

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

January 18, 2007

MTS  
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

1. Roll Call

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

2. Approval of Minutes

Mr. Ewin moved to approve the minutes of the December 14, 2006, Board of Directors meeting. Ms. Hanson-Cox seconded the motion, and the vote was 14 to 0 in favor.

3. Public Comment

*Don Stillwell:* Mr. Stillwell made suggestions for the improvement of service. He stated that a bus stop for Route No. 18 should be added at Ward Road on Camino del Rio North for the convenience of residents in that area. He also stated that two Route No. 13 buses are waiting at Crawford Street at the same time and block access by Route No. 14 to its stop at Crawford. He stated that he would like to have a phone number for reporting buses that don't arrive at their scheduled time. He added that buses are still leaving trolley stops minutes before the trolley arrives. He also reported that the fare vending machines do not accept cash unless you press J to insert cash. He stated that instructions posted on the machines do not include this information. Mr. Mathis stated that Mr. Stillwell's comments would be referred to staff, and they would respond to the issues he presented.

4. MTS: Election of Vice Chair and Chair Pro Tem and Appointments to Committees for 2007 (ADM 100, PC 50101)

Ms. Tiffany Lorenzen, MTS General Counsel, advised the Board that they will be asked to nominate and elect a Vice Chair and Chair Pro Tem for 2007, positions currently held by Mr. Rindone and Mr. Emery, respectively. She stated that the Board will also be asked to consider the nominating slate proposed by the Ad Hoc Nominating Committee. She reminded the Board that appointments for the Executive Committee are now set by Policy No. 22. She added that the San Diego Association of Governments (SANDAG) Transportation Committee appointment is set by the Executive Committee. She reported that the Executive Committee, at its January 13, 2007, meeting appointed Bob Emery to continue in that position. Ms. Lorenzen clarified for Board members that individuals who are appointed for specific committees and/or the Vice Chair or Chair Pro Tem positions should abstain from voting for themselves during the vote for those particular positions.

### Action Taken

Chairman Mathis nominated Mr. Rindone for the position of Vice Chair and Mr. Emery for the position of Chair Pro Tem. Chairman Mathis closed nominations as there were no other nominations from the floor. The votes were 13 to 0 in favor with Mr. Rindone abstaining on the vote for Vice Chair and Mr. Emery abstaining on the vote for Pro Tem.

The Board was asked if they wanted to make modifications to the proposed slate of nominations for MTS committees as presented in the agenda item. There were none. The vote was as follows:

### MTS Budget Committee

Jerry Rindone, Chairman: 13 to 0 in favor, with Mr. Rindone abstaining.  
Harry Mathis, Vice Chairman: 13 to 0 in favor, with Mr. Mathis abstaining.  
Thomas Clabby, Committee Member: 13 to 0 in favor, with Mr. Clabby abstaining.  
Ron Roberts, Committee Member: 13 to 0 in favor, with Mr. Roberts abstaining.  
Tony Young, Committee Member: 13 to 0 in favor, with Mr. Young abstaining.

### Joint Committee on Regional Transit (JCRT)

Bob Emery, Committee Member: 13 to 0 in favor, with Mr. Emery abstaining.  
Harry Mathis, Committee Member: 13 to 0 in favor, with Mr. Mathis abstaining.  
Ernie Ewin, Committee Member: 13 to 0 in favor, with Mr. Ewin abstaining.

#### *Alternates:*

Thomas Clabby, Committee Member: 13 to 0 in favor, with Mr. Clabby abstaining.  
Brian Maienschein, Committee Member: 13 to 0 in favor, with Mr. Maienschein abstaining.

### Taxicab Committee

Brian Maienschein, Chairman: 13 to 0 in favor, with Mr. Maienschein abstaining.

### High-Speed Rail Task Force (SANDAG)

Brian Maienschein, Committee Member: 13 to 0 in favor, with Mr. Maienschein abstaining.  
*Alternate:* Jillian Hanson-Cox, Committee Member: 13 to 0 in favor, with Ms. Hanson-Cox abstaining.

### Los Angeles-San Diego Rail Corridor Agency (LOSSAN)

Jerry Rindone, Committee Member: 13 to 0 in favor, with Mr. Rindone abstaining.  
*Alternate:* Harry Mathis, Committee Member: 13 to 0 in favor, with Mr. Mathis abstaining.  
*Second Alternate:* Bob Emery, Committee Member: 13 to 0 in favor, with Mr. Emery abstaining.

### Accessible Services Advisory Committee

Thomas Clabby, Chairman: 13 to 0 in favor, with Mr. Clabby abstaining.

### Ad Hoc Railroad Subcommittee

Bob Emery, Chairman: 13 to 0 in favor, with Mr. Emery abstaining.  
Harry Mathis, Vice Chair: 13 to 0 in favor, with Mr. Mathis abstaining.  
Thomas Clabby, Committee Member: 13 to 0 in favor, with Mr. Clabby abstaining.  
Jerry Rindone, Committee Member: 13 to 0 in favor, with Mr. Rindone abstaining.

### SANDAG Board

Harry Mathis, Advisory Member: 13 to 0 in favor, with Mr. Mathis abstaining.  
*Alternate:* Jerry Rindone, Advisory Member: 13 to 0 in favor, with Mr. Rindone abstaining.  
*Second Alternate:* Bob Emery, Advisory Member: 13 to 0 in favor, with Mr. Emery abstaining.

SANDAG Regional Planning Committee

Harry Mathis, Committee Member: 13 to 0 in favor, with Mr. Mathis abstaining.

*Alternate:* Bob Emery, Committee Member: 13 to 0 in favor, with Mr. Emery abstaining.

CONSENT ITEMS

6. MTS: Investment Report (FIN 300, PC 50601)

Recommend that the Board of Directors receive an investment report through November 2006.

7. MTS: An Ordinance Amending Ordinance No. 13, an Ordinance Regarding Prohibited Conduct Onboard Transit Vehicles and Prohibited Actions on or About a Transit Facility or a Bus Stop (ADM 130.3, PC 50451)

Recommend that the Board of Directors adopt Ordinance No. 13, An Ordinance Regarding Prohibited Conduct Onboard Transit Vehicles and Prohibited Actions On or About a Transit Facility or a Bus Stop and direct publication of an ordinance summary.

8. MTS: LRV Traction Motors Repair and Rehabilitation Services Agreement – Work Orders (CIP 13164)

Recommend that the Board of Directors (a) accept the assignment of the LRV Traction Motors Repair and Rehabilitation Services Agreement from the San Diego Association of Governments (SANDAG); and (2) authorize the CEO to issue Work Order Nos. 07-01 and 07-02 (Attachments A and B of the agenda item) to Siemens Energy and Automation for rehabilitation of 30 U2 traction motors for a cost not to exceed \$1,707,396 and for U2 traction motor repairs as needed for a cost not to exceed \$500,000, respectively.

9. MTS: Escrow Agreement (FIN 300, PC 50601)

Recommend that the Board of Directors approve an Escrow Agreement (Attachment A of the agenda item) with the Bank of New York Trust Company, N.A. as Trustee.

10. SDTI: Uniform Service Contract Award (OPS 970.6)

Recommend that the Board of Directors authorize the SDTI President to execute a five-year contract (SDTI Doc. No. C.O.065.0-07), in an amount not to exceed \$568,837.55, with Prudential Overall Supply for uniform services for SDTI.

11. MTS: Policies and Procedures No. 18 (Joint Use and Development of Property) (LEG 461, PC 50791)

Recommend that the Board of Directors approve changes to Policy No. 18 as recommended by the Executive Committee.

12. MTS: Emergency Work Authorization Under Policy No. 42.5 (C) and MTS/SANDAG Memorandum of Understanding (MOU) Approval (CIP 10426.6)

Recommend that the Board of Directors (1) find that immediate remedial measures are required at the West Park Avenue and L Street grade crossing to comply with Federal Railroad Administration Rule Nos. 213.127 and 213.133(7) to replace deteriorated rail and ties to ensure that the system is available to serve the transportation needs of the general public, and that the

procurement of construction services in compliance with MTS Policy No. 52.2 is inadequate due to the urgency of the rehabilitation work; and (2) authorize the CEO to execute an MOU (in substantially the same format as Attachment A of the agenda item) with SANDAG to reimburse SANDAG for West Park Avenue and L Street rehabilitation work to be done under a contract change order to the Broadway Rail Replacement Project (CIP 13061) for a total cost not to exceed \$350,000.

#### Recommended Consent Items

Mr. Emery moved to approve Consent Agenda Items No. 6, 7, 8, 9, 10, 11, and 12. Mr. McLean seconded the motion, and the vote was 14 to 0 in favor.

#### CLOSED SESSION:

#### 24. Closed Session Items (ADM 122)

The Board convened to Closed Session at 9:10 a.m.

- a. MTS: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Pursuant to California Government Code Section 54956.9(a) Stella Reed v. MTS, Et. Al. (Claim No. Unassigned)
- b. MTS: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Pursuant to California Government Code Section 54956.9(a) Wooten v. San Diego Trolley, Inc. Et Al. (Superior Court Case No. GIC 853080)

The Board reconvened to Open Session at 10:20 a.m.

#### Oral Report of Final Actions Taken in Closed Session

Ms. Tiffany Lorenzen, MTS General Counsel, reported the following:

- a. The Board received a report and gave direction to General Counsel. County and City of San Diego representatives were not present for the discussion of this item.
- b. The Board received a report and gave direction to outside counsel.

#### NOTICED PUBLIC HEARINGS

25. There were no Noticed Public Hearings.

#### DISCUSSION ITEMS

#### 30. MTS: Fiscal Year 2008 Capital Improvement Program (CIP) (FIN 310, PC 50601)

Mr. Paul Jablonski, MTS Chief Executive Officer, reported that, because of debt service for the radio and the automated farebox collection systems, MTS only expected to have \$18 million in funding for capital needs for FY 2008. He advised the Board that MTS now expects to receive additional funds as follows, which will bring funding for capital needs up to approximately \$50 million: \$17 million in State Transit Assistance, \$5.9 million from the divestiture of County Transit Services, and \$6.5 million in operating savings that was transferred to the capital budget.

Mr. Larry Marinesi, MTS Budget Manager, reviewed the breakdown of \$50,219,500 in funding that will be available for MTS to use in FY 2008. Mr. Marinesi also reviewed the process that was used to develop the list of FY 08 capital projects to be funded. He pointed out that the Office of Homeland Security will be granting \$1,660,700 through the Transit Security Grant Program for FY 08. He advised the Board that MTS also expected \$2.4 million Section 5309 earmark funding for the East County Bus Maintenance Facility and bus replacements, which Congress is now not going to be approving.

Mr. Marinesi stated that the Security-Related Projects item includes cameras at 12<sup>th</sup> & Imperial and America Plaza. He added that also included is enhanced video analytics at San Diego State, cameras in revenue vehicles (buses primarily), and MTS's share of a joint funding agreement with the City of La Mesa for cameras at the Amaya Station. He then reviewed unfunded projects for FY 08 and stated that funding from the passage of the infrastructure bond as well as TransNet II will be used for rail infrastructure projects that appear on the unfunded projects list. He then reviewed a five-year projection (FY 08-12) for the CIP and reported that, even though the average percentage of funding compared to needs for the five-year projection period is only 32.7 percent, it is higher than previous years so MTS is trending in the right direction. Mr. Marinesi reported that MTS will continue to pursue capital funding and briefly discussed Proposition 1B funds that will be pursued through the California Transportation Commission.

In response to a question from Ms. Atkins, Mr. Jablonski stated that most of Proposition 1B funds (\$160 million) is formulized and will come to MTS. He stated that MTS is considering combining these funds with TransNet II funding for Orange and Blue Line improvements. He stated that the discretionary portion of 1B funding is for security, and no guidelines have yet been issued regarding the process for applying for these funds. In response to a question from Mr. Young, Ms. Sharon Cooney, Director of Governmental Affairs and Community Relations, explained that security projects were discussed in a security report prepared by the Department of Homeland Security, which identified high-risk locations that would be funded under Homeland Security grant programs. Mr. Jablonski stated that a number of factors were considered in the process of identifying the high-risk stations including activity level, crime rates, etc. Also in response to a question from Mr. Young, Mr. Marinesi explained that, of the \$1.6 million, \$900,000 will be spent on cameras. Mr. Young thanked staff for pursuing funding for the purpose of improving security. He stated that he recognized the need to deal with the threat of terrorism, but he also felt it was important to address security issues that are important to regular riders, such as street crime, gang activity, etc. Mr. Jablonski stated that MTS pursues many different avenues to address security, and that most of the security measures being funded under the security grant will provide increased security on the entire system.

#### Action Taken

Ms. Atkins moved to (1) approve the fiscal year 2008 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 CEO to identify and adjust projects for the adjusted funding levels; (2) recommend that the SANDAG Board of Directors approve the submittal of federal Sections 5307 and 5309 applications for the MTS fiscal year 2008 CIP (shown in Attachment A of the agenda item) after the federal appropriations are finalized; and (3) recommend that the SANDAG Board of Directors approve the amendment of the Regional Transportation Improvement Program in accordance with the fiscal year 2008 CIP recommendations. Mr. Rindone seconded the motion, and the vote was 13 to 0 in favor.

31. MTS: FY 2006 Comprehensive Annual Financial Report (CAFR) and Final Budget Comparison (FIN 300, PC 50601)

Mr. Jablonski advised the Board that the FY 04, FY 05, and FY 06 audits were all completed in 2006, and MTS is now on schedule with generally accepted accounting principles for the completion of audits. He reported that FY 04 and FY 05 audits were completed late because of the consolidation. He attributed MTS's accomplishment of completing all three audits in 2006 to Finance Department staff and the department's leadership.

Mr. Tom Lynch, MTS Controller, reviewed the CAFR for fiscal year ended June 30, 2006. He reviewed consolidated variances to budget and then provided a review of operating areas. He reported the following: (1) The FY 06 budget utilized no contingency reserves compared to \$8.2 million in FY 05; (2) \$2.0 million was moved to the CIP Program; (3) the year ended with a \$1.9 million favorable variance; and (4) \$4.2 million in higher energy costs was absorbed through internal efficiencies and without service cuts. Mr. Lynch also pointed out that, although staff is recommending that \$1,915,000 be applied toward the contingency reserve (bringing it to \$16,413,000), the reserve is still lower than its FY 2003 level of \$25.9 million.

In response to a question from Ms. Atkins about MTS's legal liabilities, Mr. Lynch reported that these items have been fully disclosed on pages 72 and 73 of the report under the Risk Management and Contingencies sections. Ms. Lorenzen advised Ms. Atkins that MTS does not have a policy nor do the auditors require that General Counsel sign the letter included in the Introduction Section of the report. She added that, as part of the audit process, auditors meet with the General Counsel, who discloses MTS's risks and potential liabilities and then signs documentation to that effect.

Ms. Atkins stated that she will vote for this item because the Board is being asked to just receive, not approve, the report. She stated that she does not have the expertise to review the report and ensure that everything is complete. In response to a question from Ms. Atkins, Ms. Lorenzen the contract for audit services is rebid every five years. Ms. Atkins stated that the staff members who work with the auditors are just as important as the auditing firm MTS selects to do the work. She stated that MTS's auditors, Caporicci and Larson, did the City of San Diego's CAFR in 2003. She stated that it is critically important that MTS and staff working on the audit follow all accounting standards regardless of any pressure there is to get the work done.

Mr. Monroe congratulated Mr. Jablonski and staff. In response to a question from Mr. Monroe, Mr. Lynch explained that the average fare for San Diego Trolley was overestimated during the budget process, which explains the negative variance for this factor. He added that many riders are now using monthly passes rather than paying cash, which lowers the average fare. Mr. Lynch reported that, going forward, staff will explore moving to an enterprise fund accounting system, which is more analogous to accounting methods used in the private sector. He stated that the disclosure requirements are the same, but reports are easier to read.

Mr. Ewin asked if anyone would be looking more closely at the audit or review the process that was used to reach the audit results and asked if anyone on the Board meets with the auditors. He also noted that auditors typically use a small sample size when they are conducting their audit. Mr. Jablonski stated that the Budget Development Committee could be asked to assume that responsibility. He further reported that staff is still discussing how MTS, SDTC, and SDTI could be migrated onto one accounting system. Mr. Lynch advised the Board that Caporicci and Larson will be issuing a Management Letter in the near future. He stated that this letter will not identify any material weaknesses but may offer areas in which improvement could be made. He stated that MTS takes these matters very seriously.

Mr. Faulconer agreed with Ms. Atkins' comments. He suggested that the Board consider creating a separate Audit Committee to encourage the flow of information between the auditors and board members. Chairman Mathis stated that an item to address this issue will be added to the Executive Committee agenda and then brought back to the Board. Mr. Young asked about the implications of the Board receiving rather than approving the CAFR. Ms. Lorenzen stated that the auditors take professional responsibility and have the liability exposure for the CAFR and the audit, not Board members who do not have the expertise to actually approve the report. When Mr. Young asked if Ms. Lorenzen could say the Board was not liable, Ms. Lorenzen stated that she could not make that statement with 100 percent certainty. Chairman Mathis stated that the Board can receive the report without assuming responsibility for the validity of the report.

#### Action Taken

Mr. Monroe moved to receive the FY 2006 Comprehensive Annual Financial Report; and (2) approve applying the FY 2006 positive variance of \$1,915,000 to the MTS Contingency Reserve. Mr. Emery seconded the motion, and the vote was 12 to 1 in favor, with Mr. Young casting the dissenting vote.

#### 32. MTS: Memorandum of Understanding (MOU) Between MTS and the City of Chula Vista Regarding Consolidation of Bus Operations (OPS 910)

Mr. Jablonski explained the process that was used to consolidate all of MTS's various contract services and reviewed the conclusions reached by staff regarding how transit services were provided in Chula Vista. He stated that assuming the transit service in Chula Vista will yield a savings of \$1.78 million, inclusive of the purchase of 26 new over-the-road coaches as part of the contract. He stated that, without these new buses, the savings realized will actually total about \$2.5 million over the five years of the contract with Veolia. He reported that Chula Vista has been operating 36 to 38 buses and has its own CNG fueling facility. He added that Chula Vista has requested an MOU regarding the arrangement with MTS, a final draft of which is attached to the agenda item. Ms. Lorenzen provided the Board with an overview of the elements of the MOU. Mr. Monroe suggested that references to Veolia in the MOU be changed to "contractor" since the contract will be rebid every five years.

#### Public Comment

*Ron Morrison, Mayor, National City:* Mr. Morrison distributed and read into the record a letter from the City of National City objecting to the difference in the way National City Transit and Chula Vista services are being assumed by MTS and questioning the \$4.54 per mile and \$4.21 per mile that have been referred to in discussions of this matter.

*Don Stillwell:* Mr. Stillwell asked how an outside contractor was able to provide service at a lower rate than MTS itself.

Mr. Jablonski stated that the \$4.21 per mile cost is first-year cost only. He stated that \$4.54 represents the average cost over the term of the contract. He stated that MTS compared the first-year cost per mile of the Veolia contract (\$4.21) to the current year cost of the McDonald Transit contract. He also reported that MTS was able to absorb National City's operation because it was much smaller than Chula Vista's. He reminded the Board that Chula Vista has a larger fleet, which needs to be accommodated and also has its own CNG fueling station. MTS would have been faced with building a CNG fueling station in National City. Mr. Jablonski also

reported that MTS is not paying rent for the Chula Vista facility and was paying rent for the National City facility.

Action Taken

Mr. Emery moved to receive a report and authorize the CEO to execute an MOU between the City of Chula Vista and MTS Regarding Provision of Public Transportation Services in substantially the same format as in Attachment A of the agenda item. Mr. Monroe seconded the motion, and the vote was 13 to 0 in favor.

33. MTS: Contract Award for MTS Legal Services (LEG 490, PC 50121)

Ms. Lorenzen reported that the purpose of this contract is to provide MTS with a list of qualified attorneys and law firms to advise, assist, and represent MTS and its subsidiaries. She stated that taking this approach allows MTS immediate access to attorneys on an as-needed basis. She gave an overview of the process used to develop this list and information on the criteria used to evaluate the proposers. She reported that the procurement officer for this contract was able to reduce five of the seven hourly rates proposed by attorneys who were outside the average rate in their practice area. She reported that the two attorneys who were not willing to reduce their rate to the average provide services in very specialized areas of law.

Ms. Lorenzen reported that there were a number of firms that did not get evaluated because they did not comply with the instructions of the Request for Proposal (RFP). She stated that the check list that is usually included to assist proposers with completing their RFP was inadvertently left out, and some of the law firms that MTS typically does business with were disqualified because they did not comply with the RFP. She stated that MTS is therefore reissuing the RFP in an effort to give these firms another chance and to broaden the pool of attorneys from which MTS can choose.

In response to a question from Mr. Ewin, Ms. Lorenzen stated that the Evaluation Committee was comprised of MTS Interim Chief Financial Officer Cliff Telfer, SDTC Risk Administrator Carmen Naranjo, MTS Risk Management Coordinator Jim Dow, and MTS General Counsel Tiffany Lorenzen. In response to a comment by Mr. Ewin, Ms. Lorenzen stated that the law firms were interviewed, that they were very impressive, and that they seemed eager to do work with MTS. She stated that the firms selected are very well qualified. In response to a question from Mr. Monroe, Ms. Lorenzen stated that the law firm that MTS uses for Public Utilities Commission matters was one of the firms that did not comply with the RFP.

Mr. Jablonski pointed out that approving the list does not preclude staff from reporting legal contracts over a certain threshold. Ms. Lorenzen added that any contract over \$100,000 would have to be approved by the Board.

Action Taken

Mr. Emery moved to authorize the CEO or appropriate staff persons to execute contracts on an as-needed basis to attorneys and firms from the prequalified List (Attachment A of the agenda item) for MTS and its subsidiaries contingent upon successful negotiations with each law firm. Mr. McLean seconded the motion, and the vote was 11 to 0 in favor.



## REPORT ITEMS

45. MTS: C Street Master Plan Update (ADM 124, PC 50451)  
Brandon Farley, MTS Senior Transportation Planner, provided the Board with an overview of the C Street Master Plan as well as information on existing and projected ridership levels through the C Street corridor. He stated that the northern alignment, as favored by the Centre City Development Corporation (CCDC) and other interested parties, would move the trolley tracks to the north side of C Street and add a vehicle travel lane on the south side of the street. Mr. Farley provided visuals of the station options demonstrating the importance of having four stations. One of the recommendations presented four stations equidistance from each other, and Mr. Farley stated that MTS favors this configuration, which would provide the highest level of convenience to trolley users. He also presented a visual of a possible solution that would relocate the 5<sup>th</sup> Avenue Station to the block between 6<sup>th</sup> and 7<sup>th</sup> Avenues. He pointed out that the recommendation would include narrowing of traffic lanes on 7<sup>th</sup> as the lanes approach the intersection and sidewalks would be adjusted. He stated that these two options would provide enough room for S70 consists to operate at the station. He stated that the other three stations in the corridor can accommodate the longer S70 consists, although some minor adjustments would have to be made to some platforms.

### Public Comment

*Sachin Kalbah, CCDC:* Mr. Kalbah reported that his organization continues to meet with other interested parties. He stated that he would like to come back to the Board to discuss this matter after these meetings have been completed.

*Barbara Warden, President, Downtown Partnership:* Ms. Warden stated her view that the trolley is a tremendous asset to San Diego and downtown, but that the Downtown Partnership is opposed to any options under which streets or sidewalks would be closed, blocked, or narrowed. She requested that MTS create a system that would fit into the existing system and consider operating two-car low-floor consists.

Mr. Faulconer stated that the goal is to make C Street a better place. He stated that the parties involved have made some tremendous progress and have a strong momentum going to improve C Street, which is not very functional. He stated that he was concerned about the plan to narrow 6<sup>th</sup> and 7<sup>th</sup> Avenues. He stated that he would to see the stakeholders meet and agree on a solution to C Street issues within the next month that works for everyone.

Mr. Jablonski stated that, even though MTS has conveyed to CCDC that it believes there are safety issues with the Northern alignment, MTS will agree to that option. He added that MTS cannot agree to a plan that does not allow S70 three-car consists to operate through this corridor or that has less than four stations in the corridor. He stated that the accommodation of these two factors is vital to MTS's acceptance.

Mr. Emery stated that C Street is the heart of MTS's entire system and that MTS needs to maximize ridership capacity. He stated that to not do so would have a negative impact on the entire system. He stated that the parties involved in studying the options should be aware of the loss of capacity that would result from restricting three-car trains. Mr. Clabby asked who would be providing funding for the C Street Corridor project.

Mr. Roberts stated that it is important to end up with a plan that works. He stated that ridership projections indicate that maximum capacity will be needed, and MTS's first and foremost concern should be how to provide that capacity. He stated that he would really like to see MTS

operate four-car trains. He stated that he appreciated the Downtown Partnership's desire to have no interruptions to traffic flow in this area but did not feel that could be accomplished. He cited other locations in the city where citizens experience delays as a result of traffic issues. He stated that the real challenge will be determining how to handle increased traffic and public transit in a cost effective manner. He stated that he was willing to look at solutions that have not yet been considered.

Action Taken

Mr. Emery moved to receive an update regarding the Centre City Development Corporation's (CCDC) C Street Master Plan. Mr. Clabby seconded the motion, and the vote was 9 to 0 in favor.

46. MTS: I-805/SR 52 Bus Shoulder Lanes Project Update (CIP 13481)

Mr. Jablonski reported that this project has been so successful that SANDAG wants to expand the use of this concept.

Action Taken

Mr. Jones moved to receive this report for information. Mr. McLean seconded the motion, and the vote was 8 to 0 in favor.

47. MTS: First Quarter 2007 Performance Indicators (OPS 920.1, 960.5, 970.5, PC 50451)

Action Taken

Mr. Jones moved to waive staff presentation and receive this report for information. Mr. McLean seconded the motion, and the vote was 8 to 0 in favor.

48. MTS: Year-To-Date Operations Budget Status Report Through November 2006 (FIN 310, PC 50601)

Action Taken

Mr. Jones moved to waive staff presentation and receive this report for information. Mr. McLean seconded the motion, and the vote was 8 to 0 in favor.

49. MTS: Leon Williams Station Dedication Working Group Report (ADM 130, PC 50101)

This item was continued.

Action Taken

No action was taken on this item.

60. Chairman's Report

There was no Chairman's Report.

61. Chief Executive Officer's Report

The CEO made no verbal report.

62. Board Member Communications

*Grantville Trolley Station:* Mr. Monroe requested that staff report back to the Board on ridership levels and the effectiveness of service to Grantville Station.

63. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

64. Next Meeting Date

The next scheduled Board meeting will be Thursday, February 15, 2007, with a Finance Workshop at 8:00 a.m. and regular Board meeting at 9:00 a.m., in the same location.

65. Adjournment

Chairman Mathis adjourned the meeting at 12:03 p.m.

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Chairperson  
San Diego Metropolitan Transit System  
Filed by:

Approved as to form:

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

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Office of the General Counsel  
San Diego Metropolitan Transit System

Attachment: A. Roll Call Sheet

gail.williams/minutes