energy Credit Update

Mike Thompson, Budget Manager provided a history of MTS's gas service provider (GSP), the purpose of the program and stated it had no impact to operations. He advised MTS's current GSP is BP Energy Company. He reviewed the BP contract extension and biogas which is natural gas from renewable sources instead of a fossil fuel. There are financial incentives for MTS to use biogas and there are no additional costs to MTS. MTS pays the natural gas rate. By using biogas federal and state energy credits are generated. BP manages the Environmental Protection Agency (EPA) and California Air Resources Board (CARB) requirements. He reviewed the credits realized

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by MTS and revenue generated. Discussion ensued regarding the reasoning and specifics of the program. Mr. Jablonski discussed the possible future changes in requirements relating to the CARB program.

Action Taken

Informational item only. No action taken.

5. Chula Vista Transit

Bill Spraul, Chief Operating Officer of Transit provided background information on Chula Vista Transit operations, current status and fiscal impact. Mr. McClellan asked if solar would be utilized at the new facilities. Mr. Jablonski advised they would and that MTS is seeking LEED certification. Mr. Jablonski gave an update on various facilities.

Mr. Roberts recommended that MTS staff have a discussion with San Diego Unified School District staff about collaborating on bus-storage options as a possible money-saving measure (for both entities).

Action Taken

Informational item only. No action taken.

D. REVIEW OF DRAFT February 20, 2014, BOARD AGENDA (TAKEN OUT OF ORDER)

Recommended Consent Items

6. San Diego and Arizona Eastern (SD&AE) Railway Company Quarterly Reports and Ratification of Actions Taken by the SD&AE Board of Directors at its Meeting on January 14, 2014

Action would: (1) receive the San Diego and Imperial Valley Railroad (SD&IV), Pacific Southwest Railway Museum Association (Museum), and Pacific Imperial Railroad, Inc. (PIR) quarterly reports for information; and (2) ratify actions taken by the SD&AE Board at its quarterly meeting on January 14, 2014.

7. Addition of Three Information Technology Positions

Action would authorize the Chief Executive Officer (CEO) to add: 1) One (1) Lead Computer Support Specialist to the FY14 budget, increasing the total Full Time Equivalent (FTE) position from 0 to 1 at Grade #5 (\$35,972.00 - \$55,577.00); 2) One (1) System Administrator to the FY14 budget, increasing the total Full Time Equivalent (FTE) position from 4 to 5 at Grade #8 (\$53,356.00 - \$85,183.00); and 3) One (1) Fare Technology Program Manager to the FY14 budget, increasing the total Full Time Equivalent (FTE) position from 0 to 1 at Grade #10 (\$69,951.00 - \$111,676.00).

8. 2014 State and Federal Legislative Programs

Action would approve staff recommendations for 2014 federal and state legislative programs.

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Recommended Consent Items – Continued

9. Investment Report - December 2013
Action would authorize the CEO to issue a purchase order to AT&T for the purchase of equipment and installation of a Cisco Voice-Over Internet Protocol (VoIP) phone system for the MTS South Bay Bus Maintenance Facility (SBBMF). This project will connect this facility into the MTS agency-wide phone and data communications system. This procurement would be under the County of Merced's Contract No. 2009177.
10. Excess Insurance Renewals for Liability and Workers' Compensation Program
Action would approve the purchase of excess liability insurance (at limits of \$75 million less a \$2 million self-insured retention [SIR]) and excess workers' compensation insurance (at statutory limits less a \$1 million SIR). The new policies would be in effect from March 1, 2014 through March 1, 2015.
11. Type II Class B Paratransit Buses - Contract Award
Action would authorize the CEO to: 1) execute MTS Doc. No. B0611.0-14 with Creative Bus Sales for the purchase of up to fifty (50) Class B Cutaway buses for MTS's para-transit services; and 2) exercise the option to purchase up to ten (10) additional buses pending availability of funding in future fiscal years.
12. MTS Bus Rapid Transit (BRT) Station Maintenance – Contract Award
Action would authorize the CEO to: 1) execute MTS Doc. No. G1658.0-14 with ISS Facility Services, Inc. for the provision of station maintenance services at designated BRT stations for a contract base period of five (5) years with two (2) one year options to be exercised exclusively at MTS's discretion; and 2) exercise each option period at the CEO's discretion.

The Executive Committee convened to Closed Session at 9:35 a.m.

6. CLOSED SESSION - PUBLIC EMPLOYEE PERFORMANCE EVALUATION CHIEF EXECUTIVE OFFICER Pursuant to California Government Code Section 54957

The Executive Committee reconvened to Open Session at 11:07 a.m.

Oral Report of Final Actions Taken in Closed Session

Karen Landers, General Counsel, reported the following:

6. The Executive Committee received a report from negotiators and gave direction.

- E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA
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.
- F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS
There were no Committee member communications.

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G. PUBLIC COMMENTS

There were no public comments.

H. NEXT MEETING DATE

The next Executive Committee meeting is scheduled for March 13, 2014.

I. ADJOURNMENT

Chairman Mathis adjourned the meeting at 11:08 a.m.

Chairman

Attachment: A. Roll Call Sheet

**EXECUTIVE COMMITTEE
METROPOLITAN TRANSIT SYSTEM**

ROLL CALL

MEETING OF (DATE) February 13, 2014

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

RECESS N/A

RECONVENE N/A

CLOSED SESSION 10:40 a.m.

RECONVENE 10:50 a.m.

ADJOURN 10:51 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
LIGHTNER	<input checked="" type="checkbox"/> (Emerald) <input type="checkbox"/>	9:02 a.m.	
MATHIS	<input checked="" type="checkbox"/>	9:02 a.m.	
OVROM	<input checked="" type="checkbox"/> (Bragg) <input type="checkbox"/>	9:02 a.m.	
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:12 a.m.	
CUNNINGHAM	<input type="checkbox"/> (McClellan) <input checked="" type="checkbox"/>	9:02 a.m.	
Transportation Committee Rep Slot (Mathis)			

SIGNED BY THE CLERK OF THE BOARD:

[Signature] for N. Machado

CONFIRMED BY THE GENERAL COUNSEL:

[Signature]



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Agenda Item No. C1

MEETING OF THE METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

March 13, 2014

SUBJECT:

TROLLEY RENEWAL PROJECT UPDATE (BRUCE SCHMITH OF SANDAG)

INFORMATIONAL

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.



Paul C. Jablonski
Chief Executive Officer

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





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Agenda Item No. C2

MEETING OF THE METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

March 13, 2014

SUBJECT:

UPDATE ON CONTRACT SERVICES FIXED-ROUTE PROCUREMENT (BILL SPRAUL
AND JEFF CODLING)

INFORMATIONAL

Budget Impact

None.

DISCUSSION:

In July 2006 the Board of Directors approved the award of a contract to Veolia Transportation, Inc. for the provision of fixed-route bus services for East County, Chula Vista, South Bay, the rural unincorporated County and regional express services. The contract term was a 5 ½-year base with 3 one-year options. Under the contract MTS provides three operating divisions and the buses, with the exception of the 26 commuter express buses which were provided by Veolia under the terms of the contract. The terms of the contract were implemented in phases in the first 6 months of 2007. Staff has begun the procurement process for competitively bidding fixed-route bus services to coincide with the expiration of the current contract at the end of 2014. Staff will provide an update on the procurement process and timeline.



Paul C. Jablonski
Chief Executive Officer

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





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Agenda Item No. C3

MEETING OF THE METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

March 13, 2014

SUBJECT:

TAXICAB CONTRACT RENEWAL (SHARON COONEY)

RECOMMENDATION:

That the Executive Committee forward a recommendation to the Board of Directors to adopt the principles for renewal of the taxicab administration contract with the City of San Diego as recommended by the Ad Hoc Taxicab Contract Renewal Committee.

Budget Impact

None.

DISCUSSION:

At its January meeting the Board of Directors created an ad hoc committee to formulate guiding principles for contract negotiations with the City of San Diego for taxicab administration. The Committee is finalizing its recommendations which will be presented to the Executive Committee for its consideration.

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



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



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Agenda

METROPOLITAN TRANSIT SYSTEM

****BOARD OF DIRECTORS MEETING & FINANCE WORKSHOP****

March 20, 2014

▶▶ 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.

FINANCE WORKSHOP - 9:00 a.m.

ACTION
RECOMMENDED

1. Roll Call
2. a. Fiscal Year 2015 Capital Improvement Program (Mike Thompson)
Action would: (1) approve the fiscal year 2015 Capital Improvement Program (CIP) with the estimated federal and nonfederal funding levels. As the federal appropriation figures are finalized and/or other project funding sources become available, allow the Chief Executive Officer (CEO) to identify and adjust projects for the adjusted funding levels; (2) forward a recommendation to the San Diego Association of Governments (SANDAG) Board of Directors to approve the submittal of Federal Section 5307 and 5337 applications for the MTS fiscal year 2015 CIP; (3) approve the transfer of \$357,409 from previous CIP projects to the fiscal year 2015 CIP; and (4) forward a recommendation to the SANDAG Board of Directors to approve amendment number 14 of the 2012 Regional Transportation Improvement Program (RTIP) in accordance with the fiscal year 2015 CIP recommendations.

Please SILENCE electronics
during the meeting



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

2. b. Fiscal Year 2014 Midyear Operating Budget Adjustment (Mike Thompson) Approve
 Action would approve Resolution No. 14-3 amending the fiscal year 2014 operating budget for MTS, San Diego Transit Corporation (SDTC), San Diego Trolley, Inc. (SDTI), MTS Contract Services, Chula Vista Transit, and the Coronado Ferry including using excess revenues over expenses to increase contingency reserves.
3. Public Comments - Limited to five speakers with three minutes per speaker. Others will be heard after Board Discussion items. If you have a report to present, please give your copies to the Clerk of the Board.
4. a. Next Finance Workshop: April 17, 2014
- b. Adjournment

BOARD MEETING - Meeting will begin when the Finance Workshop ends.

5. a. Roll Call
- b. Approval of Minutes - February 20, 2014 Approve
- c. 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 furnish a copy to the Clerk of the Board.

CONSENT ITEMS

6. Investment Report - January 2014 Informational
7. Cubic Software Maintenance Approve
 Action would authorize the Chief Executive Officer (CEO) to execute Doc. No. G1695.0-14, with Cubic Transportation Systems, Inc., on a sole-source basis, for the provision of annual maintenance services for the proprietary Cubic Compass Card Back Office software.
8. Purchase and Installation of two Compressed Natural Gas (CNG) Dispensers - Contract Award Approve
 Action would authorize the CEO to execute MTS Doc. No. PWB151.0-14, with Go Natural Gas, Inc., for the purchase and installation of two new CNG dispensers at the City of Chula Vista Public Works Center.
9. Legal Services Agreement with Wheatley, Bingham & Baker, LLP - Contract Amendment Approve
 Action would authorize the CEO to execute Amendment No. 2 to MTS Doc. No. G1434.2-12 with Wheatley, Bingham & Baker, LLP for an increase in contract value, from the previous amendment amount of \$640,000, to a revised \$790,000 to cover unanticipated expenses for the remainder of FY 2014.

- | | | |
|-----|--|---------|
| 10. | <u>California Governors Office of Emergency Services (CalOES) California Transit Security Grant Program (CTSGP) Funding, Fiscal Year 2013-2014</u>
Action would approve Resolution No.14-4, authorizing the use of, and application for, \$2,779,445 of California CTSGP for capital projects that provide increased protection against security and safety threats, and/or increases the capacity of transit operators to prepare for and provide disaster-response transportation systems. | Approve |
| 11. | <u>Proposed Revisions to MTS Policy No. 41 - Signature Authority</u>
Action would approve the proposed revisions to MTS Policy No. 41 - Signature Authority. | Approve |
| 12. | <u>Property Insurance Renewal</u>
Action would authorize the CEO to renew the property insurance coverage for the San Diego Metropolitan Transit System (MTS), San Diego Transit Corporation (SDTC), and San Diego Trolley, Inc. (SDTI) with the California State Association of Counties – Excess Insurance Authority (CSAC-EIA) Property Insurance Program, effective March 31, 2014, through March 31, 2015, with various coverage deductibles of \$25,000 (real estate and personal contents property), \$100,000 (bus fleet), \$250,000 (light rail fleet) and \$1,500,000 (roads, bridges and tunnels). | Approve |
| 13. | <u>Verizon Wireless Data Service for Mobile Data Terminal/Automatic Vehicle Locator - Contract Award</u>
Action would authorize the CEO to execute MTS Doc. No. G1698.0-14 with Verizon Wireless for the provision of monthly cellular service and data usage for a contract base period of five (5) years with five (5) one year options to be exercised exclusively at the CEO's discretion. | Approve |
| | | |
| 14. | <u>California Department of Transportation (Caltrans) Program of Projects for Federal Transit Administration (FTA) Section 5311 Funding, Federal Fiscal Year 2014</u>
Action would approve Resolution No.14-5 authorizing the use of and application for \$432,356 of FTA Section 5311 funds: \$287,000 for operating assistance and \$145,356 for capital improvements in non-urbanized areas. | Approve |
| 15. | <u>Trapeze Software License and Maintenance Agreement (Paratransit and Mini-bus Services)</u>
Action would authorize the CEO to: 1) ratify Amendment Nos. 3 and 5 to MTS Document No. B0563.0-11 with Trapeze Software Group, Inc. (Trapeze) which were previously approved under the CEO's approval authority for a total cost of \$83,491.00; and 2) execute Amendment No. 6 to MTS Doc. No. B0563.0-11 with Trapeze Software License and Maintenance Agreement to consolidate all services under a single multi-year maintenance agreement totaling \$1,471,135.25. | Approve |

CLOSED SESSION

- | | | |
|-----|--|--------------------|
| 24. | a. CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL – Existing Litigation Pursuant to California Government Code Section 54956.9(A): Albert Miller (WCAB Case Nos. ADJ4510439 and ADJ8593274) | Possible
Action |
| | b. CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS Pursuant to California Government Code Section 54957.6
<u>Agency-Designed Representative</u> : Jeff Stumbo
<u>Employee Organization</u> : International Brotherhood of Electrical Workers – Local 465
<u>Employee Organization</u> : Transit Enforcement Officers Association | Possible
Action |

Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

- | | | |
|-----|---|-------|
| 30. | <u>Taxicab Contract Renewal (Sharon Cooney)</u>
Action would authorize the Board of Directors to adopt the principles for renewal of the taxicab administration contract with the City of San Diego as recommended by the Ad Hoc Taxicab Contract Renewal Committee. | Adopt |
|-----|---|-------|

REPORT ITEMS

- | | | |
|-----|---|-------------|
| 45. | None. | |
| 60. | <u>Chairman's Report</u> | Information |
| 61. | <u>Audit Oversight Committee Chairman's Report</u> | Information |
| 62. | <u>Chief Executive Officer's Report</u> | Information |
| 63. | <u>Board Member Communications</u> | |
| 64. | <u>Additional Public Comments Not on the Agenda</u>
If the limit of 5 speakers is exceeded under No. 3 (Public Comments) on this agenda, additional speakers will be taken at this time. If you have a report to present, please furnish a copy to the Clerk of the Board. Subjects of previous hearings or agenda items may not again be addressed under Public Comments. | |
| 65. | <u>Next Meeting Date</u> : April 17, 2014 (Finance Workshop) | |
| 66. | <u>Adjournment</u> | |



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Agenda Item No. 6

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

March 20, 2014

**Draft for
Executive Committee
Review Date: 3/13/14**

SUBJECT:

INVESTMENT REPORT – JANUARY 2014

INFORMATIONAL

Budget Impact

None.

DISCUSSION:

Attachment A comprises a report of MTS investments as of January 31, 2014. The combined total of all investments has decreased from \$212.4 million to \$202.6 million in the current month. This \$9.8 million decrease is attributable to expenditure of \$24.2 million for acquisition of capital assets, partially offset by \$8.1 million in FTA revenue, as well as normal timing differences in other payments and receipts.

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.

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

Attachment: A. Investment Report for January 2014



**San Diego Metropolitan Transit System
Investment Report
January 31, 2014**

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	Average rate of return
Cash and Cash Equivalents				
JP Morgan Chase - concentration account	-	12,733,593	12,733,593	0.00%
Total Cash and Cash Equivalents	-	12,733,593	12,733,593	
Cash - Restricted for Capital Support				
US Bank - retention trust account	8,545,827	-	8,545,827	N/A *
San Diego County Investment Pool Proposition 1B TSGP grant funds	5,744,978	357,256	6,102,234	
Total Cash - Restricted for Capital Support	14,290,805	357,256	14,648,061	
Investments - Working Capital				
Local Agency Investment Fund (LAIF)	18,155,040	39,029,281	57,184,321	0.244%
Total Investments - Working Capital	18,155,040	39,029,281	57,184,321	
Investments - Restricted for Debt Service				
US Bank - Treasury Strips - market value (Par value \$39,474,000)	39,350,208	-	39,350,208	
Rabobank - Payment Undertaking Agreement	78,692,891	-	78,692,891	7.69%
Total Investments Restricted for Debt Service	118,043,099	-	118,043,099	
Total cash and investments	<u>\$ 150,488,944</u>	<u>\$ 52,120,130</u>	<u>\$ 202,609,074</u>	

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



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Agenda Item No. 7

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

March 20, 2014

**Draft for
Executive Committee
Review Date: 3/13/14**

SUBJECT:

CUBIC SOFTWARE MAINTENANCE

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute Doc. No. G1695.0-14 (in substantially the same format as Attachment A), with Cubic Transportation Systems, Inc., on a sole-source basis, for the provision of annual maintenance services for the proprietary Cubic Compass Card Back Office software.

Budget Impact

The total cost of this Agreement will not exceed \$2,447,007 for five years, as follows:

Year 1:	\$401,784
Year 2:	\$421,873
Year 3:	\$442,966
Year 4:	\$465,115
Year 5:	\$488,370
<u>Block Hours:</u>	<u>\$226,899</u>
Total:	\$2,447,007

Funding for this agreement will be covered under the Information Technology (IT) department's operating budget account number 532-53910.

DISCUSSION:

In early 2009, Metropolitan Transit System (MTS), the San Diego Association of Governments (SANDAG) and North County Transit District (NCTD) began transitioning from paper fare products to the Compass Card smart card. Under an MOU between MTS, SANDAG and NCTD, SANDAG's ITS Department had the responsibility of operating and maintaining the Compass Card "back office".

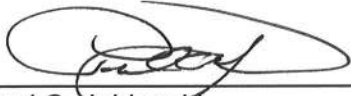
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Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc., San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations), and San Diego Vintage Trolley, Inc.,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



Also, in 2009, SANDAG entered into a five-year agreement with the software developer, Cubic Transportation Systems, Inc. (Cubic) for software maintenance. The agreement was annually renewable with the last year of service ending on December 12, 2013. In August 2013, MTS and SANDAG negotiated a new agreement with Cubic to continue the service to support daily operations. This was part of the transition of responsibilities of Compass Card operations from SANDAG to MTS. MTS anticipates that it will be fully responsible for all related tasks as of July 1, 2014.

Since the Cubic software has no licensed third party service providers and all intellectual property rights to the codes are held by Cubic Transportation Inc., it is recommended that a sole-source procurement be utilized to acquire the necessary maintenance support services for the software.



Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. Draft Standard Services Agreement; MTS Doc. No. G1695.0-14

STANDARD SERVICES AGREEMENT

G1695.0-14
 CONTRACT NUMBER
 OPS 53910
 FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____, 2014, in the State of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following, hereinafter referred to as "Contractor":

Name: CUBIC Transportation Systems, Inc. Address: 1308 South Washington Street
 Form of Business: Corporation Tullahoma, TN 37388
 (Corporation, partnership, sole proprietor, etc.) Telephone: 949-340-7702
 Authorized person to sign contracts: Susan E. Tudor Sr. Contracts Manager
 Name Title

The attached Standard Conditions are part of this agreement. The Contractor agrees to furnish to MTS the following:

Provide Software Maintenance Services as described in Cubic Transportation Systems, Inc. Maintenance Agreement (attached as Exhibit A), the MTS Standard Services Agreement, and Standard Conditions (attached as Exhibit B).

Payment terms shall be net 30 days from invoice date.

The total amount of this contract shall not exceed \$2,447,007.00.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM		CONTRACTOR AUTHORIZATION
By: _____ Chief Executive Officer		Firm: _____
Approved as to form:		By: _____ Signature
By: _____ Office of General Counsel		Title: _____
AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$2,447,007.00	532-53910	FY14-19

By: _____ Date
 Chief Financial Officer

(____ total pages, each bearing contract number)



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Agenda Item No. 8

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

March 20, 2014

**Draft for
Executive Committee
Review Date: 3/13/14**

SUBJECT:

PURCHASE AND INSTALLATION OF TWO COMPRESSED NATURAL GAS
(CNG) DISPENSERS – CONTRACT AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWB151.0-14 (in substantially the same format as Attachment A), with Go Natural Gas, Inc., for the purchase and installation of two new CNG dispensers at the City of Chula Vista Public Works Center.

Budget Impact

The total cost of this Agreement is not-to-exceed \$108,256 and will be funded under FY 14 MTS Capital Improvement Program (CIP) project number 11357.

DISCUSSION:

The approved FY 14 CIP includes a project for the purchase and installation of 2 new CNG dispensers at the City of Chula Vista Public Works Center. The current dispensers are thirteen years old and past their useful life. The dispensers are no longer dependable and include outdated technology.

MTS Policy No. 52, Procurement of Goods and Services, requires a formal competitive bid process for procurements exceeding \$100,000.



On January 2, 2014, MTS issued an Invitation for Bids (IFB) for the purchase and installation of 2 new CNG dispensers at the City of Chula Vista Public Works Center. Three (3) bids were received on February 6, 2014 and were deemed responsive and responsible. Go Natural Gas, Inc. was the lowest and most responsive bidder at \$108,256.

Based on the comparison between the in-house cost estimate and Go Natural Gas, Inc. bid amount, MTS's cost savings will be \$29,317.97. The bid by Go Natural Gas, Inc. is considered to be reasonable based on adequate competition in the marketplace.



Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. Draft Standard Services Agreement; Contract Number PWB151.0-14

STANDARD SERVICES AGREEMENT

PWB151.0-14
 CONTRACT NUMBER
 CIP 11357
 FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2014, in the State of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following, hereinafter referred to as "Contractor":

Name: Go Natural Gas, Inc. Address: 1644 N. El Camino Real

Form of Business: Corporation San Clemente, CA 96272
 (Corporation, partnership, sole proprietor, etc.)

Telephone: 949-340-7702

Authorized person to sign contracts: Timothy Nelligan Chief Executive Officer
 Name Title

The attached Standard Conditions are part of this agreement. The Contractor agrees to furnish to MTS the following:

Purchase and Install 2 New CNG Dispensers as set forth in the Scope of Work (attached as Exhibit A), Go Natural Gas Inc., bid dated February 6, 2014 (attached as Exhibit B), the MTS Standard Services Agreement, Standard Conditions (attached as Exhibit C), and the Federal Requirements (attached as Exhibit D).

Payment terms shall be net 30 days from invoice date. The total amount of this contract shall not exceed \$108,256.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM		CONTRACTOR AUTHORIZATION
By: _____ Chief Executive Officer		Firm: _____
Approved as to form:		By: _____ Signature
By: _____ Office of General Counsel		Title: _____
AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$108,256.00	CIP 11357	FY14

By: _____
Chief Financial Officer Date

(____ total pages, each bearing contract number)



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Agenda Item No. 9

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

March 20, 2014

**Draft for
Executive Committee
Review Date: 3/13/14**

SUBJECT:

LEGAL SERVICES AGREEMENT WITH WHEATLEY, BINGHAM & BAKER, LLP –
CONTRACT AMENDMENT

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute Amendment No. 2 to MTS Doc. No. G1434.2-12 (in substantially the same format as Attachment A) with Wheatley, Bingham & Baker, LLP for an increase in contract value, from the previous amendment amount of \$640,000, to a revised \$790,000 to cover unanticipated expenses for the remainder of FY 2014.

Budget Impact

Approval of this contract amendment would increase the full contract value with Wheatley, Bingham & Baker, LLP by \$150,000 from \$640,000 to \$790,000. Sufficient funding for the recommended \$150,000 contract increase is included in the Risk department's FY 2014 operating budget.

DISCUSSION:

Pursuant to Board Policy No. 52 (Procurement of Goods and Services), the CEO may enter into contracts with service providers for up to \$100,000. The Board must approve all agreements in excess of \$100,000.

On December 8, 2011, the Board established a panel of qualified law firms to assist the San Diego Metropolitan Transit System (MTS), San Diego Trolley, Inc. (SDTI) and San Diego Transit Corporation (SDTC) with various legal matters on an as-needed basis. Thereafter, MTS began contracting with seventeen of the approved firms for designated amounts. The firms provide different specialties of law, such as tort liability, workers' compensation, employment practices, real estate, environmental, etc. Twelve of these firms, including Wheatley, Bingham & Baker, received contract increases at the July 18,



2013 Board meeting with the intent to pay legal expenses through June 30, 2014. Due to an increase in the litigation activity handled by Wheatley, Bingham & Baker, LLP, it is anticipated there will not be enough funds remaining in the current contract spend authority to pay this firm's expenses through the end of the current fiscal year.

Wheatley, Bingham & Baker, LLP has successfully represented MTS, SDTC and SDTI in numerous third party liability cases. The firm currently has seven (7) active MTS cases.



Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. Draft MTS Doc. No. G1434.2-12

DRAFT

March xx, 2014

MTS Doc. No. G1434.2-12
LEG 491 (PC 50633)

Wheatley Bingham & Baker, LLP
Mr. Roger P. Bingham
Partner
462 Stevens Ave. Suite 109
Solana Beach, CA 92075

Dear Mr. Bingham:

Subject: AMENDMENT NO. 2 TO MTS DOC. NO. G1434.2-12; LEGAL SERVICES – GENERAL &
TORT LIABILITY

This shall serve as Amendment No. 2 to our agreement for the legal services as further described below.

SCOPE

Continue to provide legal services – general & tort liability in accordance with the terms and conditions of the original agreement, MTS Doc. No. G1434.0-12.

SCHEDULE

There shall be no change to the schedule of this contract.

PAYMENT

This contract amendment shall authorize additional costs not to exceed \$150,000 for legal services. The total value of this contract including this amendment shall be in the amount of \$790,000. This amount shall not be exceeded without written approval from MTS.

Please sign and return the copy marked “original” to the Contracts Specialist at MTS. All other terms and conditions shall remain the same and in effect. Retain the other copy for your records.

Sincerely,

Agreed:

Paul C. Jablonski
Chief Executive Officer

Roger P. Bingham
Wheatley Bingham & Baker, LLP

MARCH2014.G1434.2-12.WBB.doc

Date: _____

Cc: K. Landers, S. Lockwood, C. Aquino, Procurement File



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Agenda Item No. 10

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

March 20, 2014

**Draft for
Executive Committee
Review Date: 3-13-14**

SUBJECT:

CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES (CalOES)
CALIFORNIA TRANSIT SECURITY GRANT PROGRAM (CTSGP) FUNDING, FISCAL
YEAR 2013-2014

RECOMMENDATION:

That the Board of Directors approve Resolution No. 14-4, (Attachment A), authorizing the use of, and application for, \$2,779,445 of California CTSGP for capital projects that provide increased protection against security and safety threats, and/or increases the capacity of transit operators to prepare for and provide disaster-response transportation systems.

Budget Impact

The apportionment of FY13-14 CTSGP funding is in the amount of \$2,779,445. There is no match requirement under the current grant guidance. The funds are restricted expenditures for capital projects that increase the security and safety of the transit operator's passengers, employees and staff, and physical assets.

DISCUSSION:

Resolution No. 14-4 would authorize the Chief Executive Officer, or named designate, to file applications with, and request reimbursements from, CalOES. Resolution No. 14-4 would satisfy requirements of the fiscal year 2013-2014 CTSGP security funding to provide a Board of Directors resolution to obtain CTSGP funding. MTS' allocation of the funding, \$2,779,445, will be used for the following projects: Network Switches and Communication Cabinets Upgrade, System-wide Closed Circuit Television (CCTV), Wireless Infrastructure, Copley Park Division Perimeter Fence Replacement, Station CCTV Upgrade, and Cyber Security Project.



CalOES requires the submission of a resolution by agency Board of Directors authorizing the submission of a grant application and project programming. Therefore, staff recommends that the Board approve, by resolution, submission of a grant application and project programming.



Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. Resolution Number 14-4

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

Resolution No. 14-04

RESOLUTION APPROVING THE SUBMITTAL OF APPLICATIONS AND REQUESTS FOR
REIMBURSEMENTS FOR FISCAL YEAR 2013-2014 TRANSIT SYSTEM SAFETY, SECURITY,
AND DISASTER RESPONSE ACCOUNT UNDER THE CALIFORNIA TRANSIT SECURITY
GRANT PROGRAM (CTSGP)

WHEREAS, the San Diego Metropolitan Transit System (MTS) is a public entity established under the laws of the State of California for the purpose of providing transportation services in the County of San Diego who desires to apply for and obtain funding for transit security purposes; and

WHEREAS, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 authorizes the issuance of general obligation bonds for specified purposes, including, but not limited to, funding made available for capital projects that provide increased protection against security and safety threats, and for capital expenditures to increase the capacity of transit operators to develop disaster response transportation systems; and

WHEREAS, the California Governor's Office of Emergency Services (Cal OES) administers such funds deposited in the Transit System Safety, Security, and Disaster Response Account under the California Transit Security Grant Program (CTSGP); and

WHEREAS, MTS is eligible to receive CTSGP funds; and

WHEREAS, Cal OES requires MTS to complete and submit a Governing Body Resolution for the purposes of identifying agent(s) authorized to act on behalf of MTS to execute actions necessary to obtain CTSGP funds from Cal OES and ensure continued compliance with Cal OES CTSGP assurances, and state and federal laws.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that MTS does hereby authorize the Chief Executive Officer, or designated representative, to execute for and on behalf of MTS, a public entity established under the laws of the State of California, any actions necessary for the purpose of obtaining financial assistance provided by the California Governor's Office of Emergency Services under the CTSGP

PASSED AND ADOPTED, by the Board of Directors this _____ day of _____, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

Clerk of the Board
San Diego Metropolitan Transit System

Office of the General Counsel
San Diego Metropolitan Transit System



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Agenda Item No. 11

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

March 20, 2014

**Draft for
Executive Committee
Review Date: 3/13/14**

SUBJECT:

PROPOSED REVISIONS TO MTS POLICY NO. 41 – SIGNATURE AUTHORITY

RECOMMENDATION:

That the Board of Directors approve the proposed revisions to MTS Policy No. 41 – Signature Authority (Attachment A).

Budget Impact

None.

DISCUSSION:

MTS staff is proposing a minor change to Board Policy No. 41, MTS Signature Authority. The purposed change is as follows:

1. To include the Chief of Staff as an authorized signer for Request for Payment/Payment Vouchers up to \$50,000.



Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. Proposed Revisions to Policy No. 41





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Policies and Procedures

No. 41

| SUBJECT:

Board Approval: 11/14/2013/20/2014

SIGNATURE AUTHORITY

PURPOSE:

To establish guidelines and procedures for authorized signatories relating to check processing (including wire transfers) and MTS documents (purchase requisitions, contracts, agreements, payment vouchers). The policies below relate to MTS, San Diego Transit Corporation (SDTC), and San Diego Trolley, Inc. (SDTI).

BACKGROUND:

MTS, SDTC, and SDTI maintain a number of checking accounts in various approved financial institutions. To ensure adequate internal controls, signing of checks and execution of wire transfers are restricted to authorized personnel only. This policy establishes guidelines and procedures for obtaining appropriate approval. In addition, this policy establishes guidelines and procedures for delegating authority to execute MTS documents, including contracts and agreements, on behalf of the Chief Executive Officer in his or her absence.

POLICY:

41.1 Authorized Signatories for Disbursements

Authorized signatures for disbursements are: the Finance Manager, Controller, Director of Financial Planning and Analysis, Chief Operating Officer – Bus/Rail, Chief Financial Officer, Chief of Staff, General Counsel, and Chief Executive Officer.

One signature is required for check and wire transfer disbursements under \$2,000. This signature can be a facsimile signature. Two signatures are required for all checks and wire transfer disbursements over \$2,000. One of these can be a facsimile signature. A listing of all facsimile checks must be reviewed and approved by an authorized check signer. For checks and wire transfer disbursements over \$10,000, the second signature SHALL NOT BE the Finance Manager, Controller, or Director of Financial Planning and Analysis. Checks and wire transfer disbursements over \$25,000 require that one of the



signatures be that of the Chief of Staff, General Counsel, Chief Financial Officer, or Chief Executive Officer.

The listing below summarizes the above as to effective levels of check-signing authority:

Finance Manager	To	\$ 10,000
Controller	To	\$ 10,000
Director of Financial Planning & Analysis	To	\$ 10,000
Chief Operating Officer – Bus/Rail	To	\$ 25,000
Chief Financial Officer	Over	\$ 25,000
Chief of Staff	Over	\$ 25,000
General Counsel	Over	\$ 25,000
Chief Executive Officer	Over	\$ 25,000

41.2 Authorized Signatories on Purchase Requisitions

Authorized signatures for purchase requisitions are Supervisors, Managers, Directors, Chief Operating Officer – Bus/Rail, Chief Financial Officer, Chief of Staff, General Counsel, and Chief Executive Officer.

Manager/Supervisor	To	\$ 3,000
Directors	To	\$ 5,000
Chief Operating Officer – Bus/Rail	To	\$ 50,000
Chief Financial Officer	To	\$ 50,000
Chief of Staff	To	\$ 50,000
General Counsel	To	\$ 50,000
Chief Executive Officer	Over	\$ 50,000

41.3 Purchase Orders

Upon completion of the procurement process (i.e. Board approval of a formal contract, staff approval of a purchase order), the Manager of Procurement may execute the Purchase Order which shall be transmitted to the vendor.

41.4 Authorized Signatories on Contracts and Documents

Authorized signatures for Contracts and Documents are Supervisors, Managers, Directors, Chief Operating Officer – Bus/Rail, Chief Financial Officer, Chief of Staff, General Counsel, and Chief Executive Officer.

All approval levels must be contained within and be consistent with overall Board of Directors approval levels. The approval levels are as follows:

Manager/Supervisor	To	\$ 3,000
Directors	To	\$ 5,000
Chief Operating Officer – Bus/Rail	To	\$ 50,000
Chief Financial Officer	To	\$ 50,000
Chief of Staff	To	\$ 50,000
General Counsel	To	\$ 50,000
Chief Executive Officer	Up To	\$ 100,000

Board of Directors approval is required for all contracts over \$100,000.

41.5 Authorized Signatories for the Clerk of the Board

In the Clerk of the Board's absence, the Assistant Clerk of the Board is authorized to execute documents as may be required to certify actions of the Board.

41.6 Authorized Signatories of Request for Payment/Payment Vouchers

Authorized signatures for Request for Payment/Payment Vouchers are Supervisors, Managers, Directors, Chief Operating Officer – Bus/Rail, Chief Financial Officer, Chief of Staff, General Counsel, and Chief Executive Officer.

All approval levels must be contained within and be consistent with overall Board of Directors approval levels. The approval levels are as follows:

Manager/Supervisor	To	\$ 3,000
Directors	To	\$ 5,000
Chief Operating Officer – Bus/Rail	To	\$ 50,000
Chief Financial Officer	To	\$ 50,000
Chief of Staff	To	\$ 50,000
General Counsel	To	\$ 50,000
Chief Executive Officer	Over	\$ 50,000

41.7 Authorized Signatories for Absences

In the CEO's absence, General Counsel, Chief of Staff, or the CEO's designee is authorized to execute all checks, purchase requisitions, contracts, and documents as necessary, so long as prior approval is given by the CEO.

In the Procurement Manager's absence, the Chief Financial Officer, the General Counsel, the Director of Financial Planning and Analysis, or the Controller is authorized to execute purchase orders and contracts falling within the Procurement Manager's signature authority.

This original Policy was adopted on 2/13/92.

Policy revised on 8/11/94.

Policy revised on 1/29/04.

Policy revised on 2/23/06.

Policy revised on 11/18/10.

Policy revised on 11/14/13.

Policy revised on 03/20/14.



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Agenda Item No. 12

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

March 20, 2014

**Draft for
Executive Committee
Review Date: 3/13/14**

SUBJECT:
PROPERTY INSURANCE RENEWAL

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer to renew the property insurance coverage for the San Diego Metropolitan Transit System (MTS), San Diego Transit Corporation (SDTC), and San Diego Trolley, Inc. (SDTI) with the California State Association of Counties – Excess Insurance Authority (CSAC-EIA) Property Insurance Program, effective March 31, 2014, through March 31, 2015, with various coverage deductibles of \$25,000 (real estate and personal contents property), \$100,000 (bus fleet), \$250,000 (light rail fleet) and \$1,500,000 (roads, bridges and tunnels).

Budget Impact

The preliminary renewal premium would be a maximum of \$1,209,374, which is a 6.0% or \$68,428 increase over last year's premium of \$1,140,946. CSAC-EIA is still negotiating with the carriers at the present time. The premium is anticipated to be charged against the budgets of MTS (\$9,846), SDTC (\$304,469), and SDTI (\$895,059). The premium will be split between fiscal years 2014 and 2015 as follows:

PROPERTY PREMIUM ESTIMATED FISCAL YEAR SPLIT			
Policy Period: 03/31/14 - 03/31/15			
Agency	FY 14	FY 15	Total Premium
MTS	\$2,461	\$7,385	\$9,846
SDTC	\$76,117	\$228,352	\$304,469
SDTI	\$246,265	\$648,794	\$895,059
TOTAL	\$324,843	\$884,531	\$1,209,374

DISCUSSION:

MTS's current property insurance policy will expire on March 31, 2014. This line of coverage insures against physical damage, vandalism and theft caused to the real and personal property of MTS, SDTC, and SDTI. The coverage is obtained through the California State Association of Counties – Excess Insurance Authority (CSAC-EIA) which is a joint purchase group of 52



California counties and 29 other California public entities. SDTC has been insured through this group since 1993. Effective November 1, 1997, all MTS entities became insured with CSAC-EIA.

The CSAC-EIA Property Program is a complex layering of multiple insurance carriers, including both domestic and international insurers. Some of the CSAC-EIA members, including both the City and County of San Diego, have purchased earthquake insurance in the past. MTS and its entities have traditionally elected not to purchase this optional coverage.

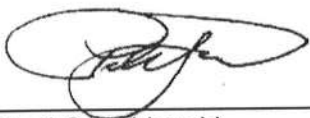
Due to the size of its membership, the CSAC-EIA Program has tremendous premium purchasing power. Special form perils coverage provides risk protection on most perils (including terrorism), and causes of loss unless specifically excluded by the policy. Some of the perils excluded in MTS' program include earthquake, wear and tear, pollution, war risk, employee fraud, nuclear radiation, and loss to landscaping, money, or watercraft. These exclusions do not include every peril or property specifically excluded; however, they are examples of the types of losses that would not be covered.

The proposed renewal policy carries a blanket limit of \$600 million, which applies to perils for any one occurrence. Under the proposed renewal, the following occurrence-based deductibles would apply: 1) \$25,000 for real estate & personal contents property; 2) \$100,000 for bus collisions; 3) \$250,000 for light rail vehicle collisions; 4) \$250,000 comprehensive coverage on the combined rolling stock (buses and light rail vehicles); and 5) \$1.5 million on roads, bridges, and tunnels. Loss valuation is generally calculated on a replacement cost basis.

This year's premium is increasing by approximately \$68,428 or 6.0% over the previous year. The premium increase this year is primarily due to an increase in the agencies' total reported insurable values from \$1,407,245,428 in March 2013 to \$1,456,962,636 in March 2014.

A secondary cause of the overall premium increase is the impact that natural disasters have had globally on the property insurance and flood insurance markets over the past few years. Premium increases across the world have been ranging between 3% and 18%. The reasons for the firm market include:

1. Over \$100 billion in catastrophe losses worldwide since 2011
2. Majority of carriers' combined ratios exceeding 100%
3. Higher reinsurance costs in 2013
4. Minimal returns on investment



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619-557-4513, sharon.cooney@sdmts.com

Attachment: A. Preliminary Premium Allocations for MTS, SDTC, & SDTI

*****PRELIMINARY PREMIUM ALLOCATION*****

**CSAC EXCESS INSURANCE AUTHORITY
PROPERTY PROGRAM
POLICY TERM: March 31, 2014 to March 31, 2015**

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM - METROPOLITAN TRANSIT DEVELOPMENT
BOARD**

DATE: March 4, 2014

REASON FOR REVISION OF PREMIUM ALLOCATION: 2014/2015 UPDATED RENEWAL ESTIMATE

2014/2015 TOTAL ESTIMATED ANNUAL PREMIUM:	\$9,846
2013/2014 TOTAL ANNUAL PREMIUM:	\$4,306
INCREASE (DECREASE) IN ANNUAL PREMIUM:	\$5,540
2014/2015 TOTAL REPORTED INSURABLE VALUES*:	\$36,801,256
2013/2014 TOTAL REPORTED INSURABLE VALUES:	\$15,685,993
PERCENTAGE INCREASE (DECREASE) IN TOTAL INSURED VALUES:	134.61%

- CALCULATIONS -			
COVERAGE DESCRIPTION	DECLARED VALUES	RATE (\$/100)	ANNUAL PREMIUM
All Risk incl. Flood and Deductible Pool Contribution	\$36,510,785	0.0215	\$7,857
Terrorism, Excess Boiler and Machinery and Brush Fire (Miscellaneous Other Coverages)			\$1,501
OPTIONAL COVERAGES:			
A. Earthquake per schedule including Rooftop (if applicable)	\$0	0.0000	\$0
B. Licensed Vehicles	\$290,470	0.1800	\$523
Licensed Vehicles above \$250,000 in value	\$0	0.1600	\$0
Buses (Part of Coverage B. Licensed Vehicles)	\$0	0.1600	\$0
C. Mobile Equipment (Non-highway licensed)	\$0	0.0000	\$0
D. Fine Arts (scheduled)	\$0	0.0087	\$0
E. Green Building Coverage	N/A	N/A	\$0
Total Estimated Annual Premium			\$9,881
Estimated Taxes and Fees			\$47
EIA Administration Fees			\$55
Pre-Paid Balance Adjustment			\$18
No Claims Bonus (2012/13)			-\$ 156
ESTIMATED COLLECTIBLE PREMIUM			\$9,846

*Total Insured Values (TIV) as of January 15, 2014

*******PRELIMINARY PREMIUM ALLOCATION*******

**CSAC EXCESS INSURANCE AUTHORITY
PROPERTY PROGRAM
POLICY TERM: March 31, 2014 to March 31, 2015**

SAN DIEGO METROPOLITAN TRANSIT SYSTEM - SAN DIEGO TRANSIT CORPORATION

DATE: March 4, 2014

REASON FOR REVISION OF PREMIUM ALLOCATION: 2014/2015 UPDATED RENEWAL ESTIMATE

2014/2015 TOTAL ESTIMATED ANNUAL PREMIUM:	\$304,469
2013/2014 TOTAL ANNUAL PREMIUM:	\$229,328
INCREASE (DECREASE) IN ANNUAL PREMIUM:	\$75,141
2014/2015 TOTAL REPORTED INSURABLE VALUES*:	\$210,476,669
2013/2014 TOTAL REPORTED INSURABLE VALUES:	\$182,473,147
PERCENTAGE INCREASE (DECREASE) IN TOTAL INSURED VALUES:	15.35%

- CALCULATIONS -			
COVERAGE DESCRIPTION	DECLARED VALUES	RATE (\$/100)	ANNUAL PREMIUM
All Risk incl. Flood and Deductible Pool Contribution	\$69,747,015	0.0959	\$66,876
Terrorism, Excess Boiler and Machinery and Brush Fire (Miscellaneous Other Coverages)			\$8,581
OPTIONAL COVERAGES:			
A. Earthquake per schedule including Rooftop (if applicable)	\$0	0.0000	\$0
B. Licensed Vehicles	\$1,053,803	0.1800	\$1,897
Licensed Vehicles above \$250,000 in value	\$0	0.1600	\$0
Buses (Part of Coverage B. Licensed Vehicles)	\$139,675,851	0.1600	\$223,481
C. Mobile Equipment (Non-highway licensed)	\$0	0.0000	\$0
D. Fine Arts (scheduled)	\$0	0.0254	\$0
E. Green Building Coverage	N/A	N/A	\$0
Total Estimated Annual Premium			\$300,836
Estimated Taxes and Fees			\$1,514
EIA Administration Fees			\$2,949
Pre-Paid Balance Adjustment			\$948
No Claims Bonus (2012/13)			-\$1,778
ESTIMATED COLLECTIBLE PREMIUM			\$304,469

*Total Insured Values (TIV) as of January 15, 2014

*******PRELIMINARY PREMIUM ALLOCATION*******

**CSAC EXCESS INSURANCE AUTHORITY
PROPERTY PROGRAM
POLICY TERM: March 31, 2014 to March 31, 2015**

SAN DIEGO METROPOLITAN TRANSIT SYSTEM - SAN DIEGO TROLLEY, INC.

DATE: March 4, 2014

REASON FOR REVISION OF PREMIUM ALLOCATION: 2014/2015 UPDATED RENEWAL ESTIMATE

2014/2015 TOTAL ESTIMATED ANNUAL PREMIUM:	\$895,059
2013/2014 TOTAL ANNUAL PREMIUM:	\$909,364
INCREASE (DECREASE) IN ANNUAL PREMIUM:	\$-14,305
2014/2015 TOTAL REPORTED INSURABLE VALUES*:	\$1,209,684,711
2013/2014 TOTAL REPORTED INSURABLE VALUES:	\$1,209,086,288
PERCENTAGE INCREASE (DECREASE) IN TOTAL INSURED VALUES:	0.05%

- CALCULATIONS -			
COVERAGE DESCRIPTION	DECLARED VALUES	RATE (\$/100)	ANNUAL PREMIUM
All Risk Incl. Flood and Deductible Pool Contribution	\$716,567,472	0.0225	\$161,221
Terrorism, Excess Boiler and Machinery and Brush Fire (Miscellaneous Other Coverages)			\$49,321
OPTIONAL COVERAGES:			
A. Earthquake per schedule including Rooftop (if applicable)	\$0	0.0000	\$0
B. Licensed Vehicles	\$2,164,417	0.1800	\$3,896
Licensed Vehicles above \$250,000 in value	\$0	0.1600	\$0
Buses (Part of Coverage B. Licensed Vehicles)	\$489,952,822	0.1367	\$669,974
C. Mobile Equipment (Non-highway licensed)	\$1,000,000	0.1500	\$1,500
D. Fine Arts (scheduled)	\$0	0.0066	\$0
E. Green Building Coverage	N/A	N/A	\$0
Total Estimated Annual Premium			\$885,912
Estimated Taxes and Fees			\$4,361
EIA Administration Fees			\$11,694
Pre-Paid Balance Adjustment			\$3,758
No Claims Bonus (2012/13)			-\$10,667
ESTIMATED COLLECTIBLE PREMIUM			\$895,059

*Total Insured Values (TIV) as of January 15, 2014



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

Agenda Item No. 13

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

March 20, 2014

**Draft for
Executive Committee
Review Date: 3/13/14**

**SUBJECT: VERIZON WIRELESS DATA SERVICE FOR MOBILE DATA TERMINAL/AUTOMATIC
VEHICLE LOCATOR – CONTRACT AWARD**

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1698.0-14 (in substantially the same format as Attachment A) with Verizon Wireless for the provision of monthly cellular service and data usage for a contract base period of five (5) years with five (5) one year options to be exercised exclusively at the CEO's discretion.

Budget Impact

The value of this agreement will not exceed \$160,184.64 for the base period and \$213,327.36 for the five (5) option years, for a grand total of \$373,512.00. Funding will be from the respective fiscal years' MTS Contract Services annual operating budget account 850-53910. The estimated annual expenses are as follows:

Fiscal Year 2015	= \$28,368.00
Fiscal Year 2016	= \$30,070.08
Fiscal Year 2017	= \$31,961.28
Fiscal Year 2018	= \$33,852.48
Fiscal Year 2019	= \$35,932.80
Option Year 1, FY 2020	= \$38,013.12
Option Year 2, FY 2021	= \$40,282.56
Option Year 3, FY 2022	= \$42,741.12
Option Year 4, FY 2023	= \$45,199.68
Option Year 5, FY 2024	= \$ 47,090.88
Grand Total	= \$373,512.00



DISCUSSION:

Federal Transit Administration (FTA) Circular 4220.1F (Third Party Contracting Guidance) Chapter V (Sources), Section 4 (State or Local Government Purchasing Schedules or Purchasing Contracts) sub-paragraph a. (Use Encouraged): The Common Grant Rule for governmental recipients encourages recipients and sub recipients to enter into State and local intergovernmental agreements for procurements of property and services.

MTS (Contract Services) has proposed the implementation of a Mobile Data Terminal / Automatic Vehicle Locator (MDT/AVL) feature to be utilized in the Paratransit and Minibus Fixed Route services. These data terminals will be tablets secured in a locked arm-mount which is permanently installed into the vehicle near the driver. The mounting arm is also pre-wired to prevent exposure to power cord connections. Communication between the MDT/AVL and MTS Operations will require a cellular and data provider.

MTS staff requests to utilize the State of California, Department of General Services Contract #7-10-70-16 with Verizon Wireless to provide cellular communication and data transmission to these terminals.

The MDT/AVL feature, through a proprietary software feature provided by Trapeze (MTS Contract B0563.0-11) will (amongst other features):

- Provide real-time driver manifest information, replacing hard-copy log books and hand-written changes
- Provide real-time location of each vehicle to staff
- Provide annunciated GPS turn-by-turn directions for drivers

MTS staff has determined the pricing provided by Verizon Wireless to be fair and reasonable and of the best value to the Agency.



Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. Draft Standard Service Agreement; Contract G1698.0-14

DRAFTSTANDARD SERVICE AGREEMENT
FOR
CELLULAR AND DATA SERVICESG1698.0-14
CONTRACT NUMBEROPS 920.2
FILE/PO NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____, 2014, in the state of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following, hereinafter referred to as "Contractor":

Name: Verizon Wireless Address: One Verizon Way
Form of Business: Corporation Basking Ridge, NJ 07920
(Corporation, Partnership, Sole Proprietor, etc.) Telephone: 800-922-0204

Authorized person to sign contracts: Todd Loccisano Exec. Dir., Enterprise and Government Contracts
Name Title

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

Cellular and Data Services as specified in the State of California Master Price Contract #7-10-70-16 (attached as Exhibit A), Contract #7-10-70-16 User Instructions, Supplement 12 (attached as Exhibit B), the MTS Standard Services Agreement including the Standard Conditions, Services (attached as Exhibit C), and the Federal Requirements (attached as Exhibit D).

The base term of the contract shall be from July 1, 2014 through June 30, 2019. Option periods, if exercised at the sole discretion of MTS, shall be for one calendar year beginning July 1, 2019 and ending twelve months later, up to a maximum completion date of June 30, 2024. Such optional service periods may be exercised individually, all at once, or not at all, at MTS' sole determination and dependent upon the Contractor's satisfactory performance of the requirements of this Agreement.

Total contract amount shall not exceed \$160,184.64 for the base period and \$38,013.12, \$40,282.56, \$42,741.12, \$45,199.68, \$47,090.88 for Option Years 1 through 5 respectively if exercised by MTS, for a grand total of \$373,512.00.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CONTRACTOR AUTHORIZATION
By: _____ Paul C. Jablonski, Chief Executive Officer	Firm: _____
Approved as to form:	By: _____ Signature
By: _____ Office of General Counsel	Title: _____
AMOUNT ENCUMBERED \$160,184.64	BUDGET ITEM 850-53910
By: _____ Chief Financial Officer	FISCAL YEAR FY15-19



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(619) 231-1466 • FAX (619) 234-3407

Agenda Item No. 14

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

March 20, 2014

**Draft for
Executive Committee
Review Date: 03/13/14**

SUBJECT:

CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) PROGRAM OF
PROJECTS FOR FEDERAL TRANSIT ADMINISTRATION (FTA) SECTION 5311
FUNDING, FEDERAL FISCAL YEAR 2014

RECOMMENDATION:

That the Board of Directors approve Resolution No. 14-5, (Attachment A) authorizing the use of and application for \$432,356 of FTA Section 5311 funds: \$287,000 for operating assistance and \$145,356 for capital improvements in non-urbanized areas.

Budget Impact

The apportionment of federal fiscal year 2014 5311 funds is \$432,356. MTS will be required to provide nonfederal matching funds in the amount of \$251,101.

DISCUSSION:


The FTA provides funds for capital and operating assistance to agencies providing rural transportation through the Section 5311 Non-Urbanized Area Formula Program. These funds do not come directly to the region but are apportioned to the states. In turn, Caltrans, on behalf of the State of California, reapportions the funds to the region based solely on the regional rural population as a share of the state total rural population. San Diego Association of Governments (SANDAG) allocates the region's funds to both NCTD and MTS based on the relative rural population in each service area.

For federal fiscal year 2014, FTA 5311 funding would provide \$287,000 in operating assistance for MTS, plus an additional \$145,356 for the completion of the Campo Rural Bus Parking Lot Improvement project. MTS seeks to make improvements to the parking lot located at the eastern most point of the rural services in Campo, CA. Currently the buses are parking on a dirt lot, where the buses are not secure. The Campo bus yard



project will include resurfacing the lot with asphalt paving and installation of perimeter fencing and entrance/exit gates to protect the vehicles. MTS houses up to four rural fleet vehicles in Campo to provide morning westbound service to the residents of eastern San Diego County. This project is included in the MTS fiscal year 2015 Capital Improvement Plan.

The \$432,356 of 5311 funds will be matched with \$232,269 in local funds for the operating assistance at 44.76% match rate and \$18,832 in local funds for capital improvements at 11.47% match rate.



Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. Board Resolution 14-5

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

Resolution No. 14-5

Resolution Authorizing Federal Funding Under FTA Section 5311
with the California Department of Transportation

WHEREAS, the U.S. Department of Transportation is authorized to make grants to states through the Federal Transit Administration (FTA) to support capital and operating assistance projects for nonurbanized public transit services under Section 5311 of the Federal Transit Act; and

WHEREAS, the California Department of Transportation has been designated by the Governor of the State of California to administer Section 5311 grants for public transportation projects; and

WHEREAS, MTS desires to apply for said financial assistance to operate rural transit service and support capital improvements in San Diego County; and

WHEREAS, MTS has, to the maximum extent feasible, coordinated and consulted with other transportation providers and users in the region, including consultation with San Diego County Health and Human Services;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that MTS does hereby authorize the Chief Executive Officer, or designated representative, to file and execute any actions necessary on behalf of MTS with the California Department of Transportation to aid in the financing of operating or capital assistance projects pursuant to Section 5311 of the Federal Transit Act of 1964, as amended; that the designated representatives are:

1. The Chief of Staff is authorized to file and execute any actions necessary on behalf of MTS with the California Department of Transportation to aid in the financing of operating or capital assistance projects pursuant to Section 5311 of the Federal Transit Act of 1964, as amended.
2. The General Counsel is authorized to file and execute any actions necessary on behalf of MTS with the California Department of Transportation to aid in the financing of operating or capital assistance projects pursuant to Section 5311 of the Federal Transit Act of 1964, as amended.
3. The Chief Financial Officer is authorized to provide additional information as the California Department of Transportation may require in connection with the application for Section 5311 projects.

PASSED AND ADOPTED, by the Board of Directors this _____ day of _____, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

Clerk of the Board
San Diego Metropolitan Transit System

Office of the General Counsel
San Diego Metropolitan Transit System



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Agenda Item No. 15

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

March 20, 2014

**Draft for
Executive Committee
Review Date: 3/13/14**

SUBJECT:

TRAPEZE SOFTWARE LICENSE AND MAINTENANCE AGREEMENT
(PARATRANSIT AND MINI-BUS SERVICES)

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to:

- 1) ratify Amendment Nos. 3 (Attachment A) and 5 (Attachment B) to MTS Document No. B0563.0-11 with Trapeze Software Group, Inc. (Trapeze) which were previously approved under the CEO's approval authority for a total cost of \$83,491.00; and
- 2) execute Amendment No. 6 to MTS Doc. No. B0563.0-11 (in substantially the same format as Attachment C) with Trapeze Software License and Maintenance Agreement to consolidate all services under a single multi-year maintenance agreement totaling \$1,471,135.25.

Budget Impact

Amendment Nos. 3 and 5 total \$83,491.00 and Amendment No. 6 totals \$1,471,135.25 for a grand total of \$1,554,626.25. This will increase the total Board approved project from \$421,335.00 to \$1,975,961.25 as detailed below.

The value of this agreement will not exceed \$1,471,135.25 for the five-year period, inclusive of annual licensing and maintenance fees; addition of MDT/AVL DriverMate; and anticipated growth of the Paratransit Fleet MDT/AVL's. Funding sources and annual expenses are anticipated as follows:



	FY15	FY16	FY17	FY18	FY19
MDT/AVL	\$ 269,162.25	\$ 10,776.00	\$ 12,572.00	\$ 13,201.00	\$ 15,247.00
CIP11354-0200	\$ 269,162.25				
850-53910	\$ 48,870.00	\$ 65,169.00	\$ 73,276.00	\$ 80,712.00	\$ 90,489.00
ATIS Agent/Web	\$ 57,736.00	\$ 60,623.00	\$ 63,654.00	\$ 66,837.00	\$ 70,179.00
ATIS IMPORT	\$ 6,367.00	\$ 6,686.00	\$ 7,020.00	\$ 7,371.00	\$ 7,739.00
INFO IVR FX	\$ 21,500.00	\$ 33,862.00	\$ 35,555.00	\$ 37,333.00	\$ 39,200.00
ATIS RTSI	\$ 10,217.00	\$ 16,091.00	\$ 16,896.00	\$ 17,740.00	\$ 18,627.00
661-53910	\$ 95,820.00	\$ 117,262.00	\$ 123,125.00	\$ 129,281.00	\$ 135,745.00
PASS	\$ 41,806.00	\$ 43,896.00	\$ 46,091.00	\$ 48,395.00	\$ 50,815.00
PASS CT	\$ 2,031.00	\$ 2,132.00	\$ 2,239.00	\$ 2,351.00	\$ 2,468.00
850-53910	\$ 43,837.00	\$ 46,028.00	\$ 48,330.00	\$ 50,746.00	\$ 53,283.00
ANNUAL TOTAL	\$ 457,689.25	\$ 228,459.00	\$ 244,731.00	\$ 260,739.00	\$ 279,517.00
GRAND TOTAL	\$ 1,471,135.25				

DISCUSSION:

Pursuant to Board Policy No. 52 (Procurement of Goods and Services), the CEO may enter into contracts with service providers for up to \$100,000. The Board must approve all agreements in excess of \$100,000.

MTS uses Trapeze Software to support operations in our MTS Access (Paratransit) and mini-bus services.

On December 8, 2011, the MTS Board of Directors authorized the CEO to execute MTS Doc No. B0563.1-11 with Trapeze to replace the existing Interactive Voice Response (IVR) systems and real-time vehicle position information system with updated Trapeze products. Subsequent Amendments to the Contract are listed as follows and were approved under the CEO's authority.

Amendment 3 (B0563.3-11) Add INFO-IVR-FX Maintenance for \$24,282.00 through 10-31-13.

Amendment 5 (B0563.5-11) Add INFO-IVR-FX and ATIS-RTSI Maintenance for \$59,209.00 through 10-31-14.

Amendment 4 (B0563.4-11) Exercise Option Year of Existing Contract was approved by the MTS Board.

MTS (San Diego Transit Corporation Division) currently utilizes multiple software products developed or owned by Trapeze for scheduling paratransit service and trip-planning of fixed-route services. These products are proprietary to Trapeze and cannot be maintained or serviced by any other company or third-party vendor. While MTS has historically kept these products under software maintenance agreements with Trapeze, these have generally been separate short-term agreements for each of the Trapeze products. The services being requested at this time are for continued software license and maintenance with all Trapeze products in use at MTS under a single multi-year maintenance

agreement. The following is a brief description of the products and their purpose for MTS which are critical and necessary for efficient day-to-day transit operations.

- Trapeze PASS: Paratransit scheduling software. This has been the scheduling software for our paratransit operation since 2001, and allows approximately 1,200 trips a day to be efficiently scheduled.
- Trapeze PASS CT (Zonal Management): Mapping and zone management program for the paratransit service to manage our four internal service zones.
- Trapeze ATIS Agent/WEB: Utilized by the MTS Regional Telephone Information and Customer Service Center (Tele-Info) for passenger trip-planning support.
- Trapeze ATIS Import: Interfaces with HASTUS software that contains all of the routes and time schedules of MTS services, which provides information to MTS Telephone Information representatives via the Agent/WEB program.
- Trapeze INFO IVR FX: Automated regional transit information software that contains all the routes and time schedules.
- Trapeze ATIS RTSI: Provides real time route information to Tele-Info operators and to the public through the automated IVR system.

In addition to the above mentioned software licenses and maintenance components, staff have determined that overall MTS Access operational performance can be further enhanced by adding a Mobile Data Terminal / Automatic Vehicle Locator (MDT/AVL) component to the current system. This new component is called DriverMate. DriverMate is a technology that runs on mobile devices, such as tablets, and acts as a mobile data computer providing the driver with real-time manifest information as well as GPS and schedule adherence for the dispatcher.

The MDT/AVL will allow real-time tracking of vehicles by dispatchers; replace printed maps/directions for pick-up and drop off points with automated mapping and annunciated directions to the driver; provide availability of an interactive voice response function to notify passengers in advance of their trip if the bus is early or late.

Both the ongoing maintenance agreements and the addition of the MDT/AVL represent a sole source procurement. In accordance with third party contracting guidelines, FTA Circular 4220.1F, Chapter VI, Section 3i(1)(b)1b, a sole source award may be recommended in cases where the recipient (MTS) requires supplies or services available from only one responsible source and no other supplies or services will satisfy its requirements. Patent or data rights restrictions preclude competition.

MTS staff has determined the pricing for ongoing license and maintenance and the addition of the MDT/AVL module to be consistent with historical pricing and

found the prices to be fair and reasonable and of the best value to the Agency.



Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. Amendment No. 3, Contract B0563.0-11
B. Amendment No. 5, Contract B0563.0-11
C. Amendment No. 6, Contract B0563.0-11



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

January 28, 2013

MTS Doc. No. B0563.3-11

Trapeze Software Group, Inc.
Mr. Brian Beattie, CFO
8360 East Via de Ventura, Suite L-200
Scottsdale, AZ 85258

Subject: AMENDMENT NO. 3 TO MTS DOC. NO. B0563.0-11 SOFTWARE LICENSE AND
MAINTENANCE SUPPORT FOR TRAPEZE PRODUCTS

MTS amends the Agreement B0563.0-11 to incorporate the following changes:

SCOPE OF WORK

Software Maintenance Agreement for Trapeze INFO-IVR-FX software for the period of November 1, 2012 through October 31, 2013 as per attached invoice (Attachment A).

PAYMENT

As a result of this Amendment the contract value will increase by \$24,282.00 from \$318,535.00 to \$342,817.00.

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

Sincerely,

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

Paul G. Jablonski
Chief Executive Officer

Agreed:

A handwritten signature in black ink, appearing to read 'Brian Beattie', written over a horizontal line.

Brian Beattie
Chief Financial Officer

Date: 07/02/2013

LMARQUIS-CL
CL-B0563.3-11.TRAPEZESOFTWAREGRPINC.SREED.012813

Attachment A: Trapeze Invoice No. 12-1051853

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



ATTACHMENT A



Software Support Invoice

Metropolitan Transit System
 Attn: Daniel McCaslin
 1255 Imperial Ave
 Suite 1000
 San Diego, CA 92101
 USA

Invoice 12-1051853
 Date August 28, 2012
 Customer ID
 Contract No. 0000002132
 Due date November 01, 2012
 Contract type 455MAINT
 Project No 7357-204

Purchase Order No :		
Trapeze INFO-IVR-FX Up to 450 Peak Vehicles Coverage period 11/1/2012 - 10/31/2013 0% tax applied, client receives updates by download only	\$24,282.00	
Subtotal	\$24,282.00	
State Tax - 8.75%	\$0.00	
Total payable in USD		\$24,282.00

Please make payment to following:

Lockbox
 Trapeze Software Group
 P.O.Box 202528
 Dallas, TX 75320-2528
 USA

Courier
 Trapeze Software Group
 2975 Regent Blvd,
 P.O.Box 202755
 Irving, TX 75063 - USA.

Interest at 15% per annum will be charged on all late payments.



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San Diego, CA 92101-7490
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ORIGINAL

October 2, 2013

MTS Doc. No. B0563.5-11

Trapeze Software Group, Inc.
Mr. Brian Beattie, CFO
8360 East Via de Ventura, Suite L-200
Scottsdale, AZ 85258

Subject: AMENDMENT NO. 5 TO MTS DOC. NO. B0563.0-11; SOFTWARE LICENSE AND
MAINTENANCE SUPPORT FOR TRAPEZE PRODUCTS

MTS amends the Agreement B0563.0-11 to incorporate the following changes:

Renew Software Maintenance Agreement for Trapeze INFO-IVR-FX software for the period of November 1, 2013 through October 31, 2014, as per attached Invoice 13-1052008 and add Software Maintenance Agreement for Trapeze ATIS-RTSI for the period of November 1, 2012 through October 31, 2014, per attached Invoice 13-1052023.

As a result of this Amendment the not to exceed contract value has increased by \$59,209.00 from \$445,617.00 to \$504,826.00. All other conditions remain unchanged.

If you agree with the above, please sign below, and return the document marked "Original" to the Contracts Specialist at MTS. The other copy is for your records.

Sincerely,

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

Paul C. Jablonski
Chief Executive Officer

LMARQUIS-CL
CL-B0563.5-11.TRAPEZE.SREED.100213

Agreed:

A handwritten signature in black ink, appearing to read 'Brian Beattie', written over a horizontal line.

Brian Beattie
Chief Financial Officer

Date:

October 21, 2013

Attachments: A - Trapeze Invoice No. 13-1052008
B - Trapeze Invoice No. 13-1052023



ATTACHMENT A



Software Support Invoice

Metropolitan Transit System
 Attn: Daniel McCaslin
 1255 Imperial Ave
 Suite 1000
 San Diego, CA 92101
 USA

Invoice 13-1052008
 Date August 28, 2013
 Customer ID
 Contract No. 0000002132
 Due date November 01, 2013
 Contract type 455MAINT
 Project No 7357-204

Purchase Order No :		
Trapeze INFO-IVR-FX Up to 450 Peak Vehicles Coverage period 11/1/2013 - 10/31/2014 0% tax applied, client receives updates by download only	\$30,714.00	
Subtotal	\$30,714.00	
State Tax - 8.75%	\$0.00	
Total payable in USD		\$30,714.00

Please make payment to following:

Lockbox
 Trapeze Software Group
 P.O.Box 202528
 Dallas, TX 75320-2528
 USA

Courier
 Trapeze Software Group
 2975 Regent Blvd,
 P.O.Box 202755
 Irving, TX 75063 - USA.

Interest at 15% per annum will be charged on all late payments.

ATTACHMENT A



RE: Maintenance Invoice – Trapeze Suite of Products

To Whom It May Concern:

Please find enclosed invoice(s) for maintenance fees on the Trapeze suite of products. As a long term customer, Trapeze is pleased to continue to offer a wide variety of services:

- 24 hour, 7 days a week support via phone, email, fax and web;
- Toll free Customer Support Line – 877-411-8727
- Customer Care Web Site – www.MyTrapeze.com;
 - Online tracking of support request and the status of reported issues;
 - Access to standard documentation;
 - On line Training courses to update and enhance your skills;
 - On line Training Videos;
 - Participate in the Trapeze Certification program;
 - Access to on line knowledge base;
 - Trapeze Help site - access to online and downloadable documentation
 - *Trapeze Community - Online forums to input suggestions or questions that can be responded to by other Trapeze Users*
- Product upgrades for life;
- Trapeze Times newsletter;
- Quarterly user forums for Trapeze products; and
- Invitation to annual multi-day user training conference.

In order to continue enhancing your customer care experience, we appreciate your suggestions and comments. We thank you for your business and remain committed to being your trusted partner.

Should you have any questions, please feel free to contact me at (905) 629-5478 or andrea.potter@trapezegroup.com.

Sincerely,

TRAPEZE SOFTWARE GROUP

A handwritten signature in black ink, appearing to read "a. potter".

Andrea L. Potter
Vice President, Customer Care

enclosures

ATTACHMENT B



Software Support Invoice

Metropolitan Transit System
 Attn: Daniel McCaslin
 1255 Imperial Ave
 Suite 1000
 San Diego, CA 92101
 USA

Invoice 13-1052023
 Date August 28, 2013
 Customer ID
 Contract No. 0000002446
 Due date November 01, 2012
 Contract type 455MAINT
 Project No 7357-240

Purchase Order No :		
Trapeze ATIS-RTSI Up to 450 Peak Vehicles Coverage period 11/1/2012 - 10/31/2013	\$13,900.00	
Trapeze ATIS-RTSI Up to 450 Peak Vehicles Coverage period 11/1/2013 - 10/31/2014	\$14,595.00	
0% tax applied, client receives updates by download only		
Subtotal	\$28,495.00	
State Tax - 8.75%	\$0.00	
Total payable in USD		\$28,495.00

Please make payment to following:

Lockbox
 Trapeze Software Group
 P.O.Box 202528
 Dallas, TX 75320-2528
 USA

Courier
 Trapeze Software Group
 2975 Regent Blvd.
 P.O.Box 202755
 Irving, TX 75063 - USA.

Interest at 15% per annum will be charged on all late payments.

March 20, 2014

MTS Doc. No. B0563.6-11

Trapeze Software Group, Inc.
Mr. Brian Beattie, CFO
8360 East Via de Ventura, Suite L-200
Scottsdale, AZ 85258

Subject: AMENDMENT NO. 6 TO MTS DOC. NO. B0563.0-11 SOFTWARE LICENSE AND
MAINTENANCE SUPPORT FOR TRAPEZE PRODUCTS

MTS amends the Agreement B0563.0-11 to incorporate the following changes:

Renew Software Maintenance Agreement for Trapeze products as per Attachment A and add the
DriverMate product and maintenance agreement as per Attachment B.

As a result of this Amendment the not to exceed contract value has increased by \$1,471,135.25 from
\$504,826.00 to \$1,975,961.25. All other conditions remain unchanged.

If you agree with the above, please sign below, and return the document marked "Original" to the Contracts
Administrator at MTS. The other copy is for your records.

Sincerely,

Agreed:

Paul C. Jablonski
Chief Executive Officer

Brian Beattie
Chief Financial Officer

Date: _____

Attachments: A Trapeze 5 Year Maintenance Agreement Quotation
B Trapeze DriverMate Quote, SOW, and Terms and Conditions