

JOINT MEETING OF THE BOARD OF DIRECTORS FOR THE
METROPOLITAN TRANSIT SYSTEM (MTS),
SAN DIEGO TRANSIT CORPORATION (SDTC), AND
SAN DIEGO TROLLEY, INC. (SDTI)

September 11, 2008

MTS
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

1. Roll Call

Chairman Mathis called the Board meeting to order at 9:08 a.m. A roll call sheet listing Board member attendance is attached.

3. Public Comment

Clive Richard: Mr. Richard stated that Senate Bill 1685 will give the region an opportunity to fund current transit operations and maintenance. He also stated that future projects should come with their own funding packages for the life of the project. He added that he hoped CEO Jablonski would speak strongly in favor of transit interests related to quality of life.

Mr. Richard also reported that he was recently on a trolley when the operator noticed a fire and called in an alert. Mr. Richard stated that it didn't appear anyone was aware of the fire, and there were children playing nearby. Chairman Mathis stated that staff would like to have the details so the operator could be identified and appropriately recognized.

Lorraine Leighton: Ms. Leighton reported that she discovered pot seeds in one of the restrooms along Route 872 on Sunday between 9:15 a.m. and 9:30 a.m. She also presented an item that contained a razor blade that she found in a restroom along Route No. 702.

CONSENT ITEM:

6. MTS: Annual Anticipated Disadvantaged Business Enterprise Participation Level (AADPL) Methodology for Federal Fiscal Year 2008-2009 (LEG 430)

Recommend that the Board of Directors receive the AADPL Methodology for Federal Fiscal Year 2008-2009 for information.

7. MTS: Investment Report for July 2008 (FIN 300)

Recommend that the Board of Directors receive a report for information.

Action on Recommended Consent Items

Mr. Emery moved to approve Consent Agenda Items No. 6 and 7. Mr. Clabby seconded the motion, and the vote was 10 to 0 in favor. *Agenda Item No. 6 was reintroduced later in the meeting, and the subsequent staff presentation and Board discussion is contained in pages 2 and 3 of these minutes.*

CLOSED SESSION:

24. Closed Session Items (ADM 122)

There were no Closed Session items.

NOTICED PUBLIC HEARINGS

25. There were no noticed public hearings.

DISCUSSION ITEMS:

30. MTS: C Street Crossover Project Memorandum of Understanding (MOU) and Budget Transfer
(OPS 960.6)

Mr. Paul Jablonski, MTS CEO, reported that he has been working with Gary Gallegos, SANDAG Executive Director, to eliminate the need for joint action on items like this one, and an agreement to memorialize that may be brought back to the Board for action. He stated that, under such an agreement, if the MTS Board approved a budget change, that item would be presented on the Consent Agenda at SANDAG.

Mr. Wayne Terry, Chief Operating Officer – Trolley, provided the Board with a history of the C Street Crossover Project and explained how a paneled crossover installation works. He then explained that the encased high voltage traction power cables were not installed to code and provided visuals to illustrate where corrections needed to be made. He added that staff is in the process of determining who is responsible so cost recovery can be sought. In response to a comment by Mr. Clabby, Mr. Terry stated that staff has no evidence that a change order was signed to approve the moving on the conduit, and that will be investigated.

Action Taken

Mr. Emery moved to (1) authorize the CEO to execute an MOU (in substantially the same form as Attachment A of the agenda item) with SANDAG for emergency work performed by SANDAG related to the C Street Crossover Project; and (2) approve a fund transfer for CIP 11199 – Miscellaneous Capital (All Divisions) with Federal to SANDAG's City College station Realignment Project (CIP 1049400) (in substantially the form as shown in Attachment B of the agenda item – Budget Transfer Summary). Mr. Rindone seconded the motion, and the vote was 11 to 0 in favor.

2. Approval of Minutes
(Taken Out of Order)

Mr. Clabby moved to approve the minutes of the August 21, 2008, MTS Board of Directors meeting. Mr. Roberts seconded the motion, and the vote was 11 to 0 in favor.

CONSENT AGENDA (Continued)

Mr. Monroe moved to pull Agenda Item No. 6, MTS: Annual Anticipated Disadvantaged Business Enterprise Participation Level (AADPL) Methodology for Federal Fiscal Year 2008-2009 for a staff presentation and Board discussion. Mr. Emery seconded the motion, and the vote was 11 to 0 in favor.

Ms. Tiffany Lorenzen, MTS General Counsel, reviewed the Federal Transit Administration's (FTA) regulatory requirements for Disadvantaged Business Enterprise (DBE) participation. She reviewed the methodology used to arrive at the desired participation level and reported that calculations are performed for each type of contract (construction, services, and durable goods) and as a mean average for the whole. Ms. Lorenzen then provided the Board with detail on MTS's outreach efforts in this area. She reported that MTS's DBE liaison makes herself available to DBE contractors and helps them put together their bid packages.

Ms. Lorenzen confirmed for Mr. Young that, since the FTA specifies the methodology to be used in calculating the AADPL, the Board is being asked to receive the report, not approve the goals. Mr. Young felt that the overall participation level of 1.66 percent was not good and that outreach efforts should be more aggressive in order to increase DBE participation. Ms. Lorenzen stated that, in spite of increased outreach efforts by MTS, DBE participation has actually decreased. She stated that DBE contractors have told her that the Caltrans certification process is too cumbersome. She added that when DBE requirements were dropped in the FTA regulations, there was also a decrease in the number of contractors that sought certification. Ms. Lorenzen reported that MTS will accept firms that are DBE-certified by any other agencies that certify. Ms. Lorenzen advised Mr. Young that if MTS succeeded in getting more participation, the mean calculation would go up, thereby increasing the AADPL. Ms. Lorenzen added that MTS has done more outreach in the last six years than in the years preceding that period but that she couldn't confirm that effort resulted in increased participation. She stated that MTS participates in many outreach activities, works with the FTA and business owners, and welcomes participants. She stated that MTS wants them to be included. Mr. Young stated that MTS should look for opportunities to have discussions on how outreach can be improved. Ms. Lorenzen stated that staff could come back to the Board with more detail on outreach that has taken place in the past and proposals regarding future outreach.

Mr. Roberts agreed with Mr. Young's comments and suggested that staff make recommendations regarding interaction with groups more involved in the community that could have a greater effect on the participation level. In response to a question from Mr. Roberts, Ms. Lorenzen reported that MTS is participating jointly with Los Angeles Metro, Orange County Transit, and SANDAG in a disparity study that should be completed by late 2009. Mr. Roberts requested that more detail on this study be brought back to the Board. In response to another comment by Mr. Roberts, Ms. Lorenzen stated that MTS has very few construction projects – most are now SANDAG projects – and that this category has the highest rate of DBE participation. She referred to page B6 of the report and pointed out that MTS has only five construction projects for a total of \$427,000. She stated that Professional Services is now MTS's largest category. Mr. Roberts stated that MTS should participate in partnerships that would increase the number of businesses seeking certification as DBEs. Ms. Lorenzen stated that she would speak with the Caltrans liaison about participating in their outreach. Chairman Mathis encouraged Mr. Young to provide staff with the names of community organizations that could be contacted in an effort to conduct more effective outreach.

In response to a question from Mr. Monroe, Ms. Lorenzen stated that contracts in the categories mentioned earlier are awarded on a cost basis. Mr. Monroe stated that he would like to see how many DBE's submitted bids for projects, and Ms. Lorenzen stated that contract award agenda items presented at future meetings could include that information. Ms. Lorenzen advised Mr. Monroe that, as a result of past litigation, there are no penalties for failing to reach DBE goals. Mr. Monroe asked if MTS could set goals higher than those that result from the FTA-mandated methodology.

Mr. Roberts stated that the Board has a desire to improve in this area but noted that many of the items that MTS purchases, as outlined in the agenda attachment, are very specialized in nature. He added that MTS would be lucky to find any contractors in San Diego for these types of items much less DBE contractors.

Chairman Mathis stated that, if businesses are declining to become certified because the process is too onerous, maybe that process needs to be looked at.

Action Taken

Mr. Young moved to receive this report. Mr. Monroe seconded that motion, and the vote was 11 to 0 in favor.

REPORT ITEMS:

45. MTS: Preliminary FY 2008 Operations Budget Status Report (FIN 310.2)

Mr. Jablonski pointed out that MTS did well in spite of the fact that it was a difficult year. He stated that fares were raised primarily because of the increase in gas prices, and the revenue projections provided by the consultant were actually understated. He pointed out that ridership usually decreases as a result of fare increases, but, because gas prices were so high, ridership actually increased. He added that the ridership increase generated \$4.5 million to the budget. He stated that while these are positive events, there are still challenges ahead related to the uncertainty of state funding and future levels of sales tax revenues, which will probably remain flat.

Mr. Larry Marinesi, MTS Budget Manager, reviewed the details of the January fare adjustments, revenues and expenses compared to budget for transit operators, and subsidy revenue compared to amended budget. Mr. Jablonski pointed out that MTS experienced a \$1.00 increase in the cost of diesel over a 60-day period that resulted in a \$2 million increase in fuel expense. Mr. Marinesi then provided a comparison to amended budget for revenue less expenses and reported that MTS did not have to use reserves or carryover to balance the budget at year end.

Action Taken

Mr. Emery moved to receive an MTS preliminary FY 2008 operations budget report. Mr. Rindone seconded the motion, and the vote was 10 to 0 in favor.

60. Chairman's Report

The Chairman made no report.

61. Audit Oversight Committee Chairman's Report

No report was given.

62. Chief Executive Officer's Report

Mr. Jablonski reported that he recently traveled to San Francisco for California Transit Association Strategic Plan Task Force meeting. He reported that he is the Chairman of this task force.

63. Board Member Communications

Trolley Power Substation Problem: At Mr. Emery's request, Mr. Jablonski provided an overview of the recent problems with a trolley power substation that overloaded during a Chargers game and temporarily shut down service. Mr. Terry explained that electricity burned through the contact wire, and it took 3 ½ hours to repair the problem. He stated that operations were continued on a single track during the repair period, and service was restored by the end of the game. He stated that most Charger fans were transported to the game before the overload occurred.

Mr. Jablonski pointed out that, when the Central Train Control system is completely installed, these types of problems will be detected immediately, and, in this case, disruption of service would have been prevented. He also reported that bus service carried 2,700 people to the game compared to last year's number of about 2,300 per game.

APTA Annual Meeting: At Mr. Monroe's request, Mr. Jablonski reported that information regarding the APTA Annual Meeting and badges for the EXPO will be forthcoming in the near future. He stated that MTS is in the process of filling the 400 volunteer slots that are open. He added that Board and staff members will be able to attend sessions and just about anyone can have access to the EXPO.

Ms. Atkins reported that there are often an inadequate number of taxicabs at the airport, and she has had to wait as long as 15 minutes for a cab. Mr. Jablonski stated that MTS will have a welcome desk at each airport terminal and the Santa Fe Depot where arriving conference attendees can get information on transportation options to their hotels. He stated that Route 992 can be used and that MTS is also providing a secondary route on the first two and last two days of the conference that will also serve the conference hotels.

Mr. Young reported that he has brought up the shortage of cabs with the Airport Authority, and they are looking into this problem. He also stated that he had discussions with people at the Seattle APTA Board Member Seminar who were interested in how MTS manages taxicab operations in San Diego. He suggested that staff host some type of session on this at a future APTA conference.

64. Additional Public Comments on Items Not on the Agenda


There were no additional Public Comments.

65. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, September 25, 2008.

66. Adjournment

Chairman Mathis adjourned the meeting at 10:17 a.m.



Chairperson
San Diego Metropolitan Transit System

Filed by:



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

Approved as to form:



Office of the General Counsel
San Diego Metropolitan Transit System

Attachment: A. Roll Call Sheet

[gail.williams/minutes](#)

**METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL**

MEETING OF (DATE): 9/11/08

CALL TO ORDER (TIME): 9:08 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: _____

RECONVENE: _____

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 10:17 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>		
CLABBY	<input checked="" type="checkbox"/> (Selby) <input type="checkbox"/>		
EMERY	<input checked="" type="checkbox"/> (Cafagna) <input type="checkbox"/>		
EWIN	<input type="checkbox"/> (Allan) <input type="checkbox"/>		<input checked="" type="checkbox"/>
FAULCONER	<input type="checkbox"/> (Hueso) <input type="checkbox"/>		<input checked="" type="checkbox"/>
MAIENSCHIN	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>		
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MCCLELLAN	<input type="checkbox"/> (Hanson-Cox) <input type="checkbox"/>		<input checked="" type="checkbox"/>
MCLEAN	<input checked="" type="checkbox"/> (Bragg) <input type="checkbox"/>		
MONROE	<input checked="" type="checkbox"/> (Downey) <input type="checkbox"/>		
RINDONE	<input checked="" type="checkbox"/> (McCann) <input type="checkbox"/>		
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>		
RYAN	<input type="checkbox"/> (B. Jones) <input checked="" type="checkbox"/>	9:18 a.m. during AI 30	
YOUNG	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>		
ZARATE	<input type="checkbox"/> (Parra) <input type="checkbox"/>		<input checked="" type="checkbox"/>

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL