

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

February 24, 2005

BOARD OF DIRECTORS MEETING ROOM, 10TH FLOOR
1255 IMPERIAL AVENUE, SAN DIEGO

MINUTES

Finance Workshop – 8:00 a.m.

1. Roll Call

Budget Development Committee Chairman Rindone called the meeting to order at 8:12 a.m. A roll call sheet listing Board member attendance is attached.

Introduction of New Alternate: Chairman Williams introduced Santee Councilmember Brian Jones, newly appointed alternate for Santee Councilmember Hal Ryan.

2. a. MTS: Operators Budget Status Report for December FY 05 (FIN 310.1, PC 30100)

Mr. Jablonski gave a brief overview of what staff would be reviewing for the Finance Workshop portion of the meeting. He pointed out that preliminary revenue numbers from the San Diego Association of Governments (SANDAG) are trending positive over the last couple weeks due to increases in sales-tax revenues. Mr. Larry Marinesi, MTS Budget Manager, reviewed the Combined Net Operating Subsidy Variance Summary reporting a favorable net subsidy variance of \$77,000 as of December 31, 2004.

In response to a question from Mr. Monroe, Mr. Marinesi stated that wages exceeded budget due to operator and maintenance overtime that has occurred as a result of SDTC's understaffed position for operators and its efforts to improve on-time performance and equipment reliability. Mr. Cliff Telfer, MTS Interim Chief Financial Officer, reported that substantial progress has been made in improving these performance indicators, and an upcoming job fair should help alleviate the understaffing problem. Mr. Jablonski stated that overtime hours will probably trend higher over the next six months as significant steps are being taken to improve on-time performance, and realignment of running times will add to the number of operating hours. Mr. Monroe suggested that overtime should be anticipated during the budgeting process.

Action Taken

No action was taken. Staff's recommendation was that the Board receive this report.

b. MTS: FY 05 Midyear Budget and Capital Improvement Project Adjustments
(FIN 310.1, PC 30100)

Mr. Marinesi reviewed elements of the combined MTS FY 2005 midyear budget adjustment, which would consist of a midyear budgetary increase of \$650,000. Mr. Marinesi also reviewed options for making the midyear adjustment including offsetting the midyear adjustment against pension savings, which would be discussed later in the Finance Workshop, or continue cost-cutting measures to balance the budget. Mr. Marinesi pointed out that continued cost cutting may negatively impact service levels and quality. He added that, at this time, staff recommends offsetting the \$650,000 midyear adjustment against the FY 04 positive budget variance. Mr. Jablonski emphasized that operational problems are being addressed as Mr. Marinesi indicated. He briefly discussed changes in passenger levels, higher energy costs, recruitment of operators, and efforts already underway that are starting to reduce some overtime. He added that MTS can continue to cut costs but those efforts will have a negative impact on system performance and may not yield savings adequate to balance the budget.

Mr. Jablonski also explained that MTS is in a position to save \$1.5 million on the annual expenditure to fund the SDTC pension plan as a result of the recent issuance of pension obligation bonds (POBs), and these funds could be used to balance the budget. He stated that staff will bring a report back to the Board in one to two months after actuarial studies of the pension plan have been completed and will bring experts (actuary and bond counsel) to ensure the Board is comfortable with this option.

In response to a question from Mr. Monroe, Mr. Jablonski stated that MTS used \$5 million in reserves in FY 2004. Mr. Monroe stated that he would like to see a presentation on the ridership recovery that was projected when the last fare increase was approved and asked if it would be prudent to go ahead with the scheduled increase in pass prices in 2006. Mr. Jablonski stated that the MTS Planning Department will be making a fairly extensive presentation on ridership that shows some interesting conclusions and may provide some of the information Mr. Monroe is requesting. Mr. Jablonski also stated that, in a static environment, ridership dips in response to fare increases and then recovers. He stated that ridership for the entire system is up 3+ percent, but mode switches have caused some modes to experience declines while other modes experience improvements. In response to a comment from Mr. Monroe, Mr. Jablonski stated that external factors always influence ridership; e.g. opening of Petco Park and the opening of adjacent parking facilities.

In response to a question from Mr. Young, SDTI President-General Manager Peter Tereschuck reviewed SDTI's security needs in connection with Street Scene and Padres/Chargers games. He also reported that SDTI receives full

cost recovery for extraordinary costs of services provided for special events with the exception of Padres/Chargers games as that service is not directly related to the event. Mr. Young stated that he has reports from constituents regarding problems with gang activity on trolleys. He stated that he would like to hear more about this topic. Mr. Tereschuck stated that SDTI's year-end security report is currently on the Board's March 10 agenda. Mr. Young pointed out that people will not ride a system they don't feel is safe. Chairman Williams stated that the trolley's incident rate is low compared to the City's but also expressed concern regarding perceptions that the system might not be safe. Mr. Young suggested that MTS visit with some of the parents in his community who are concerned for the safety of their children.

Mr. Marinesi explained that the CIP midyear adjustment consists of transfers between items.

Action Taken

Mr. Lewis moved to approve the MTS FY 05 Midyear Adjustment (Resolution No. 05-2 [Attachment A of the agenda item]). Mr. Emery seconded that motion, and the vote was 10 to 0 in favor.

Mr. Lewis moved to forward a recommendation to the San Diego Association of Government (SANDAG) Transportation Committee to transfer FY 05 capital improvement project funds for various projects. Mr. Emery seconded the motion, and the vote was 10 to 0 in favor.

c. SDTC: Pension Bond Results Update (FIN 310.0, PC 30100)

Mr. Telfer provided the Board with an update on the calculation of the pension contribution requirement and results of the Pension Obligation Bond (POB) issue, including an explanation of how the bond issue generated \$4,325,000 in funds that would be available in FY 05. He pointed out that work is underway with the plan's actuary to determine final projected results. Mr. Telfer stated that these funds could be used to pay down the bond debt, for operations thus reducing the amount needed from the contingency reserve to balance the budget, or to create a pension reserve. He stated that creating a contingency reserve could help MTS move closer to its goal of having all employees in the California Public Employee Retirement System (CALPERS). He stated that no decision should be made until the actuarial work is completed.

In response to a question from Mr. Young, Mr. Telfer reported that the fund is currently close to 90 percent funded. Mr. Young cautioned the Board not to use the funds for operations.

Public Comment

Steve Alcove: Mr. Alcove, President of the Amalgamated Transit Union (ATU), Local 1309, stated that the ATU has membership on the plan's Pension Investment Committee. He stated that they are pleased with recent decisions

and the results of those decisions. He stated that excess funds should only be used for the pension plan. He stressed that operators depend on the pension plan.

Mr. Jablonski stated that MTS is very sensitive to this issue and takes the future of its employees very seriously. He stated that this is a very complex issue and reminded the Board that experts will be brought in to help with the discussion of these decisions. Mr. Jablonski briefly discussed how the plan is managed to accommodate changes in investment returns, and Mr. Telfer pointed out that the plan has 10 different investment managers. Mr. Telfer added that a presentation on the pension plan will be given to the Board at one of its March meetings.

Action Taken

Ms. Sterling moved to receive this report for information. Mr. Clabby seconded the motion, and the vote was 12 to 0 in favor.

d. MTS: FY 2006 Budget Development (FIN 310.1, PC 30100)

MTS Controller Tom Lynch reviewed projections for nonoperating and operating revenues for FY 06. He stated that all figures have taken into consideration the opening of Mission Valley East but not service adjustments that will result from the Comprehensive Operational Analysis (COA). He also pointed out that \$4,300,000 in Federal Congestion Mitigation and Air Quality (CMAQ) funds will not be available in 2009 and will need to be replaced. He reviewed projections for operating revenue by operator, energy, revenue miles, revenue hours, and passengers.

Mr. Jablonski stated that there has been an increase in sales-tax revenues recently. He said that it is very possible that, aside from CMAQ funds for MVE start up, MTS may have a balanced budget for FY 06. He stated that, with upcoming decisions on service adjustments, MTS could be in a good position to be closely aligned with its operating revenues.

Action Taken

Mr. Emery moved to receive this report for information. Mr. Clabby seconded the motion, and the vote was 12 to 0 in favor.

e. MTS: Amendment to FY 06 Capital Improvement Program (FIN 310.1, PC 30100)

Mr. Jablonski explained that, because of a miscommunication between SANDAG and MTS, \$700,000 in SANDAG regional planning funds were not subtracted from MTS's FY 06 Capital Improvement Program (CIP). He stated that staff will deduct this amount from miscellaneous capital. He added that the SANDAG Transportation Committee has already approved this item contingent on MTS Board approval.

Action Taken

Mr. Williams moved to approve a \$700,000 reduction of federal formula program funding within the 2006 Capital Improvement Project fund. Mr. Emery seconded the motion, and the vote was 12 to 0 in favor.

Board Meeting – 9:00 a.m.

3. a. Roll Call

Chair Williams called the meeting to order at 9:25 a.m. A roll call sheet listing Board member attendance is attached.

b. Approval of Minutes

Mr. Lewis moved to approve the minutes of the January 27, 2005, Board of Directors meeting. Mr. Clabby seconded the motion, and the vote was 12 to 0 in favor with Mr. Jones abstaining.

c. Public Comment

Chuck Lungerhausen: Mr. Lungerhausen provided the Board with an update on the location for the Team Water Walkers MS water walk. He also stated that 1/6 of a cent is not enough to sustain and expand future transit operations. He stated that a sales tax of one percent, like that received by Los Angeles, is needed. He added that raising fares every few years is counterproductive.

Gordy Shields: Mr. Shields requested that the Board reconsider its decision not to provide open space at the front of each trolley car for wheelchairs and bicycles. He stated that seats have to be flipped up on the new trolley cars in order to make room for this purpose. He added that the new cars are superior in terms of accessibility. He requested that the Board make changes to the new cars to remove three seats and designate the space for wheelchairs and bicycles and provide some time of securement system as well.

Cathy Cieri: Ms. Cieri reported to the Board that rail cars operated by the Carrizo Gorge Railway (CZRy) are idling their trains in front of her house 24 hours a day, 7 days a week. She explained the problems that this is creating for residents in the vicinity of these tracks in Jacumba. She also reviewed the history of how CZRy has addressed these issues with her. She stated that for a period of time, CZRy did park the train cars further away from residents, but they have since started parking the cars right next to her house again. She stated that she has been threatened and harassed by CZRy regarding this issue.

Mr. Jablonski stated that information has been received by staff on this issue. He added that the MTS Board has a subcommittee that deals with SD&AE as well as CZRy, and this issue will be brought before that subcommittee when it meets again in April. He stated that staff will do an investigation of the issues prior to developing the report for that meeting. Mr. Young stated he would like to visit

Ms. Cieri's residence to see this problem first hand. Mr. Monroe expressed surprise that a procedure like this would be part of CZRy's operating plan.

Jeannie Bagrie: Ms. Bagrie also explained the effect the idling rail cars are having on her. She stated that she moved to Jacumba for the peace and quiet.

John Hogue: Mr. Hogue stated that he felt Jacumba was not receiving the kind of attention that would be generated if this problem existed in another community. He added that this issue has created tension between railroad employees and the residents of Jacumba. He also stated that these idling rail cars are old and generate pollution. He stated that CZRy does not respect the residents, and regulations are needed to control CZRy. He stated that idling these cars by residences 24 hours a day is not reasonable.

4. Presentation of Employee Awards

There were no Employee Awards.

5. Closed Session Items (ADM 122)

The Board convened to Closed Session at 9:37 a.m. for:

- a. MTS: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
California Government Code Section 54956.9(a): Save our Heritage Organisation (SOHO) v. City of San Diego, Et. Al., Superior Court Case No. GIC 837743
- b. MTS: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION –
California Government Code Section 54956.9(a): OPM/Gateway Inn v. MTDB,
San Diego Superior Court Case No. GIS 008067
- c. MTS: CONFERENCE WITH LEGAL COUNSEL –EXISTING LITIGATION –
California Government Code Section 54956.9(a): MTDB v. Wells Fargo Bank (Jack in the Box), San Diego Superior Court Case No. GIC 777301-1

The Board reconvened to Open Session at 9:58 a.m.

Oral Report of Final Actions Taken in Closed Session

Ms. Tiffany Lorenzen, MTS General Counsel, reported the following actions taken in Closed Session:

- a. The Board received a report from the Office of the General Counsel. City of San Diego council members were not present during the discussion of this item.
- b. The Board received a report from outside counsel and gave direction to staff.
- c. The Board received a report from outside counsel and gave direction to staff.

Written Report of Final Actions Taken in Closed Session: AGENDA ITEM No. 5e, December 9, 2004, MTDB: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – California Government Code Section 54956.9(a): MTDB v. The Price Company, San Diego Superior Court Case No. GIC 774603-1. The Board received a report from outside counsel and gave direction to staff and outside counsel to approve a change in the area of the property to be acquired for the project, reducing the take to 4,731 square feet of fee simple interest, 38,199 square feet of temporary construction easement, and 24,057 square feet of temporary access easement.

CONSENT ITEMS

6. MTS: Mission Valley East Light Rail Transit Project: Mitigation Monitoring and Reporting Program CIP 10426

Recommend that the Board of Directors receive the final Mitigation Monitoring and Reporting Program Status Report (Attachment A of the agenda item) for the Mission Valley East (MVE) Light Rail Transit (LRT) Project.

7. SDTC: Drug and Alcohol Policy for San Diego Transit Corporation (OPS 960.10, PC 30101)

Recommend that the Board of Directors adopt SDTC Resolution No. 05-01 approving the Federal Transit Administration (FTA)-mandated Drug and Alcohol Policy.

8. SDTI: Renaming of the Weld Boulevard Station to Gillespie Field Station (OPS 970.2, PC 30102)

Recommend that the Board of Directors authorize changing the name of the Weld Boulevard Station to Gillespie Field Station to more accurately reflect its regional identity, in conjunction with opening the MVE LRT extension.

Motion on Recommended Consent Items

Mr. Clabby moved to approve Consent Agenda Item Nos. 6, 7, and 8. Mr. Lewis seconded the motion, and the vote was 12 to 0 in favor.

NOTICED PUBLIC HEARINGS

There were no Noticed Public Hearings.

DISCUSSION ITEMS

30. MTS: Contract Change Orders for Mission Valley East (CIP 10426.7.3)

Mr. Bill Prey, SANDAG, reported that staff underestimated the signal systems needed for MVE, and this contract change order would authorize the utilization of available funds in the Track and Systems Construction Contingency to pay for the required additional signal systems.

Action Taken

Ms. Sterling moved to authorize the Chief Executive Office (CEO) to execute Contract Change Order No. 124, Supplement No. 1, to Contract LRT-426.5 with Stacy and Witbeck, Inc., in substantially the same form attached (Attachment A of the agenda item) for increases in contract quantities for bid item work under the Track and Systems Construction, in an amount not to exceed \$136,810. Mr. Emery seconded the motion, and the vote was 11 to 0 in favor.

31. MTS: Access and ADA Suburban Paratransit Contract Amendments
(OPS 980.8, PC 301170)

Mr. Jablonski advised the Board that the current contract with Laidlaw for the provision of this service expires June 30, 2005. He stated that because of the good job they are doing and because of the excellent rate Laidlaw is charging MTS for this service, the Board is being asked to make an exception, as allowed by MTS policy, to not use the competitive bid process for the next contract period. He stated that no renewal provision exists in the current contract with Laidlaw. Mr. Monroe stated that he would like to see performance indicators for Laidlaw, especially in the area of customer service, and stated that it would be a good time to add this requirement into MTS's contract with them. Ms. Susan Hafner, Director of Multimodal Operations, reported that Laidlaw would need to update its equipment for collecting data before that information would become available.

Action Taken

Mr. Monroe moved to (1) find that it is in the best interest of MTS to extend the MTS Access and Americans with Disabilities Act (ADA) Suburban/Flex Route contracts with Laidlaw Transit Services (Laidlaw) until June 30, 2008 with two one-year options, without going through a competitive bid process; (2) authorize the Chief Executive Officer (CEO) to execute Amendment No. 3 (MTS Doc. No. B0338.0-02) in substantially the same format as attached (Attachment A of the agenda item) for MTS Suburban services with Laidlaw to extend the contract for ADA services for a period of three years with two one-year options; and (3) authorize the CEO to execute Amendment No. 3 (MTS Doc. No. B0368.0-03) in substantially the same format as attached (Attachment B of the agenda item) for MTS Access services with Laidlaw to extend the contract for ADA services for a period of three years with two one-year options. Ms. Sterling seconded the motion, and the vote was 11 to 0 in favor.

32. MTS: IFAS to Ellipse System Migration Service Agreement (CIP 10776)

Mr. Lynch stated that, under this service agreement, Mincom, Inc. would provide professional services to migrate MTS from its current system onto Mincom's Ellipse Enterprise Resource Planning System (ERP), which is currently being used by SDTI and SDTC. He reviewed the benefits and implementation costs for making this decision and stated that there would be an annual savings of \$15,000 in support maintenance contracts because the new contract would replace two existing contracts.

Mr. Monroe stated that, given MTS's awareness that inadequate training of staff can interfere with an efficient migration from one system to the other, staff should ensure that adequate training occurs prior to the actual migration. Mr. Lynch confirmed that training is part of the conversion plan. Mr. Jablonski stated that many of the problems encountered with the ERP system resulted from the program being web-based instead of Windows-based and from poor contract support. He stated that MTS has a recovery plan and the necessary commitment from Mincom to provide support staff for this effort. He stated that MTS now needs a system that is more operations based as opposed to MTS's current system, which is government based.

Action Taken

Mr. Monroe moved to approve an agreement, in substantially the same form as attached (Attachment A of the agenda item) with Mincom, Inc. to provide professional services to migrate Sungard/Bi-Tech's Integrated Financial Application System into Mincom's Ellipse Enterprise Resource Planning System. Mr. Emery seconded the motion, and the vote was 11 to 0 in favor.

33. MTS: Liability Insurance Renewal (LEG 491, PC 30100)

A revised agenda item was provided to Board members. Mr. Jim Dow, MTS Risk Management Coordinator, reported on the insurance markets that were approached and reviewed the recommended coverage levels and resulting premiums. He also reviewed the ratings of the insurance carriers. He confirmed for Mr. Lewis that all carriers are rated in California. Mr. Jablonski complimented Mr. Dow on a good job in obtaining a premium approximately \$120,000 less than the previous year's premium. He also advised the Board that MTS is doing some risk assessment work in this area as MVE is being opened. He stated that this item may be brought back to the Board in the spring after staff completes its review of options.

Action Taken

Mr. Emery moved to authorize the CEO to place the liability insurance policy (limits of \$75 million less a \$2 million self-insurance retention), at an annual cost of approximately \$2,789,742, effective March 1, 2005, through March 1, 2006. Mr. Clabby seconded the motion, and the vote was 11 to 0 in favor.

34. MTS: 2005 Joint Federal Legislative Program (LEG 470, PC 30100)

Ms. Ellen Roundtree, SANDAG Director of Governmental Affairs, reviewed the proposed 2005 Joint Federal Legislative Program. She stated that this is the third time a joint agenda has been pursued at the APTA Legislative Conference, which makes it easier for the congressional delegation to prioritize the items presented for the San Diego region. Staff reported that Mr. Young and Ms. Kaltenborn will represent the MTS Board at the conference. Mr. Morrison will represent SANDAG.

Mr. Jablonski stated that MTS has three projects on the list – 117 ADA vehicles, the South Bay Operations & Maintenance Facility, and the East County Bus Maintenance Facility. He stated that these projects need funding in order to be completed. He stated that he has followed up with letters to the congressional delegation and staff members

that he, SANDAG Executive Director Gary Gallegos, North County Transit District Executive Director Karen King, and Ms. Roundtree met with earlier this month. He added that he will be sending letters to Board members encouraging them to contact representatives to request support of MTS projects. He stressed the importance of consistently contacting members of the congressional delegation about MTS's funding needs.

Mr. Morrison stated that the joint program has been very effective. He stated that San Diego has received increased funding when other regions have experienced reductions. He also stated that elected officials from San Diego understand operational issues.

Mr. Rindone stated that, as the Board's representative on the Los Angeles-San Diego Rail Corridor Agency (LOSSAN), he was very concerned about Amtrak's loss of \$2.1 billion in subsidies from the federal government. He strongly suggested including this issue in the recommended legislative program.

Action Taken

Mr. Lewis moved to approve the 2005 Joint Federal Legislative Program. Mr. Emery seconded the motion, and the vote was 11 to 0 in favor.

35. MTS: Washington, D.C. Representation Services Contract Extension
(LEG 470, PC 30100)

MTS General Counsel Tiffany Lorenzen reviewed the proposed contract extension. She stated that a joint Request for Proposals (RFP) is in the process of being developed, and the current contract would be extended to provide these services until the contract process is completed. In response to a comment from Mr. Monroe, Ms. Lorenzen stated that MTS's current contractor, Mr. Tom Walters, would be happy to appear at a Board meeting. Mr. Clabby stated that Mr. Walters has done an excellent job, and he feels very comfortable with extending the contract. Chairman Williams stated that MTS needs to ensure that, under the new joint contract, MTS has no weaker representation that it currently enjoys.

Action Taken

Mr. Clabby moved to authorize the CEO to execute a final amendment to the Washington, D.C. Representation Services Contract (MTS Doc. No. G0548.0-00), in substantially the same format as attached (Attachment A of the agenda item), with Thomas Walters and Associates, Inc. to extend our Washington, D.C. representation services until the completion of the joint Request for Proposals for Federal Legislative services currently in process at the San Diego Association of Governments. Mr. Morrison seconded the motion, and the vote was 11 to 0 in favor.

REPORT ITEMS

45. MTS: December Monthly Performance Indicators
(OPS 920.1, 960.5, 970.5, PC 30101, 102, 103)

Ms. Anika deSilva, Associate Transportation Planner, reviewed the December 2004 monthly performance indicators. Mr. Cheung pointed out that this particular report is still a work in progress and has been adjusted based on comments made at the last Board meeting by Mr. Monroe. He stated that subsequent comments from Mr. Monroe will be incorporated into next month's report. Ms. deSilva briefly reviewed system ridership, bus on-time performance, rail on-time performance, bus mean distance between failures, rail mean distance between failures, customer complaints, and collision accidents.

Mr. Mathis stated that underlying causes should also be explored when these performance indicators are presented to the Board. He also requested follow-up information on the collision accident indicator; e.g. training, policies regarding classification of preventable and nonpreventable.

Mr. Cheung stated that future presentations will include data about the operating environment.

Action Taken

Mr. Monroe moved to receive a report on MTS operators' performance for the month of December 2004. Mr. Zucchet seconded the motion, and the vote was 11 to 0 in favor.

46. MTS: Comprehensive Operational Analysis: Project Update (ADA 121.10, PC 20484)

Mr. Cheung brought the Board up to date on recent activities related to this project. He stated that the Blue Ribbon Committee will be meeting on Friday, March 4, and the Citizens Advisory Committee will be meeting on Wednesday, March 9. He projected that a public hearing will be held April 28 at MTS for Phase I efficiency measures. Mr. Cheung reported that, during Phase II, staff will be looking at the types of services and equipment MTS uses to ensure it meets the markets being served. Mr. Lewis made comments regarding the use of jitneys. Chairman Williams stated that the city proposed changes to ordinances to allow jitneys to operate but they were never implemented. He added that, in other parts of the world, more people are transit dependent and cost issues are different. In response to a question from Mr. Rindone, Mr. Cheung stated that members of the public will be provided with an opportunity to make comments at the end of each community meeting.

Mr. Monroe complimented staff on their execution of this project. He stated that Phase I is really about making efficiency adjustments where possible, and Phase II is really where the COA takes place.

Public Comment

Steve Alcove: Mr. Alcove thanked the Board for the opportunity to sit on a COA committee.

Action Taken

Mr. Emery moved to receive this status report on the Comprehensive Operational Analysis of MTS services. Mr. Clabby seconded the motion, and the vote was 11 to 0 in favor.

47. SDTI: San Diego Chargers 2004 Year-End Summary (OPS 970.2, PC 30102)

Mr. Tom Doogan, SDTI Event Coordinator, provided the Board with an overview of trolley service to the San Diego Chargers games for 2003/2004. He provided the Board with an overview of the service provided. He also provided the Board with data on attendance & ridership, ridership history, manual ticket sales, ridership & booth sales, and ticket booth revenue. He also discussed 2004 season highlights and records and briefly discussed how Chargers team performance affects ridership. Ms. Sterling complimented staff's report and stated that environmental issues that are integrated into the data in the report give a better picture of results. In response to a comment from Mr. Monroe about wait time to board a trolley after a game, SDTI President-General Manager Peter Tereschuck stated that wait time is a function of volume and the characteristics of the game; e.g. if it is a close game. He stated that the average wait is approximately 25 to 35 minutes. He stated that trolley cars need to be appropriately spaced, and this factor is maximized to the extent possible to ensure that service is provided as frequently as possible. Mr. Doogan stated that a four-minute interval between trains is optimal. In response to a question from Mr. Jones, Mr. Doogan stated that there will be direct service to Qualcomm from Santee.

Action Taken

Mr. Monroe moved to receive this report for information. Ms. Sterling seconded the motion, and the vote was 11 to 0 in favor.

60. Chairman's Report (ADM 121.7, PC 30100)

There was no discussion of this item.

61. Chief Executive Officer's Report (ADM 121.7, PC 30100)

There was no discussion of this item.

62. Board Member Communications

California Public Employees' Retirement System (CalPers) Changes at the State Level: Mr. Emery stated that it is important for MTS to be aware of and understand changes that are being discussed at the state level with regard to public employee pension plans

as these decisions will affect the retirements of MTS and SDTI employees. He stated that this information should be brought to the Board, and the Board may take a position at some time in the future.

Pension Plan Discussions: Mr. Zucchet discussed sensitivity to pension issues and respectfully urged Board members to exercise caution in this area. He reminded the Board about the recent MTS issuance of pension obligation bonds and discussions that took place at that time. He also respectfully suggested that if Board members go to their own cities, they may find common themes. Chairman Williams stated that current city council members are bearing the burden of decisions made by previous city council members.

63. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

64. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, March 10, 2005, at 9:00 a.m. in the same location.

65. Adjournment

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

Chairman
San Diego Metropolitan Transit
Development Board

Filed by:

Approved as to form:

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

Office of the General Counsel
San Diego Metropolitan Transit
Development Board

Attachment: A. Roll Call Sheet

gail.williams/minutes