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Agenda

**** JOINT MEETING AND FINANCE WORKSHOP ****

of the
Board of Directors for
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

May 11, 2006

» » 8:00 a.m. « «

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

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FINANCE WORKSHOP - 8:00 A.M.

ACTION RECOMMENDED

1. Roll Call
2. MTS: FY 2007 Budget Development
Action would receive a report on the MTS fiscal year 2007 operating budget and approve the following budgetary assumptions for fiscal year 2007: funding shift of any Comprehensive Operational Analysis savings to the FY 2008 Capital Improvement Program; and approval of the Performance Incentive Program. Possible Action
3. Public Comments



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

BOARD MEETING - 9:00 A.M.

4.
 - a. Roll Call
 - b. Approval of Minutes - April 27, 2006 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. MTS: Increased Authorization for Legal Fees for the San Ysidro Approve
Action would ratify the previous actions of the CEO and authorize the CEO to enter into Contract Amendment No. 6 to MTS Doc. No. L0602.0-02 with Best Best & Krieger, LLP for legal services for the San Ysidro Intermodal Transportation Center Project.

CLOSED SESSION ITEMS

24.
 - a. MTS: CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Pursuant to Subdivision (a) of Government Code Section 54956.9: OPM, Inc. v. MTDB, et al., Superior Court Case No. GIS 8067-1 Possible Action
 - b. MTS: CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to California Government Code Section 54956.8
Property: Right-of-Way Adjacent to Grossmont Center Station Parking Lot at the Intersection of Grossmont Center Drive and Fletcher Parkway
Agency Negotiators: R. Martin Bohl, Paul Jablonski, Tim Allison, Tiffany Lorenzen, and Jerry Trimble
Negotiating Parties: Fairfield Residential, LLC, JP Morgan Chase Bank, and Mass Mutual
Under Negotiation: Instructions to Negotiators will Include Price and Terms of Payment Possible Action
 - c. MTS: CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Significant Exposure to Litigation Pursuant to Subdivision (b) of California Government Code Section 54956.9: One Potential Case Possible Action

Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

30. MTS: Update on the Status of the Grossmont Trolley Station Joint Development Project Possible Action
- Action would: (1) receive an update from General Counsel regarding the status of the Grossmont Trolley Station Joint Development Project; and (2) approve or authorize the following documents if negotiations have been concluded with Fairfield Residential, LLC's (Fairfield's) lenders. These documents will be couriered to each Board member's office next week if a final agreement is reached: (a) authorize the Chief Executive Officer (CEO) to execute the Disposition and Development Agreement (DDA) and Ground Lease, in substantially the same format as provided to the Board; (b) approve the appraisal report; and (c) authorize the CEO to execute and sign any other documents necessary to complete the transaction, including the lenders' Estoppel Certificate and the Parcel Map.

REPORT ITEMS

45. MTS: Operations Budget Status Report for March 2006 Receive
- Action would receive this report for information.
60. Chairman's Report Possible Action
61. Chief Executive Officer's Report Information
62. Board Member Communications
63. Additional Public Comments Not on the Agenda Possible Action
- 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.
64. Next Meeting Date: May 25, 2006
65. Adjournment