

JOINT MEETING OF THE BOARD OF DIRECTORS FOR THE METROPOLITAN TRANSIT
DEVELOPMENT BOARD, SAN DIEGO TRANSIT CORPORATION, AND SAN DIEGO
TROLLEY, INC.

July 22, 2004

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

MINUTES

1. Roll Call

Chairman Williams called the meeting to order at 9:15 a.m. A roll call sheet is attached listing Board member attendance. Mr. Williams welcomed Mr. Ron Morrison, former Chairman of the SANDAG Board of Directors. Mr. Morrison was recently appointed to the MTD Board of Directors.

2. Approval of Minutes

Mr. Emery moved to approve the minutes of the July 8, 2004, Board of Directors meeting. Mr. Rindone seconded the motion and the vote was 11 to 0 in favor.

3. Public Comment

Clive Richard – Mr. Richard expressed concern about support staff. He stated that MTDB is asking support staff to do an increasing amount of work in an environment of decreased resources.

4. Presentation of Employee Awards

There were no employee awards.

5. Closed Session Items (ADM 122)

The Board convened to Closed Session at 9:19 a.m. for (a) Conference With Legal Counsel – Existing Litigation – (Subdivision (a) of Section 54956.9): Appeal from the San Diego Historical Resources Board Regarding the Coronado Branch Line.

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

Oral Report of Final Actions Taken in Closed Session

Ms. Tiffany Lorenzen, MTDB General Counsel, reported the following: Closed Session Item 5a: The Board received a report and gave direction to outside counsel. She also reported that Board representatives from the City of San Diego were not present during the Closed Session.

CONSENT ITEMS

6. MTDB: Transit Center Maintenance Contract (OPS 920.5, PC 30120)

That the Board of Directors authorize the Chief Executive Officer to execute a contract amendment (MTDB Doc. No. B0299.4-02, Attachment A of the agenda item) for one option term with Calderon Building Maintenance, Inc.

7. SDTI: Financial Report for May 2004 (OPS 970.5, PC 30102)

That the Board of Directors receive the following reports: Summary of Cash in Treasury, Status of Revenue, Summary of FY 04 Appropriations and Expenditures, and San Diego Association of Governments (SANDAG) Ridership Summaries.

8. MTDB: Amendment to Disadvantages Business Enterprise Policy No. 26 Pursuant to Federal Transit Administration Requirements (LEG 430, PC 30100)

That the Board of Directors receive this report and authorize the proposed changes to Board Policy No. 26, "Disadvantaged Business Enterprise (DBE)" as required by the Federal Transit Administration (FTA).

9. MTDB: MTS Operators Budget Status Report for May 2004 (FIN 310, PC 30100)

That the Board of Directors receive the Metropolitan Transit System (MTS) Operators Budget Status Report for the month of May 2004.

Motion on Recommended Consent Items

Mr. Rindone moved to approve Consent Agenda Item Nos. 6, 7, 8, and 9. Mr. Emery seconded the motion and the vote was 13 to 0 in favor.

NOTICED PUBLIC HEARINGS

There were no Noticed Public Hearings.

DISCUSSION ITEMS

30. MTS: Operations Status Reports (OPS 920.1, 960.5, 970.5, PC 30101, 30102, 30103)

Mr. Paul Jablonski, MTDB Chief Executive Officer (CEO), reminded the Board that he is working on a consolidated reporting format for providing the Board with statistical information on the performance of the system. He reported that he is in the process of

organizationally identifying where responsibilities would be assigned for collecting, summarizing, and presenting that information to the board. He added that, in the interim, reports from the individual entities will be presented as one item under the Discussion Agenda, with a representative from each functional unit reviewing highlights. He added that these reports were previously presented separately under the Consent Agenda

Representatives from each of the functional areas (Claire Spielberg for San Diego Transit, John Davenport and Elliot Hurwitz for Contract Services, and Wayne Terry for San Diego Trolley) provided a brief overview of the information contained in their portion of the agenda item.

In response to a question from Mr. Emery on miles between mechanical failures (Page C-11) for Poway (Laidlaw) contract services, Mr. Hurwitz reported that a minor change can have a substantial affect on the calculation of the average when you are working with a small data set.

In response to a request from Mr. Mathis for information on the schedule for repainting of trolley cars, Mr. Jablonski stated that this will receive a high priority during the 2006 Capital Improvement Program process, which will be starting shortly. He added that he would like to accelerate the repainting program so that all trolley cars have been repainted by 2006/2007. Mr. Terry confirmed for Mr. Mathis that body work is performed on the trolley cars prior to repainting.

Mr. Monroe referred to Page A-6 for San Diego Transit and stated that he did not understand under what circumstances a bus would be allowed to run "early". Ms. Claire Spielberg, Chief Operating Officer – Bus, stated that operators will run early at the beginning of a route schedule to ensure that they are on time later in the route. She stated that this occurs when drivers are operating a schedule that is very difficult to meet. She added that this should not be happening, and efforts are underway to rewrite schedules for routes with this problem so operators can stay on schedule throughout the whole route. She added that San Diego Transit has also established a new managerial position in charge of field operations, and this manager will be monitoring on-time performance very closely. In response to a question from Mr. Monroe, Ms. Spielberg stated that San Diego Transit does track on-time performance by route, and she will provide Mr. Monroe with that information. Mr. Jablonski pointed out that San Diego Transit's on-time performance is already showing some improvement. He added that on-time performance, fleet reliability, and fleet cleanliness are receiving top priority at San Diego Transit.

In response to a question from Ms. Kaltenborn, Ms. Spielberg stated that San Diego Transit's farebox recovery ratio has decreased due to service reductions, which causes an organization to spread its costs over fewer dollars, and loss of ridership that resulted from the fare increase. Mr. Jablonski stated that the Board should focus on farebox recovery and ridership for the system as a whole. He added that ridership for the entire system has been relatively stable and seems to be starting an upward trend. He referred the Board to page A-9 and pointed out that while ridership has trended down for San Diego Transit, revenue hours of service have also decreased. He stated that revenue hours have decreased 10 percent, and ridership has decreased 12 percent,

with the fare increase in the middle of that time period. He stated that ridership declines are expected considering incremental service cuts that have been made over the last couple of years.

Action Taken

Mr. Emery moved to receive the operations status reports for San Diego Transit Corporation, San Diego Trolley, Inc., and Metropolitan Transit System Contract Services. Mr. Rindone seconded the motion and the vote was 12 to 0 in favor.

31. MTDB: Update on State Budget and Pending Legislation (ADM 122.2, PC 30100)

MTDB General Counsel Tiffany Lorenzen and MTDB's legislative representative in Sacramento, Mr. Mark Watts, provided the Board with an update on the state budget and pending legislation. Ms Lorenzen, during her discussion of the federal transportation reauthorization, reported that it is quite possible there will be no final action on the reauthorization until after the election. Ms. Lorenzen also reviewed both state and federal legislation that is pending. Mr. Watts reviewed transportation funding difficulties at the state level. He provided the Board with a history of funding changes that have occurred over the past few years and during the current budget process. He also advised the Board that funding from tribal gaming is dependent on the defeat of two initiatives that are on the November 2004 ballot.

Ms. Lorenzen reported, in response to a comment from Mr. Monroe on TEA-21, that FTA Region IX personnel feel that reauthorization will be delayed. Mr. Jablonski recognized Mark's efforts as well as the efforts of others on behalf of transportation funding. He added that transportation funding as of May is in a substantially better position than it was in January primarily due to Mark's efforts.

Action Taken

Mr. Rindone moved to receive this report for information. Mr. Charles Lewis seconded the motion and the vote was 12 to 0 in favor.

32. MTS: Reorganization – Status Report (ADM 121, PC 30100)

Mr. Jablonski reviewed the Functional Organization Chart as presented in the agenda item. He explained that he will now begin to further define the functional areas by identifying position titles and pay grades. He stated that rail operations will not change very much. He provided information on positions that have recently been filled and recruitments currently underway. He added that he has not yet made a decision on reorganization of the revenue function.

Mr. Jablonski also reported that a consolidated Human Resources function has been established and moved into the MTDB building, and some Finance and Budget personnel have also moved into the MTDB building. He reported that MTDB currently uses a "fund" accounting methodology, while San Diego Trolley and San Diego Transit use a single "enterprise" accounting methodology. He added that it could take close to a year to fully migrate MTDB onto the "enterprise" approach and report as one

organization. He stated that staff will also be working to determine which procedures will be utilized.

He also advised the Board that he is considering expanding the responsibilities of the Multimodal Department to include marketing, information technology, and facilities programs and projects. He stated that the department name would be changed to Contract and Support Services.

Mr. Jablonski advised the Board that the operations planning staff issue may be resolved shortly. He stated that he has requested the return to MTDB of three planners from SANDAG. He added that those three, in conjunction with an operations planner from Multimodal and one from San Diego Transit, would comprise the operations planning group for MTDB. He stated that this group would be responsible for service planning, service monitoring and analysis, and data collection/reporting.

Mr. Jablonski advised the Board that public affairs is typically a function that reports directly to an organization's CEO. He stated that he is considering adopting this approach and would develop a public affairs position that would be responsible for corporate relations with the media, community, labor unions, transit coalitions, etc. Ms. Rose stated that she is very supportive of this concept. She stated that this would be a very important function for an organization that touches so many people in the community.

Action Taken

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

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

There was no Chairman's Report.

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

Emergency Preparedness Response Drill: Mr. Jablonski reminded the Board that an emergency preparedness response drill will be conducted on Saturday, July 24, at 9:00 a.m., at the Bayfront Station in Chula Vista. He stated that the funding for this exercise is being provided by the FTA.

Futuristic Transit System: Mr. Jablonski showed the Board a video of a recent newscast about futuristic pod-based transit system, which was brought to the Board's attention by Ms. Sterling.

46. Board Member Communications

Business Today News Clipping: Mr. Monroe thanked Mr. Jablonski for the news clipping from the Business Today, San Diego Regional Chamber of Commerce Section of the San Diego Union-Tribune edition of Tuesday, July 20, 2004. Mr. Monroe reported there was traffic congestion on I-56 the very first day it opened, which illustrates that San

Diego cannot build its way out of congestion. He stated that this congestion occurred because 1) drivers will choose the easiest route; 2) people driving to work before and after rush hour to avoid congestion will return to driving during rush hour; and 3) people who have chosen transit will return to driving. Mr. Emery pointed out difficulties that are arising because key connectors/ramps were not built for accessing I-5 from I-56. Mr. Mathis pointed out that Caltrans decided that those particular connectors were not needed. He added that the availability of I-56 has relieved traffic congestion on Mira Mesa Boulevard and Miramar Road.

Parking Garage: Ms. Rose requested that the ash trays and trash receptacles in the parking garage be relocated as they are too close to the elevator doors. She also reported that floors, particularly at the entrance and exit areas and around the elevator doors, are extremely dirty. She suggested that additional revenue being received from parking patrons be used to power wash these areas. Ms. Sterling stated that the ashtrays should be removed as this should be a nonsmoking area.

Painting of 12th & Imperial Station: Mr. Rindone thanked staff for repainting the striping at 12th & Imperial station.

Planning and TransNet: Mr. Morrison stated that many mistakes are made when planners attempt to accommodate self-proclaimed transit experts and their suggestions. He stated that planners and decision makers should remain focused on doing what's right. He stated that many projects will be on hold for a substantially long time if TransNet is not reauthorized and encouraged everyone to vote in favor of this initiative in November. He stated that he has been an advocate at SANDAG for a balanced allocation of TransNet funding and added that he is very proud to be part of the MTD Board. Ms. Sterling stated that the Board welcomes him. She also stated that she appreciates the knowledge he will bring to the Board from SANDAG and his possible influence on MTDB's behalf.

47. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

50. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, August 12, 2004, at 9:00 a.m. in the same location.

60. Adjournment

Chairman Williams adjourned the meeting at 11:05 a.m.

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

GWilliams/minutes

Attachments: A. Roll Call Sheet