

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 9, 2006

Board of Directors Meeting Room, 10th Floor
1255 Imperial Avenue, San Diego

MINUTES

1. Roll Call

Chairman Mathis called the meeting to order at 9:04 a.m. A roll call sheet listing Board member attendance is attached.

2. Approval of Minutes

Mr. Mathis welcomed Ms. Rosalie Zarate, who is replacing Mr. Ron Morrison as the primary representative for National City on the MTS Board. It was reported that Frank Parra will serve as alternate to Ms. Zarate.

Mr. Emery moved to approve the minutes of the January 26, 2006, Board of Directors meeting. Mr. Young seconded the motion, and the vote was 9 to 0 in favor, with Ms. Zarate abstaining.

3. Public Comments

Peter Warner: Mr. Warner stated that he had provided the Board's Chair and Vice Chair with copies of the new Metrolink mini timetables. He also stated that the layover when transferring between the Coaster and the Metrolink is too long, and schedules need to be adjusted to address that problem.

Don Stillwell: Mr. Stillwell objected to having the transfer point for Route Nos. 13 and 14 at Kaiser Hospital bus stops rather than at the Grantville Trolley Station. He stated that this action will create 136 miles of unnecessary travel time and will cost the company in excess of \$250,000 per year.

Susan Christie: Ms. Christie objected to changes being recommended for Route No. 965 and, in particular, the portion west of I-805. She stated that she has talked to 80 people who need to use that service and many are not within one-half mile of other bus service. She also stated that McKinley Elementary School supports having this service run by their school. She asked the Board to keep all options open. She stated that the community wants to work on this issue in a problem-saving way.

Maria Soto: Ms. Soto stated that McKinley Elementary School teachers, students, and employees request that the Route 965 continue to serve the school.

Chairman Mathis advised speakers that comments regarding route changes should be reserved for the public hearing.

4. Information Regarding the Coca-Cola Scholarship Awards

Mr. Rob Schupp, Director of Marketing and Communications, advised the Board that MTS has launched the fourth year of the Coca-Cola Scholarship Program. He described the purpose and nature of the program and introduced Mr. Jim Esterbrook, County Office of Education, a partner in the program. Mr. Esterbrook thanked MTS and Coca-Cola for making these scholarships possible. He expressed support for having the students write essays articulating the benefits of public transportation. He advised the Board that the San Diego Padres are now partners in this program, and the laptops will be awarded in a ceremony at Petco Park. Mr. Esterbrook confirmed for Mr. Ewin that Grossmont Union High School students are eligible to participate in this program.

31. MTS: Update on the Status of the Grossmont Trolley Station Joint Development Project
(LEG 460, PC 50787)
(Taken Out of Order)

Ms. Lorenzen provided the Board with an update on the status of the Grossmont Trolley Station Joint Development Project. She reported that the Disposition and Development Agreement (DDA) should be finalized by the end of today, and that, out of 48 issues in the ground lease, all but eight have been resolved. She reviewed these eight issues. She anticipated that the ground lease would be finalized late this week or early next week. Ms. Lorenzen advised Board members that a Draft Project Checklist was attached to the agenda item. She stated that this checklist is being presented in draft form because the developer has not seen it yet. She stated that this checklist will be updated and attached to future agenda items on this project. She then introduced Mr. Jerry Brand, Fairfield Residential LLC. He agreed with Ms. Lorenzen's remarks and thanked everyone for their contributions to the progress of this project.

In response to a question from Mr. Ewin, Mr. Brand stated that construction should start in April, and Ms. Lorenzen stated that off-site utility work will begin in March. Mr. Ewin requested that staff send updates to the Board as steps are finalized rather than waiting for the next Board meeting to provide an update. Mr. Paul Jablonski, MTS Chief Executive Officer (CEO), thanked Fairfield for being a great partner. He stated that this is a complex project, and Fairfield continually "stepped to the plate" to make things happen. Mr. Brand added that he has enjoyed getting to know members of the MTS and SANDAG Boards of Directors.

Action Taken

No action was taken.

5. Closed Session Items (ADM 122)

The Board convened to Closed Session at 9:25 a.m.

- a. MTS: CONFERENCE WITH REAL PROPERTY NEGOTIATORS - Pursuant to California Government Code Section 54956.8
PROPERTY – 2015 Hancock Street, San Diego, CA
AGENCY NEGOTIATORS: Tiffany Lorenzen, General Counsel;
Tim Allison, MTS Manager of Real Estate Assets
NEGOTIATING PARTIES – Constellation Property Group, LP
UNDER NEGOTIATION – Price and Terms of Payment
- b. MTS: PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Chief Executive Officer)
California Government Code Section 54957

The Board reconvened to Open Session at 10:15 a.m.

Oral Report of Final Actions Taken in Closed Session

Ms. Lorenzen reported the following:

On Item 5a, the Board voted to authorize the CEO to execute a revised easement with Constellation Property Group. City of San Diego representatives were not present for this item.

On Item 5b, the Board approved a salary increase of \$20,000 and a bonus in the amount of \$10,000.

CONSENT ITEMS

6. MTS: CNG Fueling Station Purchase Agreement (CIP 10490)

Recommend that the Board of Directors approve the purchase of the MTS Imperial Avenue Division Compressed Natural Gas fueling station from San Diego Gas & Electric in the amount of \$376,701.
7. MTS: Transportation Development Act (TDA) Claim Amendment (FIN 340, PC 20201)

Recommend that the Board of Directors adopt Resolution No. 06-1 (Attachment A of the agenda item) approving the revised FY 2006 TDA Article 4.0 claims.

Recommended Consent Items

Mr. Emery moved to approve Consent Agenda Item Nos. 6 and 7. Mr. Ewin 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: Comprehensive Operational Analysis (COA): Service Development Plan
(SRTP 805, PC 20290)

Mr. Conan Cheung, Director of Planning and Performance Monitoring, provided the Board with an overview of the COA Service Development Plan. He reviewed the purposes of the study, the regional service concept, and service options. He then provided examples of the planning analysis that was conducted for each route as well as the benefits of the recommended changes for the examples reviewed. Mr. Cheung reviewed the changes from the original plan that were made based on input from the community. He reported that the changes reinstate some of the areas originally recommended for elimination because of low demand or because the service was duplicative and that the changes will be reevaluated in six months. He added that, because of these changes, proposed 15-minute frequencies on some urban-area routes had to be changed back to 30-minute frequencies. Mr. Cheung reviewed the proposed deleted segments and provided an explanation of certain productivity indicators. Mr. Cheung reviewed the expected ridership impact of the COA and stated that a conservative estimate of 25 percent was used to calculate ridership increases that are projected to result from improved frequencies.

Mr. Cheung reported that the annual subsidy savings is estimated to be \$5 million. In response to a question from Mr. Ewin, Mr. Jablonski stated that MTS receives 5307 federal formula funds of approximately \$22 million to \$23 million that can only be used for capital items and for the maintenance of items procured with federal dollars. He stated that MTS started using 5307 funds for permitted maintenance activities in 2001 and, by 2004, was using 60 percent of these funds for that purpose. He stated that MTS's goal is to reduce the use of these funds for maintenance in order to increase the amount available for capital projects.

Mr. Cheung advised the Board that a public hearing is planned for Thursday, March 2, 2006, at 6:00 p.m. in Golden Hall, and on Thursday, March 9, 2006, at 9:00 a.m. in Golden Hall.

Mr. Mathis advised the Board that both hearings will be noticed as Board meetings, but there will no decisions made until the March 9, 2006, public hearing.

In response to a question from Ms. Zarate, Mr. Jablonski explained, once the service plan is adopted, then MTS will begin to work on a plan for implementing the service. He stated that the resulting plan will address budget issues, and information will be provided to contract operators at that time. He stated that staff is currently developing the FY 2007 budget on a status quo basis.

Public Comment

Donna Erickson: Ms. Erickson objected to the route changes being proposed for Route Nos. 25 and 44 through Linda Vista. She distributed written comments regarding the changes. She stated that over 701 riders, businesses and their customers, and residents of Linda Vista signed a petition objecting to the changes. She stated that this petition will be presented to the Board during the upcoming public hearing.

Peter Warner: Mr. Warner objected to changes being recommended for Route Nos. 20 and 5.

Don Stillwell: Mr. Stillwell stated that 75 percent of the riders on Route No. 14 need service between 8:00 a.m. and 2:00 p.m., and that, outside of those hours, the buses operate empty. He also pointed out that some riders on Route No. 14 want to go to North Park. He added that 15-minute frequency is not needed on Route 13, and that route would provide better service if it terminated at the Grantville Trolley Station. He stated that the recommended service for Route No. 13 would cause additional congestion on Mission Gorge Road.

Clive Richard: Mr. Richard requested that staff not make changes to Route No. 14 that would extend its run time. He also stated that now would be a good time for Caltrans to build a median suitable for light-rail transit along El Cajon Boulevard and University going over I-15. Mr. Richard also stated that he felt staff's estimate for ridership increases as a result of improved frequencies was too conservative. He added that he would like to see the money saved through operational efficiencies used to restore deleted routes.

Don Giaquinto, On Behalf of Councilmember Jim Madaffer: Mr. Giaquinto objected to the changes being recommended for Route Nos. 13 and 14. He expressed concern that Route No. 14 is not scheduled to stop at the Grantville Trolley Station and objected to making Kaiser Hospital the transfer point between Route Nos. 13 and 14. He requested that MTS provide a response to Mr. Stillwell and to all members of the City Council regarding MTS calculations for the cost per year of their plan versus what Mr. Stillwell suggests. He also suggested that an MTS staff member ride these routes with Mr. Stillwell. He also stated that he did not think that MTS had made a formal presentation to the Navajo Community Planning Group. He also requested that MTS respond to Mr. Stillwell, all members of the City Council, and the over 400 people who signed a petition in favor of Mr. Stillwell's proposed changes as quickly as possible.

Jay Powell: Ms. Atkins reported that Mr. Powell was no longer present and stated that his written comments had been placed on the table at each Board member's place prior to the start of the meeting. His comments related to the Mid City I-15 Bus Rapid Transit System.

Sharlene Ornelus: Ms. Ornelus requested that information regarding the COA be provided in alternate formats for riders with sight limitations. She also requested that meetings be held in places familiar to these same individuals. She spoke in favor of a one-cent sales tax for San Diego. She stated that there may not be enough time set aside for the March 9 public hearing if regular Board business is also conducted on that day.

Mr. Roberts stated that it is unlikely San Diego will ever have a one-cent sales tax devoted to public transportation. He complimented staff on the excellent report. Per Mr. Roberts' request, Mr. Cheung reviewed the changes being proposed for Route 25. Mr. Cheung also explained how staff projects ridership losses as a result of the deletion of a route segment. In response to a comment by Ms. Atkins regarding community-based services, Mr. Cheung reported that it will take a lot of time working with the communities in which these services operate to tailor service to their needs. Ms. Atkins reported that she will have to leave the March 2 public hearing early for another meeting but will return to the hearing after that meeting is over. Ms. Atkins suggested that MTS provide special service to transport sight-impaired individuals to the public hearing. Ms. Claire Spielberg, MTS Chief Operating Officer – Bus, offered to provide that service.

It was agreed that public comments during the public hearings would be grouped by routes and that the subject route(s) would be displayed during the comments. Mr. Emery requested that

productivity information be provided for each route as well, and stated that he would like to see this information on the DART services especially. Mr. Jablonski suggested that information be presented by geographic area, which would take into consideration the multiple routes and various links that occur in that manner. Mr. Rindone suggested that an additional public hearing be held in the east county portion of San Diego in order to be sensitive to the community. He stated that this hearing should not conflict with city council meetings. Mr. Mathis suggested that Board members be polled to determine the best date for the third hearing.

Action Taken

Mr. Rindone moved to (1) submit the proposed Service Development Plan for public hearing; (2) approve the recommended public hearing schedule, and (3) hold a third public hearing between the March 2 and March 9, 2006 public hearings. Mr. Ewin seconded the motion, and the vote was 12 to 0 in favor.

32. MTS: Prohibition on Smoking at Transit Stations and Bus Stops (ADM 110.3, PC 50102)

Ms. Lorenzen reviewed her report on potential options for implementing a prohibition on smoking at transit stations and bus stops. She reviewed pertinent references within the California Health and Safety Code, local smoking codes, and some pertinent case law. She also reported that the Los Angeles Metropolitan Transit Authority and Bay Area Rapid Transit prohibit smoking inside their stations, most of which are located underground. She stated that, in summary, there do not appear to be any existing ordinances with respect to banning smoking in unenclosed transportation facilities or stops and asked the Board to provide staff with direction on how to proceed with a potential smoking ban, if any.

Mr. Roberts stated that smoking is a personal choice and reported that recent studies, which he has seen as a result of his role on the Air Pollution Control District (APCD) and the California Air Resources Board (CARB), provide compelling evidence on the negative health impacts of second-hand smoke. He pointed out that about 4,000 people per year in California will die from the impact of second-hand smoke. He stated that he made a motion at the last CARB meeting to classify second-hand smoke, or Environment Tobacco Smoke (ETS), as a toxic contaminant. He stated that this action opens the door to additional regulations of ETS. He added that any time the public is placed in an environment where they have to stand or sit in close proximity to smokers, there is an obligation to eliminate that situation. He felt that this should be extended to include unenclosed areas. Staff pointed out that the cost estimate of \$29,150.00 for no-smoking signage covers only trolley stops – not bus stops, of which there are over 7,000. Mr. Roberts stated that the County of San Diego would provide some financial assistance for the required signage. Mr. Emery stated that it will be important to make sure that the prohibition against smoking is enforced and expressed his full support for a smoking ban. He cited health as well as trash issues. He thanked General Counsel for doing the research on this matter. Ms. Hanson-Cox agreed with Mr. Roberts comments and related a personal experience with the results of second-hand smoke. Ms. Zarate also expressed her support.

Public Comments

Clive Richard: Mr. Richard felt that the public is being overregulated and strongly opposed this action.

Francis Mortyn: Mr. Mortyn relayed his experiences of having to move four or five times to get away from second-hand smoke while waiting for public transportation. He also objected to the litter that is generated by smokers. He felt the default status of stops should be clean and safe. He felt that smoking is not a right, but a personal habit, and the public should not be forced to bear the unpleasant effects of personal habits.

Debra Kelly, American Lung Association: Ms. Kelly applauded Mr. Roberts leadership and commitment to a no-smoking ordinance. She offered the technical assistance as well as financial support of the American Lung Association.

Molly Bowman, Co-Chair of the Cigarette Litter Task Force: Ms. Bowman stated that 31,200 fires and 830 deaths per year are caused by smoking. She stated the cigarette butts travel through storm drains to the beach where they take 15 years to degrade. She added that Palo Alto, San Mateo, and Berkeley all have no-smoking zones at their transit stops.

Carolyn Smith, Tobacco Free Mid-City Project: Ms. Smith stated that 20 percent of mid-city youths have asthma and use the bus to get to school. She expressed support of no-smoking zones.

Sharlene Ornelus: Ms. Ornelus expressed support of a no-smoking action. She agreed that people should have a right to choose, and she chooses not to breathe second-hand smoke. She stated that riders with physical impairments may have problems moving away from smokers. She added that her daughter had an asthma attack as a result of second-hand smoke.

Terri Pinnell, American Lung Association and American Cancer Society: Ms. Pinnell expressed her support of a no-smoking action and stated that she has had to move many times to get away from second-hand smoke.

Chairman Mathis, Ms. Atkins, and Mr. Rindone all expressed support for a no-smoking action.

Action Taken

Mr. Roberts moved to receive a report on potential options for prohibiting smoking at transit stations and bus stops and directed the General Counsel to draft an ordinance prohibiting smoking in any transit station or bus stop, whether enclosed or not. Mr. Rindone seconded the motion, and the vote was 9 to 0 in favor.

REPORT ITEMS

60. Chairman's Report

There was no Chairman's Report.

61. Chief Executive Officer's Report

Mr. Jablonski reported that he had attended the APTA CEO's Conference in Long Beach, the SANDAG Board Retreat in Borrego Springs, and participated in a legislative advocacy trip to Washington, D.C. with SANDAG and North County Transit. He stated that 150 to 200 CEO's

attended the APTA CEO's Conference and discussed many topics, including the creation of a national task force to make plans for dealing with catastrophes such as Hurricane Katrina. He stated that he is a member of both the Rail and the Bus/Paratransit CEO's Roundtable. He stated that he gave briefings during the conference on MTS's Mission Valley East project and its partnership with Coca-Cola. He also reported that transit infrastructure received very high ratings in the polling process that was conducted at the SANDAG Board Retreat to establish funding priorities for the region's infrastructure needs. He reported that during the legislative advocacy trip, staff met with the Office of Domestic Preparedness (Department of Homeland Security,) and a representative from Representative Lungren's office to discuss the region's ranking and how this might affect transit security funding. He added that staff also met with Federal Transit Administration (FTA) administrators to learn more about new funding opportunities and other issues.

62. Board Member Communications

Budget Development Committee: Mr. Rindone invited Board members to attend the Budget Development Committee meeting, which is being held on Wednesday, February 15, 2006, at 1:00 p.m.

63. Additional Public Comments on Items Not on the Agenda

Clive Richard: Mr. Richard stated that everyone should attend the SANDAG Policy Meeting to deliver the message that MTS needs funding to rehabilitate and replace vehicles.

64. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, February 23, 2006, at 8:00 a.m. in the same location.

Chairman Mathis reminded Board members that the February 23 Board meeting will be starting at 8:00 a.m. with a Finance Workshop.

65. Adjournment

Chairman Mathis adjourned the meeting at 12:15 p.m.

Chairperson
San Diego Metropolitan Transit System
Filed by:

Approved as to form:

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

Office of the General Counsel
San Diego Metropolitan Transit System

Attachment: A. Roll Call Sheet
gail.williams/minutes