

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

August 12, 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 9:05 a.m. A roll call sheet listing Board member attendance is attached.

Moment of Silence

Chairman Williams called for a moment of silence in memory of Councilmember and MTDB Board member Charles Lewis, who joined the Board on July 1, 2003. Mr. Williams, Ms. Sterling, Mr. Rindone, and Mr. Mathis all made comments on what promise Mr. Lewis had, how he touched their lives, his kindness and empathy, and his dignity. They each expressed their deepest sympathies for the family, friend, and colleagues of Mr. Lewis. Mr. Tony Young, a staff member for Charles Lewis, recalled his childhood with Mr. Lewis and how their relationship adapted when he became a staff member for Mr. Lewis. He stated that Mr. Lewis, in his heart and mind, was a planner, not a politician. He added that many of his plans included the Trolley. He stated that staff members for Mr. Lewis look forward to continuing his policies, projects, and vision.

2. Approval of Minutes

Mr. Emery moved to approve the minutes of the July 22, 2004, Board of Directors meeting. Mr. Rindone seconded the motion and the vote was 12 to 0 in favor.

3. Public Comment

Clive Richard – Mr. Richard stated that he hoped the Board would continue to take steps to reduce freeway congestion in San Diego. He also stated that it will be impossible to replace Councilmember Lewis.

4. Presentation of Employee Awards

Award pins were presented to San Diego Transit Corporation (SDTC) employees with a combined years of service of 115 years as follows: For 25 years of service: Dan Fitz-

Gerald (Mechanic A). For 30 years of service: Joe Horn, Dave Cleary, and Wayne Simnitt (all Bus operators).

Mr. Williams thanked the employees for their years of service. He stated that bus operators are front-line employees who make an impression on riders. He stated that this impression influences their choice to use or not use the system in the future. He added that mechanics keep the buses running, which also has an impact on a rider's satisfaction with the service. He recognized that the system is improving and asked the employees who received awards to convey his compliments to other San Diego Transit employees who can influence the operation and image of the system.

5. Closed Session Items (ADM 122)

The Board convened to Closed Session at 9:27 a.m. for (a) SDTI: Government Code Section 54957: Regarding Public Employee Performance Evaluation: President-General Manager; and (b) MTDB: Conference with Real Property Negotiators. Property: Corner of 12th Avenue/Park Boulevard and C Street. Agency Negotiators: Tim Allison, Jim Linthicum and Tiffany Lorenzen. Negotiating Parties: City of San Diego Redevelopment Agency and Lankford and Associates, Inc./CJUF Smart Corner, LLC. Under Negotiations: Instruction to Negotiators Will Include Price and Terms of Payment.

The Board reconvened to Open Session at 10:12 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 authorized a \$6,000 bonus and a five-percent salary increase for the position of President-General Manager of San Diego Trolley, Inc. (SDTI). Closed Session Item 5b: The Board authorized the Chief Executive Officer (CEO) to execute a Cooperation Agreement and City College lease agreement.

Ms. Lorenzen also reported that Board representatives from the City of San Diego were not present during the Closed Session for Item 5.b.

CONSENT ITEMS

6. MTDB: Mission Valley East LRT Project: Mitigation Monitoring and Reporting Program (CIP 10426)

That the Board of Directors receive the Mitigation Monitoring and Reporting Program Status Report for the Mission Valley East Light Rail Transit Project.

7. MTDB: September 2004 Service Changes (SRTP 830, PC 20223)

That the Board of Directors receive this information on service changes scheduled for September 2004 implementation.

8. MTDB: Washington, D.C. Representation Services Contract Extension
(OPS 950.6, PC 30206)

That the Board of Directors authorize the Chief Executive Officer to execute an amendment to the Washington, D.C. Representation Services Contract (MTDB Doc. No. G0548.0-00), in substantially the same format as outlined in Attachment A of the agenda item, with Thomas Walters and Associates, Inc. to extend MTDB's Washington, D.C. representation services for a six-month period from July 1, 2004, through December 31, 2004.

9. MTDB: Contract Amendments for MTDB's Rural Bus Service (OPS 950.7, PC 30207)

That the Board of Directors authorize the Chief Executive Officer to execute payment for Rural Bus services for FY 04-05.

10. SDTC: Financial Report Through May 2004 (OPS 960.3, PC 30101)

That the Board of Directors receive this report.

11. MTDB: 12th Avenue Park-To-Bay Link Project: Contract Change Order and Construction Contingency Increase (CIP 10493)

That the Board of Directors authorize the Chief Executive Officer (CEO) to:
(1) execute CCO No. 34, Supplement No. 1, with West Coast General Corporation (WCG), in an amount not to exceed \$548,000, in substantially the same form as shown in Attachment A, to compensate the contractor for installation of the C Street Switches on the 12th Avenue Park-to-Bay Link Project (Contract LRT-10493), with WCG, for a total amount not to exceed \$739,635; and (2) authorize the CEO to transfer \$194,500 from the Replace Switches Project construction line item to the construction contingency.

12. SDTI: Award LRV Accident and Vandalism Damage Repair Services Contract
(OPS 950.7, PC 30207)

That the Board of Directors authorize the President-General Manager to (1) execute a Standard Services Agreement, SDTI Doc. NP.C.O. 011.0-05 (Attachment B of the agenda item) with Carlos Guzman, Inc. for providing light rail vehicle (LRV) accident and vandalism damage repair services for a total three-year base period, with the cost not to exceed \$2.2 million, and an option for two 1-year extensions. The cost for the options would be adjusted based on actual cost changes when the option is exercised; and (2) approve Work Order No. 05-01 under the above contract for FY 05 accident and vandalism repair services to Carlos Guzman, Inc. (Attachment C of the agenda item) for an amount not to exceed \$500,000.

13. MTDB: Additional FY 05 Daily-Dated Universal Transfer Slips (FIN 330.3, PC 40060)

That the Board of Directors authorize the Chief Executive Officer to execute a contract amendment (MTDB Document No. T0449.2-03) with The Ticket Factory to produce and deliver an additional 7,680,000 Daily-Dated Universal Transfer Slips, for a total

additional cost not to exceed \$35,942.40 (including tax and delivery), in substantially the same form as Attachment A of the agenda item, which has been updated to reflect the additional transfers being ordered.

14. MTDB: Contract Change Orders for Mission Valley East (CIP 10426.7)

That the Board of Directors authorize the Chief Executive Officer to execute Contract Change Order (CCO) No. 305, Supplement No. 1, with Clark Construction Group, Inc. (CCG), in substantially the same form attached (Attachment A) for the San Diego State University (SDSU) Tunnel and Underground Station procurement and installation of additional fire alarm systems equipment and linear heat-detection wiring, as required by the Office of the State Fire Marshal for the SDSU Tunnel and Underground Station, Contract LRT-10426.1, in an amount not to exceed \$794,916.

15. MTDB: San Ysidro Intermodal Transportation Center Project: Construction Contingency Increase (CIP 10453)

That the Board of Directors authorize the Chief Executive Officer to increase the construction contingency by \$200,000, from \$1,694,939.96 to \$1,894,939.96.

Motion on Recommended Consent Items

Mr. Maienschein moved to approve Consent Agenda Item Nos. 6, 7, 8, 9, 10, 11, 12, 13, 14, and 15. Ms. Sterling seconded the motion and the vote was 12 to 0 in favor.

NOTICED PUBLIC HEARINGS

There were no Noticed Public Hearings.

DISCUSSION ITEMS

30. MTDB: Comprehensive Operations Analysis (ADM 121, PC 30100)

Mr. Paul Jablonski, MTS CEO, provided the Board with an overview of the recommended Comprehensive Operations Analysis (COA). He stated that San Diego has never taken a comprehensive look at its network of transit service. He added that efficiencies in operations (reduced costs) and improved effectiveness of service (more revenue) need to be pursued in an effort to address budget concerns. He advised the Board that a significant amount of data was gathered for Transit First and can be used for this project. He reviewed the elements of a COA, discussed what a COA will address, and explained how a COA will make operations more efficient and help the system attract more customers. He reviewed the timeline for the project and the next steps to be taken. He added that the scope of work will be the basis for determining the cost for the project.

Mr. Jablonski reviewed the procurement process that is being recommended for this project. He stated that he is recommending that cost be considered as part of the procurement evaluation process, which differs slightly from MTDB Policy No. 13,

Procurement of Services. He requested Board concurrence to proceed with this modified procurement process.

Mr. Rindone expressed support for this project and stated that he was happy with the proposed aggressive timeline. He requested that the Executive Committee be provided with periodic updates. In response to a question from Mr. Rindone, Mr. Jablonski stated that SANDAG has committed to funding three planning positions at MTDB, and added that he has a letter from SANDAG's Executive Director confirming that commitment. He stated that these three positions will supplement other MTDB staff personnel (operations and finance) and some SANDAG staff who will be working on this project. He added that the Joint Committee on Regional Transit, which is also meeting this day, will be approving a planning policy that will support SANDAG's commitment to fund these three planning positions. Mr. Rindone stated that taking this approach will result in having in-house personnel that are knowledgeable about this process. Mr. Rindone added that there will be negative reactions to changes that are made as a result of the COA, but this process is essential to financial soundness of the system. He stated that the system has to be right-sized.

Mr. Monroe stated that he felt the timeline was overly optimistic and stated that this project involves very detailed work. He also asked if the priority for this project is financial and asked if an effort would be made to maintain life-line service. He stated he would like more definition of the desired outcome and priorities of the project. He also requested that he be allowed to serve on any oversight committee for this project. Mr. Jablonski explained that there will be policy issues connected to the implementation of this project, and such issues will have to be addressed. He added that life-line services are typically high cost/low productivity.

Mr. Monroe also asked staff to provide him with information on the number of passengers and subsidy per passenger for the Rural Bus service referenced in Consent Agenda Item No. 9.

Ms. Rose expressed support of this blank-slate approach and pointed out that employment centers have shifted, and the I-15 corridor and I-5/I-805 merge have to be addressed in future plans. Mr. Jablonski confirmed that the scope of work for this project will be presented to the Board.

Action Taken

Mr. Rindone moved to (1) authorize the CEO to procure consulting services to assist MTS in conducting a COA of the MTS bus route structure and services, focusing on SDTC and MTS routes and, if funding permits, SDTI service, and that periodic reports will be made to the Executive Committee; and (2) authorize the CEO to proceed with a modified procurement procedure under which cost would be considered as part of the procurement evaluation process. Mr. Monroe seconded the motion and the vote was 11 to 0 in favor.

31. MTDB: FY 05 Performance Incentive Program (ADM 128, PC 30100)

Ms. Susan Hafner, Director of Multimodal Operations, reviewed the changes that have been made to the FY 05 Performance Incentive Program. She also reviewed the three goal groups established under the program; i.e. Overall, Operating, and Department. In addition, she provided an overview of the MTS goals and the next steps in finalizing the program.

Action Taken

Ms. Rose moved to authorize the CEO to implement the FY 05 Performance Incentive Program. Mr. Emery seconded the motion and the vote was 12 to 0 in favor.

32. MTS: Proposed Compensation Program (ADM 128, PC 30100)

Mr. Jablonski pointed out to the Board that, although the compensation plans at MTDB, SDTI, and SDTC appear outwardly consistent, the implementation of these programs at each agency has been different. He reviewed some of these differences, including the way merit increases were provided to employees who were at the top of their salary range. Mr. Jablonski reviewed his recommendation for making the compensation program consistent among the three agencies, including eliminating automatic cost-of-living increases in favor of merit increases based on performance.

In addition, Mr. Jablonski reported that a review of salary ranges to ensure they are competitive has not been done since 2002. He stated that the Human Resources Department will be conducting such a review and will come back to the Board in the fall with a consolidated review of positions and ranges and a recommendation for salary-range adjustments where needed.

Mr. Monroe stated that 94 percent of what happens in a business is the result of the processes you use, not a single person operating alone. He stated that the basic theory for providing merit increases is flawed. Mr. Rindone stated that a merit increase program can create a sense of ownership among employees. Mr. Jablonski stated that he is trying to change the culture and unite the three organizations, and a merit increase program can create identifiability and foster a sense of ownership. He also stated that everything an employee does can make a difference. and one person can drive change in an organization, although performance is based on a team effort. He added that he was not opposed to looking at alternative methods of determining compensation.

Mr. Williams added that programs have to be modified as needed to address current results.

Action Taken

Mr. Monroe moved to approve the proposed Compensation Program for FY 05. Ms. Atkins seconded the motion and the vote was 12 to 0 in favor.

33. MTDB: University Avenue Mobility Plan (S RTP 830, PC 20223)

Mr. Conan Cheung of SANDAG reviewed the University Avenue Mobility Plan. He stated that the goal of this plan is to enhance the pedestrian and transit-oriented nature of University Avenue and includes the development of transit enhancements. He reported that two service enhancement options were developed for MTS's consideration in connection with this project. He stated that the proposed enhancements would improve the speed and reliability of transit service. He stated that, in addition, existing local transit service would be enhanced with a higher speed alternative, specifically along the western portion of corridor (hillcrest, City Heights, and North Park) where travel demand and transit ridership is greater. He added that this higher speed (or Rapid Bus) service would operate along the same route as local service, but would stop only at key locations. He stated that Rapid Bus service would improve operating speeds and reduce travel time for passengers accessing major stops and regional connections. He provided Board members with specific information on the proposed changes.

Ms. Atkins stated that it is very important to go through the process for getting community input on these types of matters and added that she is not ready to approve any action at this time. Staff pointed out that the action requested is simply to direct staff to continue analyzing the proposed University Avenue transit enhancements. Staff added that community input will be sought at the appropriate time during the study. Mr. Jablonski stated that he wanted the Board to be aware this study is underway, which is why it appears on the Board's agenda at this early date.

Mr. Monroe supported the concept of Rapid Bus. Mr. Emery acknowledged Ms. Atkins comments and stated that he appreciated the update. Mr. Clabby expressed concern about University Avenue and stated that the pathway is very narrow. He also stated that he is concerned that regular service and Rapid Bus will be competing for passengers, and that bus bunching could occur, which creates a negative image for the system.

Action Taken

Ms. Atkins moved to receive the information on the University Avenue Mobility Plan (UAMP) and direct staff to continue analyzing the proposed University Avenue transit enhancements. Ms. Sterling seconded the motion and the vote was 12 to 0 in favor.

34. MTDB: Adoption of Amended Resolution No. 4-05.1 Extending the Time for Approval of the FY 05 Performance Incentive Plan and FY 05 Proposed compensation Plan Until September 23, 2004 (FIN 310, PC 30100)

The agenda item was not necessary because agenda item nos. 31 and 32 were approved.

Action Taken

No action was taken.

35. MTDB: Bus Stop Consolidation Program Update (OPS 960.2, PC 30101)

Mark Thomsen, SDTC Sr. Operations Specialist, reviewed the status of the MTS Bus Stop Consolidation Program. He reviewed the objectives of the program, which include improved schedule reliability, reduced travel time, maintenance or increase of ridership, and reduced operation cost. He reviewed the success of the Route 11 pilot program and stated that additional routes that could benefit from stop consolidation have been identified. Mr. Thomsen then reviewed maps of Routes 2, 30, and 34, identifying stops that are being considered for elimination. He stated that input will be solicited from people, including merchants, affected by potential bus stop closures, and stops may be reinstated as a result of this input if warranted. He added that bus stop changes would be made in the September to November timeframe. He added that on-time performance as well as ridership will be determined after the changes are made in order to measure the effectiveness of the bus stop closures. Mr. Thomsen added that staff will continue to identify other routes for stop consolidation throughout the system and provide results to the Board on an ongoing basis as these studies are completed. Mr. Monroe requested that staff e-mail the supporting documentation for the on-time performance improvements to him.

Action Taken

Mr. Emery moved to receive this report. Mr. Clabby seconded the motion and the vote was 10 to 0 in favor.

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

There were no comments from the Chairman.

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

There were no comments from the CEO.

46. Board Member Communications

There were no Board member communications.

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, September 9, 2004, at 9:00 a.m. in the same location.

60. Adjournment

Chairman Williams adjourned the meeting at 11:30 a.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

Attachments: A. Roll Call Sheet

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