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Agenda

JOINT MEETING OF THE BOARD OF DIRECTORS

for the

Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

January 17, 2008

9:00 a.m.

James R. Mills Building
Board Meeting Room, 10th Floor
1255 Imperial Avenue, San Diego

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ACTION RECOMMENDED

1. Roll Call
2. Approval of Minutes - December 13, 2007 Approve
3. Public Comments - Limited to five speakers with three minutes per speaker. Others will be heard after Board Discussion items. If you have a report to present, please give your copies to the Clerk of the Board.
4. MTS: Election of Vice Chair and Chair Pro Tem and Appointments to Committees for 2008 Elect
That the Board of Directors: (1) elect a Vice Chair and a Chair Pro Tem for 2008; and (2) consider the nominating slate proposed by the Ad Hoc Nominating Committee for the appointment of representatives to the 2008 MTS Committees as listed on the table (attached to the agenda item) and vote to appoint representatives to those committees.

Please turn off cell phones and pagers
during the meeting



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

CONSENT ITEMS

6. MTS: Armored-Transport Services Contract Award Approve
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1133.0-08 with Sectran Security, Inc. for armored-transport services for a five-year period.
7. MTS: Ratification of Resolution No. 08-1 for the East Village Station Improvements Project Cooperative Work Agreement Ratify
Action would ratify the adoption of Resolution No. 08-1 requesting an extension from the California Department of Transportation (Caltrans) of the completion date to December 30, 2008, for the East Village Station Improvements Project, which is funded by lapsing Transportation Enhancement Activities funds.
8. MTS: Investment Report Receive
Action would receive a report for information.
9. MTS: Regional Scheduling System - Contract Amendments Approve
Action would ratify Amendment Nos. 4, 5, 6, and 7 and authorize the CEO to execute Amendment Nos. 8, 9, and 10 to MTS Doc. No. G0856.0-03 with GIRO, Inc. for the Regional Scheduling System.
10. MTS: Increased Authorization for Legal Services Approve
Action would authorize the CEO to enter into contract amendments with the law firm of Hanson Bridgett Marcus Vlahos & Rudy, LLP (MTS Doc. No. G1066.2-07) for legal services and ratify prior amendments entered into under the CEO's authority.

CLOSED SESSION

24. a. MTS: CONFERENCE WITH LEGAL COUNSEL - EXISTING Possible Action
LITIGATION Pursuant to California Government Code 54956.9(a)
MTDB v. RV Communities, (California Supreme Court Case No. S133786)
- b. MTS: PUBLIC EMPLOYEE PERFORMANCE EVALUATION Possible Action
(CHIEF EXECUTIVE OFFICER) Pursuant to California Government
Code section 54957
- c. MTS: - CONFERENCE WITH REAL PROPERTY NEGOTIATORS Possible Action
Pursuant to California Government Code Section 54956.8
Property: 1341 Commercial Street and 1501 National Avenue,
San Diego, California
Agency Negotiators: Paul Jablonski and Tim Allison
Negotiating Party: Merlone Geier Partners
Under Negotiation: Price and Terms of Payment
- d. MTS: CONFERENCE WITH LEGAL COUNSEL - EXISTING Possible Action
LITIGATION Pursuant to California Government Code 54956.9(a)
Metropolitan Transit System v. San Diego State University
(Case No. 37-2007-00083692-CU-WM-CTL)

Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

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| 30. <u>MTS: Proposed Amendments to Board Policy No. 22 (Rules of Procedure for the</u>
Action would provide direction to staff and/or approve the proposed revisions to
Board Policy No. 22. | Approve |
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| 31. <u>MTS: Bus Procurement</u>
Action would: (1) authorize the CEO to execute a contract (MTS Doc. No. G1101.0-
07) with New Flyer of America, Inc. for the purchase of 35-foot and 40-foot low-floor
transit buses for a five-year period contingent upon the successful completion of the
federally required preaward audit; and (2) authorize the CEO to purchase the initial
order of up to fifty 40-foot buses and twelve 35-foot buses contingent on receipt of
funding from the San Diego Association of Governments (SANDAG) for Super Loop
vehicle acquisitions. Any subsequent order placed by means of this contract will be
subject to Board authorization on a case-by-case basis. | Approve |
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| 32. <u>MTS: FY 2007 Final Budget Comparison</u>
Action would receive a report for information. | Receive |
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| 33. <u>MTS: SDTI Yard Fence Project – Contract Award</u>
Action would authorize the CEO to execute MTS Doc. No. G1161.0-08 with
Select Electric, Inc. for trolley yard security upgrades under the SDTI Yard Fence
Project contingent upon: (1) expiration of the two-week protest period (without
receiving any protests), which ends January 21, 2008; and (2) receiving written
notification from Transportation Security Administration (Department of Homeland
Security) (TSA) confirming the extension of the grant period to June 30, 2008. | Approve |

REPORT ITEMS

- | | |
|--|-------------|
| 45. <u>MTS: Year-to-Date Operations Budget Status Report through November 2007</u>
Action would receive the MTS Year-to-Date Operations Budget Status Report
through November 2007. | Receive |
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| 60. <u>Chairman's Report</u> | Information |
| 61. <u>Audit Oversight Committee Chairman's Report</u> | Information |
| 62. <u>Chief Executive Officer's Report</u> | Information |
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| 63. <u>Board Member Communications</u> | |
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| 64. <u>Additional Public Comments Not on the Agenda</u>
If the limit of 5 speakers is exceeded under No. 3 (Public Comments) on this
agenda, additional speakers will be taken at this time. If you have a report to
present, please furnish a copy to the Clerk of the Board. Subjects of previous
hearings or agenda items may not again be addressed under Public Comments. | |
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| 65. <u>Next Meeting Date:</u> February 21, 2008 | |
| 66. <u>Adjournment</u> | |

DRAFT

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

December 13, 2007

MTS
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

1. Roll Call

Chairman Mathis called the meeting to order at 9:00 a.m. A roll call sheet listing Board member attendance is attached.

2. Approval of Minutes

Mr. Emery moved to approve the minutes of the November 8, 2007, Board of Directors meeting. Mr. Lewis seconded the motion, and the vote was 11 to 0 in favor.

3. Public Comment

Clive Richard: Mr. Richard made the following comments: That the S70 cars were bought because they had such great technological advances, yet when an S70 car is the last car in a mixed consist, the "next bus" display is disabled. Transit Television was supposed to be implemented by the end of the calendar year, and it has not yet happened. The 511 information phone number is giving out inaccurate transit information. Info Express is not working correctly. The Compass Card is not working.

CONSENT ITEMS

6. MTS: San Diego and Arizona Eastern (SD&AE) Railway Company Quarterly Reports and Ratification of Actions Taken by the SD&AE Railway Company Board of Directors at its November 6, 2007, Meeting (SDAE 710.1)

Recommend that the Board of Directors (1) receive the San Diego and Imperial Valley Railroad, Pacific Southwest Railway Museum Association, and Carrizo Gorge Railway, Inc. quarterly reports (Attachment A of the agenda item) and ratify the 2008 meeting schedule (Attachment B of the agenda item); and (2) ratify actions taken by the SD&AE Railway Company Board of Directors at its meeting on November 6, 2007.

7. MTS: Taxicab Committee Member Election Results (TAXI 585.3)

Recommend that the Board of Directors receive a report for information regarding election results of the election for new members to the Taxicab Committee.

8. **MTS: Investment Report** (FIN 300)

Recommend that the Board of Directors receive this report for information.

9. **MTS: Amendment to Contract for On-Call Engineering Services** (CIP 11222)

Recommend that the Board of Directors authorize the CEO to execute an amendment to assignment of contract Doc. No. G1127.0-08 (Attachment A of the agenda item) from the San Diego Association of Governments for on-call engineering services with Bureau Veritas/Berryman and Henigar.

10. **MTS: Regional Transit Management System – Contract Amendments** (CIP 10940)

Recommend that the Board of Directors (1) ratify Amendment No. 3 (Attachment A of the agenda item) to MTS Doc. No. G0867.0-03 (Motorola) as executed by the CEO for an amount not to exceed \$99,712 with an MTS cost of \$96,316 and a North County Transit District (NCTD) cost of \$3,396.90; (2) authorize the CEO to execute Amendment No. 4 (Attachment B of the agenda item) to MTS Doc. No. G0867.0-03 (Motorola) for a change order in an amount not to exceed \$119,461.50 with an NCTD cost of \$119,461.50; (3) authorize the CEO to execute Amendment No. 2 (Attachment C of the agenda item) to Doc. No. G0868.0-03 (Funds Transfer Agreement with NCTD) for change orders in the amount of \$122,857.50 for a total adjusted amount not to exceed \$7,521,488.50; and (4) authorize a contract contingency of \$100,000 and authorize the CEO to execute future contract amendments not to exceed that amount.

Action on Recommended Consent Items

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

CLOSED SESSION:

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

Public Comment

Bud Sonka, San Diego Electric Railway Association: Mr. Sonka requested that the Board facilitate the title transfer for the property for the Marina Gateway Development project in National City. He stated that failure to start this project is slowing the development of the museum.

Ivar Leetma, Marina Gateway Development Company: Mr. Leetma showed the Board a picture of National City West and the location of the Marina Gateway Development project. He stated that this area really doesn't attract visitors, and National City would like to change that. He pointed out that a trolley station is four blocks away from the project site. He also showed the Board an artist rendering of the project and added that this project is important to Sycuan. He stated that staff has done a good job of working with Marina Gateway on the project.

Tina Mose, Sycuan Tribal Development Company: Ms. Mose stated that their tribe's ancestors lived on this land, and they are planning on incorporating cultural aspects into the project to commemorate that fact. She added that it is also a good investment for the tribe.

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

- a. **MTS: CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant To California Government Code Section 54956.8**
Property: Assessor Parcel No. 559-117-14, Bay Marina Drive, City of National City, California
Agency Negotiators: Tiffany Lorenzen and Tim Allison
Negotiating Parties: City of National City's Community Development Commission and MW Group, Inc.
Under Negotiation: Price and Terms of Payment
- b. **MTS: CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
Significant Exposure to Litigation Pursuant to California Government Code section 54956.9(b): (One Potential Case)
- c. **MTS: CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to California Government Code Section 54956.8**
Property: 1341 Commercial Street and 1502 National Avenue, San Diego, California
Agency Negotiators: Paul Jablonski and Tim Allison
Negotiating Party: Merlone Geier Partners
Under Negotiation: Price and Terms of Payment
- d. **MTS: INITIATION OF LITIGATION Pursuant to California Government Code Section 45956.9(c): (One Potential Case)**

The Board reconvened to Open Session at 11:11 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 agency negotiators.
- b. The Board received a report and voted to commence litigation against SDSU.
- c. The Board received a report from and gave direction to agency negotiators.
- d. The Board received a report from staff and General Counsel.

NOTICED PUBLIC HEARINGS

There were no noticed public hearings.

REPORT ITEMS
(Taken Out of Order)

45. SDTI: Fiscal Year 2007 Comprehensive Annual Financial Report (ADM 110.12)

Mr. Gary Caporicci, of Caporicci & Larson, reported that meetings have been held with the Board's Audit Oversight Committee (AOC) to provide updates regarding details of the audit over the last few months. He reported that Caporicci is giving MTS an "unqualified opinion." He reviewed other results of the audit and provided a financial statements overview. He also reviewed significant 2007 changes in financial statements and reported that MTS is now using Proprietary Fund Reporting, a system that will result in clearer reports. He then reported that SDTI's and SDTC's funding levels for their pension plans, 88.64 percent and 90.65 percent, respectively, are very good. He wrapped up by reviewing new pronouncements and a handout regarding auditing standards.

Mr. Ewin, as Chairman of the AOC, reported that the Committee met on a regular basis and forwarded reports of their meetings to the full Board. He stated that he appreciated the opportunity to carry out an additional review of the audit as it proceeded and added that the Committee was very comfortable commending the audit to the Board. In response to a question from Mr. Ewin, Mr. Ken Pun, Caporicci Sr. Manager, reported that there are only two issues unresolved – they are doing a single audit and they have not yet completed the task related to the National Transit Database Report.

Ms. Atkins asked a series of questions that were answered by Mr. Caporicci as follows: (1) All audit work was performed without limitations placed on them by management; (2) there were no restrictions on their scope of work; (3) Caporicci and Larson took the following steps to ensure that their engagement personnel were independent and objective with respect to the audit: their personnel are totally independent and are hired by Caporicci and Larson, paid and trained by them, internally as well as using the American Institute of Certified Public Accountings or California CPA Society training courses throughout the year. They go to great lengths to remind staff in planning and brainstorming meetings that they must maintain professional skepticism. They have an extensive supervisory structure starting with a Sr. Partner, Second Partner, Sr. Manager, manager, senior and staff positions below that. There is constant supervision and planning; (4) the audit was performed in accordance with Generally Accepted Auditing Standards. The financial statements contain no deviations from those standards; (5) no new accounting principles were adopted nor were any changes made nor did they recommend any changes in the accounting policies used in their application; (6) there were no significant accounting adjustments affecting the financial statements – prior as well as the current year; (7) there were no areas of financial statements, including the notes, in which MTS could have been more explicit or transparent; (8) there has been full reporting and discussions. They have not expressed any concerns or comments to management with respect to how MTS's presentation, including the notes or management's discussion or analysis, could be improved. There have been no suggestions for improvements that have not been shared with this Board; (8) based on their audit procedures, they have no concerns that management may be attempting to commit management override and they have not noticed any biases as a result of the audit test with respect to accounting estimates; (9) they did not encounter any difficulties in dealing with management in performing the audit, including any disagreements with management regarding accruals, estimates, reserves, or accounting principles; (9) they had full cooperation of staff and management; (10) there were no accounting issues for which they

sought the advice of other audit firms or regulatory bodies; (11) as an outside auditor, they did not have any questions they believed the Board should be asking them that they have not been asked; and (12) the auditors have not seen anything in the report or heard anything during discussions that they believe they need to disclose to the Board.

Ms. Atkins stated that she appreciated the fact that the Board has an AOC and that Mr. Ewin has been very serious about this endeavor. She added that her questions in no way reflect any opinion of her own that internal management is not doing the job they need to do. She stated that she felt it was best to ask these questions on the record and make sure that the Board has answers from the outside auditors as well as internal staff. Ms. Atkins asked Mr. Jablonski if he had anything he needed to inform the Board about and he responded in the negative. Ms. Lorenzen also gave a negative response to this question. She reported that she reviewed the CAFR and provided her comments to Mr. Cliff Telfer, MTS Chief Financial Officer, and to Caporicci & Larson.

Mr. Caporicci confirmed for Mr. Young that MTS's disclosures are in full compliance with General Accounting Standards Board (GASB) standards. Mr. Caporicci advised Mr. Young that the SDTI and SDTC pension plans are on a 30-year amortization schedule. He also advised Mr. Young that the auditors spent 1,200 hours reviewing internal controls and that their resulting evaluation is "low risk."

In response to a question from Mr. Monroe, Mr. Caporicci explained that the average funding level for pension plans in California is 60 percent and that there are no auditing standards regarding funding levels for pension plans. Mr. Telfer stated it would be impossible to achieve 100 percent funding because of changing conditions related to market return, personnel changes, benefit-level changes, etc. Mr. Telfer advised Mr. Monroe that MTS does not have a policy regarding the funding level for these pension plans.

Mr. Monroe congratulated staff and Mr. Jablonski for a very good report.

Action Taken

Mr. Ewin moved to receive the Fiscal Year 2007 Comprehensive Annual Financial Report. Mr. Cox seconded the motion, and the vote was 12 to 0 in favor.

DISCUSSION ITEMS

(Discussion Items were Taken Out of Order as Follows:)

32. MTS: Proposed Amendments to Board Policy No. 22 (Rules of Procedures for the Metropolitan Transit System) (ADM 110.2)

This item was deferred.

Action Taken

No action was taken.

30. MTS: Fiscal Year 2009 Capital Improvement Program (FIN 340)

Mr. Paul Jablonski, MTS CEO, advised the Board that, once again, there are more projects than funding (\$100 million in projects and \$40 million in funding) and that the current program allocates a significant portion (77 percent) for the purchase of buses. He stated that MTS's diesel-powered articulated buses are now 15 years old and are extremely costly to replace. He stated that MTS will be replacing them with CNG-fueled articulated buses. He added that MTS currently also has 100 40-foot coaches that need to be replaced over the next three years, of which 33 to 35 are fueled by CNG. He reported that CNG tanks are only rated for 15 years and that, at a cost of \$75,000 for tank replacement, it doesn't make sense to replace tanks on 15-year-old vehicles. He added that smaller coaches for operations in Poway are also included in the CIP. He added that the CIP also includes \$4 million for rail infrastructure and traction motors, \$3 million for light-rail vehicle components, and \$2.5 million for miscellaneous other items.

Mr. Larry Marinesi, MTS Budget Manager, reviewed capital funding levels for FY 2009 and the process that was used to develop the project list. Mr. Marinesi then reviewed FY 2009 unfunded projects and a five-year projection for capital improvements.

In response to a question from Mr. Monroe regarding the budget for next year, Mr. Marinesi reported that work is just beginning on the FY 2009 budget and that there are no indicators that sales tax revenues will increase. Mr. Jablonski stated that staff will have a better understanding of MTS's budget position when numbers are received from SANDAG at the end of January or early February and when sales tax projections are made in the spring. He stated that Board Finance Workshops will be held starting in February. He added that staff may consider transferring funding from State Transit Assistance and that the Board would have to approve an amendment to the CIP before such a transfer could be executed.

Public Comment

Clive Richard: Mr. Richard stated that capital projects cannot be indefinitely deferred.

Peter Warner: Mr. Warner stated that staff's numbers don't reflect the additional income that will be coming in as a result of the upcoming fare increase.

Action Taken

Mr. Emery moved to (1) approve the fiscal year 2009 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 Section 5307 and 5309 applications for MTS's fiscal year 2009 CIP (as shown in Attachment A of the agenda item) after the federal appropriations are finalized; (3) recommend that the MTS and SANDAG Boards of Directors approve the transfers of \$748,200 from the indicated projects to the fiscal year 2009 CIP; and (4) recommend that the SANDAG Board of Directors approve the amendment of the Regional Transportation Improvement Program in accordance with the fiscal year 2009 CIP recommendations. Mr. Rindone seconded the motion, and the vote was 11 to 0 in favor.

33. MTS: Legislative Update and Proposed Federal and State Legislative Goals (LEG 410)

Staff's report on this item was waived.

Public Comment

Peter Warner, Train Web/Amtrak Historical Society: Mr. Warner encouraged the Board to get Proposition 1A and 1B funds restored to transit.

Action Taken

Mr. Young moved to (1) receive a report on 2007 legislative and intergovernmental activities; (2) accept the proposed MTS 2008 Federal Legislative Program; (3) accept the proposed MTS 2008 State Legislative Program; and (4) authorize the CEO to direct MTS's Sacramento and Washington, D.C. representatives to advocate the state and federal legislative programs. Mr. Rindone seconded the motion, and the vote was 11 to 0 in favor.

31. MTS: Status Report on Right of Entry for Third-Party Carriers at the El Cajon Transit Center (LEG 461)

Mr. Jablonski reminded the Board that maximizing MTS's return on its real estate assets was one of the key options approved by the Board to help address the \$9.2 budget deficit. He stated that MTS has been trying to reach an agreement with Barona, Sycuan, and Viejas since spring regarding their use of the El Cajon Transit Center with no success. He stated that if an agreement is not reached by the end of the year, MTS will not realize the savings it budgeted for this item. Mr. Jablonski added that the casinos have been unwilling to negotiate their counteroffer, which was received late the day before the December 6, 2007, Executive Committee meeting at which this matter was discussed.

In response to a question from Mr. Lewis, Ms. Cooney stated that MTS has a third-party agreement at the San Ysidro Intermodal Transportation Center that is administered by Ace Parking. She stated that there is a \$10 per-entry fee with an agreement that if there are eight or more buses, the fee is \$800 a month. She stated that there is also an agreement with Greyhound Bus but that is a separate contract that was inherited by MTS from the City of El Cajon. Ms. Lorenzen pointed out that the ground lease agreement with Greyhound does not expire for another 20 years. Mr. Jablonski stated that MTS is in the process of adjusting the fees at San Ysidro. He pointed out that this is a different situation because the center was specifically developed as an intermodal facility using \$25 million in federal funding. He stated that it is being used on an intercity basis to carry passengers to points north of the center and is not being used by for-profit entities. In response to a question from Mr. Monroe, Ms. Lorenzen reported that code compliance officers patrol the El Cajon Transit Center and will issue citations to nontransit patrons who are parking there.

In response to a question from Mr. Clabby, Ms. Lorenzen stated that she would look into the law to determine if MTS is making a "gift of funds" by not charging private parties that are accessing the El Cajon Transit Center.

Public Comment

Kimberly Hale, Barona: Ms. Hale stated that the \$20 per-bus fee that MTS has proposed is excessive. She pointed out that 30 to 35 percent of their daily ridership is the casino's own employees, and they are reducing traffic congestion and pollution. She stated that they are willing to pay for the use of the transit center but seek an equitable fee. She stated that they feel that MTS is singling them out. She also pointed out that they do not charge their passengers for using their bus service to the casino. She stated that MTS should help foster the growth of private entity transportation programs.

Mitch Bradley, Sycuan: Mr. Bradley pointed out that there is an \$800 cap on the cost for operators using the San Ysidro station. He reiterated Ms. Hale's comment that they are not charging their passengers a fee for using their bus service.

Peter Warner: Mr. Warner suggested offering a premium day pass that includes service on the casino buses as a way to generate additional revenue. He stated that this would provide a thruway connection for MTS passengers.

Mr. Lewis stated that the fee MTS wants to charge seems high and stated that it appears the casinos are willing to negotiate a fair solution. He asked if there was a reason a January 1, 2008, deadline was being imposed. Chairman Mathis stated that this issue has been under discussion for some time and needs to be finalized. Mr. Lewis expressed concern about public perceptions of MTS taking an action to bar the casinos from the transit center. He also suggested running MTS buses to the casinos. Chairman Mathis stated that MTS is prepared to negotiate something that the casinos may feel is more fair. Mr. Jones recognized that the casino goals of reducing congestion and pollution are similar to MTS's goals and urged the Board to continue negotiations with a January 31, 2008, deadline. In response to a question from Mr. Monroe, Ms. Lorenzen responded that members of her staff were unable to find any other transit agencies with a similar situation. Chairman Mathis reported that the agencies contacted prohibit all third-party use of their stations. Mr. Monroe encouraged staff to look further to find other properties that allow third-party access and gather information on what their policies are regarding that access.

Mr. Rindone pointed out that the Budget Development Committee and the Executive Committee provided Mr. Jablonski with direction to conclude negotiations. He added that, while the casinos are good citizens of San Diego, that doesn't negate MTS's responsibility for providing security at transit stations and for addressing excessive use of public facilities by for-profit entities. He felt that the January 1, 2008, deadline was appropriate.

Mr. Emery requested that staff provide detail on how the \$20 per-bus entry fee was developed. He stated that it is MTS's responsibility to make the best use of its real estate properties, but that MTS should also ensure that the fee it is imposing is justified. Mr. Ewin stated that having a deadline is important in order to ensure that negotiations continue. He agreed that the Board should see the justifications for a \$20 fee. He added that MTS's facilities are not parking lots – they are facilities for transit use. He objected to the casinos' proposal that MTS share the expense of future damages caused by casino buses. He felt the casinos should bear all the expense for any damages their buses cause at the transit center. Mr. Ewin stated that he would agree to a one-month extension of the deadline but no more than that. Chairman Mathis stated

that, as long as the casinos are allowed access, there is no incentive for them to reach an agreement with MTS.

Ms. Atkins stated that she would not approve a deadline beyond January 31, 2008. She added that she is not comfortable with the \$20 fee. She also pointed out that there could be negative press if MTS cuts off access to the transit center but there could also be bad press if MTS allows private for-profit entities free use of public properties. She also agreed with previous comments that there is benefit to having casino operators provide service that reduces congestion and pollution.

Mr. Rindone reminded the Board that MTS has large budget shortfalls that need to be addressed and expressed his objection to changing the deadline. Mr. Monroe stated that he would support a January 31, 2008, deadline.

Chairman Mathis stated that Mr. Jablonski has the flexibility to adjust the \$20 fee during negotiations and urged the casinos to enter into negotiations again as soon as possible giving this matter their highest priority.

Action Taken

Mr. Lewis moved to (1) extend the deadline for the conclusion of negotiations with Sycuan, Barona, and Viejas and the denial of access to the El Cajon Transit Center to January 31, 2007; and (2) to bring this item back to the January 18, 2008, Board meeting, at which time the basis of the proposed fee is to be presented along with information on how other transit properties are handling these types of matters. Mr. Ewin seconded the motion, and the vote was 6 to 3 in favor, with Mr. Mathis, Mr. Rindone, and Mr. McLean casting the dissenting votes. Ms. Lorenzen stated that the motion failed because a quorum of votes was not achieved.

Mr. Rindone moved to impose a January 10, 2008 deadline for presenting this matter to the Executive Committee and January 17, 2008 deadline for presenting to the Board.

Mr. Jablonski stated that the failure of the motion to pass puts the matter back into his hands to negotiate. Ms. Lorenzen confirmed that the CEO has the authority to negotiate revenue-generating contracts.

Mr. Rindone withdrew his motion. Mr. Lewis requested that the Board be informed if access to the transit center is denied to the casinos and the date that denial becomes effective.

REPORT ITEMS (Continued)

60. Chairman's Report

Chairman Mathis had nothing to report.

61. Audit Oversight Committee Chairman's Report

Chairman Ewin had nothing to report.

62. Chief Executive Officer's Report

Mr. Jablonski reported that he recently made the following trips: Washington, D.C. to attend to a legislative matter regarding funding reauthorization as well as other APTA matters and two trips to the California Public Utilities Committee (Los Angeles and San Francisco). He reported that Chairman Mathis and staff attended the meeting in Los Angeles.

63. Board Member Communications

There were no Board member communications.

64. Additional Public Comments on Items Not on the Agenda

Peter Warner, Train Web/Amtrak Historical Society: Mr. Warner asked how wheelchair access was going to be handled on the PCC cars.

65. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, January 17, 2008, at 9:00 a.m. in the same location.

66. Adjournment

Chairman Mathis adjourned the meeting at 12:49 a.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

**METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL**

MEETING OF (DATE): 12/13/07

CALL TO ORDER (TIME): 9:00 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 9:10 a.m.

RECONVENE: 11:11 a.m.

ORDINANCES ADOPTED: _____

ADJOURN: 12:49 p.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	☒ (Hueso) ☐		
CLABBY	☒ (Selby) ☐		
EMERY	☒ (Cafagna) ☐		
EWIN	☒ (Allan) ☐		
FAULCONER	☐ (Hueso) ☐		☒
HANSON-COX	☐ (Lewis) ☒		
MAIENSCHIN	☐ (Hueso) ☐		☒
MATHIS	☒ (Vacant) ☐		
MCLEAN	☒ (Janney) ☐		
MONROE	☒ (Downey) ☐		
RINDONE	☒ (McCann) ☐	9:01 a.m. during AI 3	
ROBERTS	☐ (Cox) ☒		11:41 a.m. during AI 30
RYAN	☐ (B. Jones) ☒		12:16 p.m. during AI 31
YOUNG	☒ (Hueso) ☐		11:55 a.m. during AI 31
ZARATE	☐ (Parra) ☐		☒

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

Gail Williams

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL

Jeff Huzar



1255 Imperial Avenue, Suite 1000
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619/231-1466
FAX 619/234-3407

Agenda

Item No. 4

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

ADM 110 (PC 50101)

January 17, 2008

SUBJECT:

MTS: ELECTION OF VICE CHAIR AND CHAIR PRO TEM AND APPOINTMENTS TO
COMMITTEES FOR 2008

RECOMMENDATION:

That the Board of Directors:

1. elect a Vice Chair and a Chair Pro Tem for 2008; and
2. consider the nominating slate proposed by the Ad Hoc Nominating Committee for the appointment of representatives to the 2008 MTS Committees as listed on the attached table (Attachment A) and vote to appoint representatives to those committees.

Budget Impact

None.

DISCUSSION:

Public Utilities Code Section 120100 requires the Board of Directors, annually at its first meeting in January, to elect a Vice Chair who shall preside in the absence of the Chair. Policies and Procedures No. 22, "Rules of Procedure," also provides for the election of a Chair Pro Tem to serve in the absence of the Chair and Vice Chair. Currently, Jerry Rindone serves as Vice Chair, and Bob Emery serves as Chair Pro Tem.

The Vice Chairman and Chair Pro Tem nomination and election procedures pursuant to Robert's Rules of Order are as follows:

1. The Chairman of the Board opens the agenda item.



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

2. The Chairman requests nominations from the floor. Nominations do not require a second.
3. The Chairman closes the nominations.
4. The Chairman invites the candidate(s) to address the Board for 3 minutes.
5. The Chairman asks for any Board discussion.
6. The Chairman calls for the vote on each motion for each candidate.
7. The vote is taken on the motion(s) for each candidate based upon the order in which they were nominated. The vote continues until a candidate is elected.

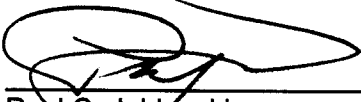
In addition, each year the Board makes appointments to the various committees, including the Executive Committee, Budget Committee, Joint Committee on Regional Transit (JCRT), Taxicab Committee, Los Angeles-San Diego Rail Corridor Agency (LOSSAN), Accessible Services Advisory Committee (ASAC), Ad Hoc Railroad Subcommittee, San Diego Association of Governments (SANDAG) Board, and the SANDAG Transportation Committee.

The nomination and election procedures pursuant to Robert's Rules of Order are as follows:

1. The Chairman of the Board opens the agenda item.
2. The Ad Hoc Nominating Committee makes a report and calls for a motion on the nominating slate.
3. The Chairman requests additional nominations from the floor. Nominations do not require a second.
4. The Chairman closes the nominations.
5. The Chairman invites the candidate(s) to address the Board for 3 minutes.
6. The Chairman asks for any Board discussion.
7. The Chairman calls for the vote on each motion for each candidate.

The vote is taken on the motion(s) for each candidate based upon the order in which they were nominated. The vote continues until a candidate is elected.

The Ad Hoc Nominating Committee met in November 2007 to discuss the appointments for each MTS position. The Ad Hoc Nominating Committee is proposing the attached 2008 Slate of MTS Committees and Outside Agency Appointments.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, sharon.cooney@sdmts.com

JAN17-08.4.COMMITTEE APPT 2008.SCOONEY.docx

Attachment: A. 2008 Slate of MTS Committees and Outside Agency Appointments

2008 SLATE OF MTS COMMITTEES AND OUTSIDE AGENCY APPOINTMENTS

Accessible Services Advisory Committee (ASAC)	Thomas Clabby – Chairman	May be voted upon by all Representatives except Thomas Clabby
Ad Hoc Railroad Subcommittee	Bob Emery – Chairman Harry Mathis – Vice Chair Thomas Clabby – Committee Representative Jerry Rindone – Committee Representative	May be voted upon by all Representatives except Bob Emery May be voted upon by all Representatives except Harry Mathis May be voted upon by all Representatives except Thomas Clabby May be voted upon by all Representatives except Jerry Rindone
Audit Committee*	Harry Mathis – Committee Representative Toni Atkins – City of San Diego Representative (Alternate: Ben Hueso) Emie Ewin – East Cities Representative (Alternate: Dave Allan) Jerry Rindone Phil Monroe – South Bay Representative (Alternate: Carrie Downey) Ron Roberts – County Representative Jerry Rindone – Vice Chair	*Appointments are governed by MTS Policy No. 22. The Chairman will be elected at the first Audit Oversight Committee of 2008.
Budget Development Committee	Jerry Rindone – Chairman Harry Mathis – Vice Chairman Thomas Clabby – Committee Representative Ron Roberts – Committee Representative Tony Young – Committee Representative	May be voted upon by all Representatives except Jerry Rindone May be voted upon by all Representatives except Harry Mathis May be voted upon by all Representatives except Thomas Clabby May be voted upon by all Representatives except Ron Roberts May be voted upon by all Representatives except Tony Young
Executive Committee Appointment governed by rotation schedule established in MTS Board Policy No. 22	Harry Mathis – Chairman Toni Atkins – City of San Diego Representative (Alternate: Ben Hueso) Emie Ewin – East Cities Representative (Alternate: Dave Allan) Jerry Rindone Phil Monroe – South Bay Representative (Alternate: Carrie Downey) Ron Roberts – County Representative (Alternate: Greg Cox) Bob Emery – nonvoting member (EC rep on SANDAG Transportation Committee) Jerry Rindone – MTS Vice Chair (nonvoting member)	May be voted upon by all Representatives except Harry Mathis May be voted upon by all Representatives except Toni Atkins and Ben Hueso May be voted upon by all Representatives except Emie Ewin and Dave Allan May be voted upon by all Representatives except Jerry Rindone Phil Monroe and Carrie Downey May be voted upon by all Representatives except Ron Roberts and Greg Cox May be voted upon by all Representatives except Bob Emery May be voted upon by all Representatives except Jerry Rindone

Joint Committee on Regional Transit (JCRT)	Bob Emery – Committee Representative Harry Mathis – Committee Representative Emie Ewin – Committee Representative Thomas Clabby – Alternate Brian Maienschein – Alternate	May be voted upon by all Representatives except Bob Emery May be voted upon by all Representatives Harry Mathis May be voted upon by all Representatives Emie Ewin May be voted upon by all Representatives except Thomas Clabby May be voted upon by all Representatives except Brian Maienschein
Los Angeles-San Diego Rail Corridor Agency (LOSSAN)	Jerry Rindone – Committee Representative Harry Mathis – Alternate	May be voted upon by all Representatives except Jerry Rindone May be voted upon by all Representatives except Harry Mathis
SANDAG Board	Harry Mathis - Advisory Representative Jerry Rindone - Alternate Bob Emery – Second Alternate	May be voted upon by all Representatives except Harry Mathis May be voted upon by all Representatives except Jerry Rindone May be voted upon by all Representatives except Bob Emery
SANDAG Regional Planning Committee	Harry Mathis – Committee Representative Bob Emery – Alternate	May be voted upon by all Representatives except Harry Mathis May be voted upon by all Representatives except Bob Emery
SANDAG Transportation Committee*	Bob Emery – Committee Representative Harry Mathis – Alternate	*Elected by the Executive Committee at the January 10, 2008, meeting
Taxicab Committee	Brian Maienschein – Chairman	May be voted upon by all Representatives except Brian Maienschein



Metropolitan Transit System

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Agenda

Item No. 6

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

OPS 960.2, 970.2

January 17, 2008

SUBJECT:

MTS: ARMORED-TRANSPORT SERVICES CONTRACT AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1133.0-08 (in substantially the same format as Attachment A) with Sectran Security, Inc. for armored-transport services for a five-year period.

Budget Impact

This contract would cover a five-year period, and the total cost would not exceed \$502,570.41. Funding would come from bus and rail division operating budgets (FY 2008 through FY 2013) comprised of local funds.

DISCUSSION:

Background

MTS Policy No. 52 governing procurement of goods and services requires a formal competitive bid process for procurements exceeding \$100,000.

On October 4, 2007, MTS issued a Request for Proposals (RFP) to interested parties for armored-transport services for a five-year period. Two firms responded to the RFP.



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

An evaluation committee ranked the technical proposals first without the cost and then ranked them by cost. Each proposal was ranked in the areas of: (1) qualifications and prior experience of firm and staff; (2) technical approach and work plan; and (3) cost.

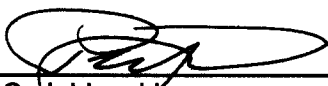
The evaluation committee consisted of individuals from MTS Procurement, Finance, SDTI Revenue, SDTI Security, SDTC Revenue, and SDTC Executive Administration.

This process resulted in the following ranking:

Proposer's Scoring	Total Score (Total Possible Score: 100)
Sectran Security, Inc. Pico Rivera, California	80.4
Brinks, Inc. San Diego, California	41.2

Sectran Security, Inc. received the highest overall rankings in almost every area. Its proposal included a clear understanding of the scope of work with a highly knowledgeable and experienced management team.

Overall, Sectran Security, Inc.'s proposal was the best combination of operational innovation, experienced management, and financial approach that MTS staff believes would provide the best service and value for the agency. The negotiation committee is recommending that the MTS Board approve Sectran Security, Inc. for contract award.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contacts: Susie Gutschmidt, (619) 238-0100, Ext. 6421, susie.gutschmidt@sdmts.com
Scott Donnell, (619) 595-4965, scott.donnell@sdmts.com

JAN17-08.6.ARMORED TRANSP CONTRACT.CAQUINO.doc

Attachments: A. Draft Agreement for Sectran Security, Inc.
B. Cost Summary

STANDARD SERVICES AGREEMENT

DRAFT

G1133.0-08
 CONTRACT NUMBER
 OPS 960.2/970.2
 FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____, 2008, in the state of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Sectran Security, Inc.Address: 7633 Industry Avenue

Form of Business: Corporation
 (Corporation, partnership, sole proprietor, etc.)

Pico Rivera, CA 90660Telephone: 562-948-1446

Authorized person to sign contracts: Leonard A. Karsana Chief Financial Officer
 Name Title

The attached Standard Conditions are part of this agreement. The Contractor agrees to furnish to MTS services and materials, as follows:

Provide armored-transport services for MTS bus and rail operations as stipulated in MTS's Request for Proposals (RFP) for Armored-Transport Services, MTS Doc. No. G1133.0-08; including Addendum No. 1, MTS's Responses to Questions/Clarifications; and in accordance with the Standard Services Agreement, including the Standard Conditions Services, and Sectran Security, Inc.'s Best and Final Offer (BAFO) dated 12/3/07. If there are inconsistencies between the RFP and Addendum, Responses to Questions/Clarifications, Standard Services Agreement, and/or the Standard Conditions Services, the following order of precedence will govern the interpretation of this contract:

1. MTS's Armored-Transport Services RFP, Addendum No. 1, MTS's Responses to Questions/Clarifications, and Sectran Security, Inc.'s Best and Final Offer (BAFO) dated 12/3/07.
2. Standard Services Agreement, including the Standard Conditions Services.

This contract shall remain in effect for five years effective February 1, 2008, through January 31, 2013. Total contract expenditure is estimated at \$502,570.41.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CONTRACTOR AUTHORIZATION
By: _____ Chief Executive Officer	Firm: _____
Approved as to form:	By: _____
By: _____ Office of General Counsel	Signature
	Title: _____

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$483,775.89	50611 – SDTC	
\$ 18,794.52	50620 – SDTI	
\$502,570.41		2008-2012

By: _____
 Chief Financial Officer Date

Purchasing Department
 100 16th Street
 San Diego, CA 92101
 619.238.0100 FAX 619.696.7084

ARMORED-TRANSPORT SERVICES RFP

COST SUMMARY

GROUP A - SDTC

	Sectran Security	Brinks, Inc.
Contract Year 1 Total:	\$ 91,121.40	\$ 93,492.00
Contract Year 2 Total:	\$ 93,855.04	\$ 93,492.00
Contract Year 3 Total:	\$ 96,670.69	\$ 95,363.28
Contract Year 4 Total:	\$ 99,570.81	\$ 96,316.92
Contract Year 5 Total:	\$ 102,557.94	\$ 98,242.92
GRAND TOTAL FOR 5-YEAR CONTRACT:	\$ 483,775.88	\$ 476,907.12

GROUP B - SDTI

	Sectran Security	Brinks, Inc.
Contract Year 1 Total:	\$ 3,540.00	\$ 18,900.00
Contract Year 2 Total:	\$ 3,646.20	\$ 18,900.00
Contract Year 3 Total:	\$ 3,755.64	\$ 19,278.00
Contract Year 4 Total:	\$ 3,868.32	\$ 19,470.72
Contract Year 5 Total:	\$ 3,984.36	\$ 19,860.00
GRAND TOTAL FOR 5-YEAR CONTRACT:	\$ 18,794.52	\$ 96,408.72

GRAND TOTAL GROUP A AND GROUP B

	Sectran Security	Brinks, Inc.
Grand Total - Group A:	\$ 483,775.89	\$ 476,907.12
Grand Total - Group B:	\$ 18,794.52	\$ 96,408.72
GRAND TOTAL - GROUP A AND GROUP B:	\$ 502,570.41	\$ 573,315.84

JAN17-08.6.AttB.COST SUMMARY.CAQUINO.doc



B-1



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Agenda

Item No. 7

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

AG 220.3.1

January 17, 2008

SUBJECT:

**MTS: RATIFICATION OF RESOLUTION NO. 08-1 FOR THE EAST VILLAGE
STATION IMPROVEMENTS PROJECT COOPERATIVE WORK AGREEMENT**

RECOMMENDATION:

That the MTS Board of Directors ratify the adoption of Resolution No. 08-1 (Attachment A) requesting an extension from the California Department of Transportation (Caltrans) of the completion date to December 30, 2008, for the East Village Station Improvements Project, which is funded by lapsing Transportation Enhancement Activities funds.

Budget Impact

None.

DISCUSSION:

On November 6, 2007, MTS's Chief Executive Officer received a letter from Caltrans informing MTS that it will lose unspent federal and/or state budget authority on June 30, 2008, for the East Village Station Improvements Project. MTS was given the option to request a Cooperative Work Agreement (CWA) extending the completion date to December 30, 2008. MTS staff submitted a CWA on November 16, 2007; staff did not have time to get Board approval due to the limited response time given to MTS. Therefore, staff recommends ratification of Resolution No. 08-1 (Attachment A) for the extension of the Cooperative Work Agreement for completion of the East Village Station Improvements Project.


Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Anicia Gottwig, (619) 557-4517, anicia.gottwig@sdmts.com

JAN17-08.7.EAST VILLAGE TEA FUNDS EXT.AGOTTWIG.doc

Attachment: A. Resolution No. 08-1



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 08-1

A Resolution Authorizing a Request for a Cooperative Work Agreement
Extending the Completion Date for the East Village Station Improvements Project
Funded by Lapsing Transportation Enhancement Activities Funds

WHEREAS, the Transportation Equity Act for the 21st Century provides that 10 percent of all Surface Transportation Program (STP) funds available on a statewide basis shall be set aside for enhancement activities; and

WHEREAS, the San Diego Metropolitan Transit System (MTS) identified, applied for and was allocated Transportation Enhancement Activities (TEA) Funds for the improvement of the East Village area of downtown San Diego; and

WHEREAS, the project is being delayed because of various protests that MTS received during the construction bidding process; and

WHEREAS, all bids were subsequently rejected requiring the need to advertise and obtain new bids for the project and resulting in construction delays of approximately six months; NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that the MTS Board of Directors hereby authorizes the Chief Executive Officer to submit a Cooperative Work Agreement requesting extension of the completion date for the East Village Station Improvements Project as shown in Exhibit 1.

PASSED AND ADOPTED by the MTS Board of Directors this _____ day of _____ 2008 by the following vote:

AYES:

NAYES:

ABSENT:

ABSTAINING:

Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

Clerk of the Board
San Diego Metropolitan Transit System

Office of the General Counsel
San Diego Metropolitan Transit System

JAN17-08.7.AttA.AGOTTWIG.doc

Attachment: Exhibit 1

Local Assistance Projects
CWA Cycle 5
Budget Authority Lapsing June 30, 2008
(As of August 15, 2007)

District 11--San Diego Metropolitan Transit Development Board

FY	Fund Source	STP Fund? (Y/N)	EA	Dis/Agency Name	Project Profile	Project Number	Location Name	Work Type Description	Initial Project Amount (For FY)	Expenditure Amt (For FY)	Unliquidated Encumbrance Balance (For FY)	Date Balance will be used to Obligate	Requesting CWA? (Y/N)	Is project consistent w/ original scope & purpose of Appropriation?	Delay Code	Reason for Delay	Identify Any Impairments for Construction	Will Project be Completed Within? (Y/N)	Name of Local Agency Contact (Provide Info)	Additional Comments
2001-02	Federal	Yes	956047	San Diego Metropolitan Transit Development Board	STPLER	6041(014)	W/IN THE COM. OF SAN YSIDRO IN SD NEAR I-5, INTERMODAL TRANSPORTATION CENTER	IRRIGATION, LANDSCAPING, STA IMPROV.	\$1,568,208	\$1,528,843	\$39,365	1/30/2008	No	Yes		N/A	None known	Yes	SDMTDB/SANDAG	
2001-02	Federal	Yes	956050	San Diego Metropolitan Transit Development Board	STPLER	6041(015)	EAST VILLAGE AREA OF DOWNTOWN SAN DIEGO	IMPROVE TROLLEY FACILITIES & STREETSCAPING	\$4,584,000	\$2,408,245	\$2,175,755	12/30/2008	Yes	Yes		Products were received during the construction of the project. The bid was subsequently rejected requiring the road to be widened and additional new bids for the project. Construction delays of approximately six months were created.	None known	Yes	SDMTDB - Anita Gehrig 619-537-4517 SANDAG - Kent Everett 619-699-632	Unliquidated balance is \$1,742,578
Totals									\$6,152,208	\$3,937,088	\$2,215,120									

Signature of Approving Agency's Board or Council:

Print Name:

Paul Jablonski

Date:



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619.231.1466 FAX 619.234.3407

Agenda

Item No. 8

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

FIN 300 (PC 50601)

January 17, 2008

SUBJECT:

MTS: INVESTMENT REPORT

RECOMMENDATION:

That the Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

The attached schedule (Attachment A) is a report of MTS's investments as of November 2007. It is broken into two columns—the first column relates to investments restricted for capital support or debt service, and the second column is the unrestricted portion. As the schedule shows, the overwhelming bulk of investments are restricted primarily for debt service related to the payments on the 1989/1990 and 1995 lease and leaseback transactions. The second column (unrestricted assets) provides the working capital for MTS operations including employee payroll and vendors' goods and services.

Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Tom Lynch, 619.557.4538, tom.lynch@sdmts.com

JAN17-08.8.INVESTMT RPT.LMUSENGO.doc

Attachment: A. Investment Report



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

**San Diego Metropolitan Transit System
Investment Report
11/30/2007**

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Avg. Rate of Return</u>
Cash and Cash Equivalents	\$ <u>9,086,855</u>	<u>20,001,766</u>	3.28%
Investments - Working Capital	<u>-</u>	<u>40,377,063</u>	4.96%
Cash - Restricted for Capital Support	<u>5,584,448</u>	<u>-</u>	N/A
Investments - Restricted for Debt Service	<u>123,637,112</u>	<u>-</u>	3.59%
Total Cash and Investments	\$ <u>138,308,415</u>	\$ <u>60,378,829</u>	

Controller: _____

Date: _____



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Agenda

Item No. 9

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

CIP 10940

January 17, 2008

SUBJECT:

MTS: REGIONAL SCHEDULING SYSTEM – CONTRACT AMENDMENTS

RECOMMENDATION:

That the Board of Directors:

1. receive a report on the status of the Regional Scheduling System (RSS) Project and identify the basis of staff's change order recommendations;
2. ratify Amendment No. 4 (MTS Doc. No. G0856.4-03) (Attachment A) to the GIRO, Inc. contract as executed by the Chief Executive Officer (CEO) for an amount not to exceed \$56,881;
3. ratify Amendment No. 5 (MTS Doc. No. G0856.5-03) (Attachment B) to the Memorandum of Understanding (MOU) between the San Diego Association of Governments (SANDAG), MTS, and North County Transit District (NCTD), and the Regional Scheduling System as executed by the CEO for an amount not to exceed \$0.00;
4. ratify Amendment No. 6 (MTS Doc. No. G8056.6-03) (Attachment C) to the GIRO, Inc. contract as executed by the CEO for an amount not to exceed \$15,290;
5. ratify Amendment No. 7 (MTS Doc. No. G0856.7-03) (Attachment D) to the GIRO, Inc. contract in amount not exceed \$60,363.00 with an MTS cost of \$47,527 and NCTD cost of \$12,836;
6. authorize the CEO to execute Amendment No. 8 (Attachment E) to the GIRO, Inc. contract (MTS Doc. No. G0856.8-03), in an amount not to exceed \$47,364, with an MTS cost of \$40,518 and an NCTD cost of \$6,846;



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

7. authorize the CEO to execute Amendment No. 9 (Attachment F) to the GIRO, Inc. contract (MTS Doc. No. G0856.9-03), in an amount not to exceed \$9,000; and
8. authorize the CEO to execute Amendment No. 10 (Attachment G) to the GIRO, Inc. contract (MTS Doc. No. G0856.10-03), in an amount not to exceed \$118,069, with an MTS cost of \$103,832 and an NCTD cost of \$14,237.

Budget Impact

The cost of Amendment No. 4 was funded through SANDAG's Capital Improvement Program (CIP) Project No. 10940. MTS's share of the cost of Amendment Nos. 6, 7, 8, 9, and 10 would be funded through MTS General Services Agreements (MTS Project Code 53910). NCTD would fund Amendment Nos. 7, 8, and 9.

DISCUSSION:

Background Information

The RSS is a regional fixed-bus route and rail-scheduling system. The system provides the regional transit agencies with the necessary tools to build efficient timetables and vehicle and crew schedules for bus and rail operations. It also supports operator bid processing and aids the physical dispatching of bus drivers and train operators.

On January 10, 2002, the Board authorized staff to procure an RSS using a competitive negotiated procurement process. In August 2003, a contract was awarded to GIRO, Inc. The original contract value was \$1,834,275—MTS's share of the cost was \$1,525,893, and NCTD's share of the cost was \$308,382.

As of January 17, 2008, the Scheduling and Operator Bidding modules will have been fully implemented. San Diego Trolley, Inc. (SDTI) has implemented the Operator Dispatch module, and SDTC is currently implementing the Operator Dispatch Module. The design specification was approved in November 2005.

Amendment No. 4

In March 2007, the CEO executed a contract amendment with GIRO, Inc. for an amount not to exceed \$56,881.

Amendment No. 5

In January 2007, the CEO will execute an MOU for services between SANDAG, MTS, and NCTD for joint implementation and shared use of the RSS.

Amendment No. 6

In March 2007, the CEO executed a contract amendment with GIRO, Inc. for an amount not to exceed \$15,290. This amendment was necessary for a modification to the RSS to add a Windows Graphical User Interface (GUI) Shake-up Display to the Bidding module of Hastus for SDTC.

Amendment No. 7

In July 2007, the CEO executed a contract amendment with GIRO, Inc. for an amount not to exceed \$60,363 to provide MTS and NCTD with one year of support for the RSS, including technical and end-user e-mail and telephone support, corrections to software defects, and one update to the geographical data.

Amendment No. 8

In January 2008, the CEO will execute a contract amendment with GIRO, Inc. for an amount not to exceed \$47,364 that would provide MTS and NCTD with 6 months of support for the RSS, including technical and end-user e-mail and telephone support, corrections to software defects, and one update to the geographical data.

Amendment No. 9

In January 2008, the CEO will execute a contract amendment with GIRO, Inc. for an amount not to exceed \$9,000. This amendment is necessary for a modification to the Operator Dispatch Module to support changes in Family and Medical Leave Act processing and payroll processing for SDTC.

Amendment No. 10

In July 2008, the CEO will execute a contract amendment with GIRO, Inc. for an amount not to exceed \$118,069 to provide MTS and NCTD with 6 months of support for the RSS, including technical and end-user e-mail and telephone support, corrections to software defects, and one update to the geographical data.

The adjusted amount of the contract is \$2,210,714 with an MTS cost share of \$1,852,801 and an NCTD cost share of \$357,913.

Conclusion

Staff recommends Board approval and ratification of the amendments as stated above.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Daniel Bossert, 619.238.0100, Ext. 6445, Daniel.Bossert@sdmts.com

JAN17-08.9.RSS.DBOSSERT.doc

- Attachments:
- A. GIRO Amendment (MTS Doc. No. G0856.4-03)
 - B. GIRO Amendment (MTS Doc. No. G0856.5-03)
 - C. GIRO Amendment (MTS Doc. No. G0856.6-03)
 - D. GIRO Amendment (MTS Doc. No. G0856.7-03)
 - E. GIRO Amendment (MTS Doc. No. G0856.8-03)
 - F. GIRO Amendment (MTS Doc. No. G0856.9-03)
 - G. GIRO Amendment (MTS Doc. No. G0856.10-03)



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
(619) 231-1466 • FAX (619) 234-3407
October 2, 2006

ORIGINAL

MTS Doc. No. G0856.4-03
CIP 10940

Mr. Daniel Dubuc
Administration Director
GIRO, Inc.
75 Rue du Port-Royal East, Suite 500
Montreal (Quebec)
CANADA H3L 3T1

Dear Mr. Dubuc:

Subject: MTS DOC. NO. G0856.0-03: AMENDMENT NO. 4 TO REGIONAL SCHEDULING SYSTEM

This letter will serve as Amendment No. 4 to the above-referenced document in response to the following GIRO, Inc.'s (GIRO's) proposals: GIRO transmittal No. G0856.0-03GIROSD-021, Deadhead Notes modification, dated February 14, 2006; and the HASTUS-ATP proposal dated February 14, 2006.

SCOPE OF SERVICES

The Metropolitan Transit System (MTS) is requesting the following contract change orders to be implemented.

1. A modification to the Regional Scheduling System (RSS) that will allow the attachment of routing instruction notes to each deadhead link as outlined in GIRO transmittal No. G0856.0-03GIROSD-021.
2. The addition of the HASTUS-ATP module to the RSS as outlined in the attached proposal dated February 14, 2006.

SCHEDULE

All work related to the modifications for the routing instruction notes shall be completed within one (1) month after signature of this amendment. The HASTUS-ATP module shall be fully implemented and tested within five (5) months after signature of this amendment.

PAYMENT

The total cost of the routing instruction notes modification is \$2,715. Payment for this change order will be released upon final acceptance of the modification.

The total cost of the HASTUS-ATP module is \$54,166. The payment milestones are as follows:

Percent	Milestone	Payment
10%	Schedule	5,416.60
20%	Specification Approval	10,833.20
50%	Delivery/Pre-Acceptance	27,083.00
10%	Final Acceptance	5,416.60
<u>10%</u>	<u>Warranty period</u>	<u>5,416.60</u>
100%		\$54,166.00

Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB), a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB member agencies include: City of Chula Vista, City of Coronado, City of Escondido, City of Imperial Beach, City of La Mesa, City of Lamon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

Mr. Daniel Dubuc
October 2, 2006
Page 2

The following table lists contract actions to date.

Action	Total
Initial Contract	\$1,834,275
Amendment 1	\$0
Amendment 2	\$13,200
Amendment 3	\$56,272
<u>Amendment 4</u>	<u>\$56,881</u>
Amended Contract Total	\$1,960,628

The total cost of this amendment shall not exceed \$56,881, without prior written approval from MTS. The total cost of the contract, including this amendment, shall not exceed \$1,960,628. All other terms and conditions of the contract remain unchanged.

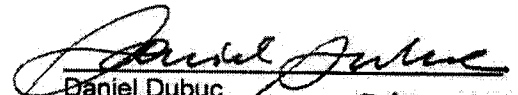
If you agree with the above, please sign below and return the document marked "original" to Traci Bergthold, Contract Specialist, at MTS. Retain the other copy for your records.

Sincerely,



Paul C. Jablonski
Chief Executive Officer

Accepted:


Daniel Dubuc
GIRO, Inc. **ADMIN. DIRECTOR**

Alsla
CL-G0856.4-03.GIRO.KMURPHY

Date: NOV. 3 2006

- Attachments: 1. GIRO Deadhead Notes modification proposal dated February 14, 2006
2. GIRO HASTUS ATP module proposal dated February 14, 2006



February 14, 2006

Mrs. Karen A. Mueller
SANDAG Project Manager
Regional Scheduling System Project
San Diego Association of Governments
401 B Street, Suite 800
San Diego, CA 92101
USA

Subject: Modification to keep deadhead notes for SANDAG

Dear Mrs. Mueller,

A modification has been requested to keep a note identifier attached to each deadhead link. It will be a user-defined field on each deadhead link. The note will be defined as a "regular" note in *HASTUS*, and its description will contain the routing instruction for this deadhead. This note is uni-directional, i.e. each direction of a deadhead link has its own note. For each pull trip or deadhead trip automatically created by the application, the note will be attached to the trip, if defined.

The cost estimate for this modification is three (3) days @ \$905 US/day, for a total of \$2,715 US.

If you want to go ahead with this modification, please provide a PO number for the amount specified above.

If you have any questions, please do not hesitate to contact me.

Yours truly,

Lyne Senécal
Senior Project Manager

75, rue de Port-Royal Est
bureau 500
Montréal (Québec)
Canada H3L 3T1

telephone
(514) 383-0404
télécoeur
(514) 383-4971

internet
www.giro.ca



February 14, 2006

Mrs. Karen A. Mueller
ITS Project Manager
SANDAG
San Diego's Regional Planning Agency
401 B Street
San Diego, CA 92101
USA

Subject: Proposal for the addition of *HASTUS-ATP* module for run time analysis

Dear Mrs. Mueller:

GIRO Inc. is pleased to submit to SANDAG the following proposal for the addition of *HASTUS-ATP* module to your current *HASTUS* suite. *HASTUS-ATP* is designed to analyze and re-adjust run times based on measurements of actual run time data. We propose the standard *HASTUS-ATP* module without customization. A cost breakdown is included herein.

Scope of work

To estimate the extent of services and expenses, the following elements are taken into account:

- Project management: Work required by the Project Manager to organize and supervise the project team and prepare status reports for the customer and GIRO management.
- Specifications defining precisely how *HASTUS-ATP* will be configured.
- Testing prior to delivery where testing is conducted using a representative set of San Diego data.
- Training sessions where your staff will be taught how to use the new module and its features. Training is planned on-site with your *HASTUS* installation and uses a hands-on methodology. This proposal includes three days training.
- Implementation support: Time our staff will spend answering functional questions and advising users on how to use the application most effectively in your context.

.../2

75, rue de Port-Royal Est
bureau 500
Montréal (Québec)
Canada H3L 3T1

téléphone
(514) 383-0404
télécoeur
(514) 383-4971

internet
www.giro.ca

11

Cost summary

The following table provides a cost summary for the addition of *HASTUS-ATP* in either 2006 or 2007.

Description	<i>HASTUS-ATP</i>	
	2006	2007
License (700 peak vehicles)	\$23,160	\$23,855
Work and services	\$28,686	\$29,546
Expenses	\$ 2,320	\$ 2,390
Total	\$54,166	\$ 55,791

Table 1 - *HASTUS-ATP* addition.

Project planning

Work would start in Montréal approximately four weeks after receiving your formal approval with the signed amended license. It is estimated that a period of five months would be required to complete the project after formal approval is received.

It is assumed that collected run time data can be provided in the applicable *HASTUS-ATP* Measurement Input Interface format (*HASTUS-ATP* Run Time Interface_V2004.pdf attached) compatible with your current *HASTUS* version 2004.

Conditions

Our proposal is for a fixed cost contract. Costs are expressed in US dollars; exclude any applicable taxes or duties, for which SANDAG would be responsible. They are based on 2006 pricing and established for 700 peak vehicles. Your current *HASTUS* license would be amended to include the new *HASTUS-ATP* module. A standard three-month warranty is included with *HASTUS-ATP*.

It is SANDAG's responsibility to ensure that collected run time data will be provided in the required format for importation into the *HASTUS* database.

The proposed payment schedule is as follows: 50% at contract signature and 50% upon acceptance. These percentages apply to the total cost of the *HASTUS-ATP* addition.

This proposal is valid for 90 days.

System acceptance

A single acceptance milestone has been planned for *HASTUS-ATP*. Acceptance is reached when SANDAG provides confirmation of acceptance or no later than fourteen days following completion of work and delivery of software, whichever occurs first.

Maintenance

The cost of the Maintenance and Support Contract will be revised at the end of the warranty period to reflect the new modules and version. For year 2007, with the addition of the proposed *HASTUS-ATP* module, the yearly cost of the Maintenance and Support Contract would be increased by \$2,690.

We hope this proposal will be to your satisfaction. Please let us know when you wish to proceed with the addition of *HASTUS-ATP*. If you have any question, do not hesitate to contact the undersigned. We certainly hope to have the opportunity of working with members of SANDAG and its divisions on this enhancement to your current installation.

Sincerely,



François Carignan
Senior Account Manager
francois.carignan@giro.ca

FCAG

ENCL.

**MEMORANDUM OF UNDERSTANDING (5000693)
BETWEEN THE SAN DIEGO ASSOCIATION OF GOVERNMENTS,
METROPOLITAN TRANSIT SYSTEM, AND NORTH COUNTY TRANSIT DISTRICT
REGARDING THE REGIONAL SCHEDULING SYSTEM**

This Memorandum of Understanding ("MOU") is made and entered into effective as of this 31st day of January, 2007, by and between the San Diego Association of Governments ("SANDAG"), Metropolitan Transit System ("MTS"), and North County Transit District ("NCTD"). The following recitals are a substantive part of this Agreement:

RECITALS

WHEREAS, MTS, NCTD, and SANDAG are jointly implementing a Regional Scheduling System ("System") to provide a scheduling, bidding, and dispatch system for transit operators in the region; and

WHEREAS, the parties have jointly participated in the System procurement process, with MTS having the awarding authority for the contract; and

WHEREAS, the term "MTS" includes its wholly owned subsidiaries, San Diego Transit Corporation ("SDTC") and San Diego Trolley, Inc. ("SDTI"), unless otherwise indicated; and

WHEREAS, MTS has awarded the contract regarding the System to GIRO, Inc. ("Vendor"), for GIRO's HASTUS applications (the "Contract"); and

WHEREAS, excerpts of the Contract are attached hereto as Exhibit A for ease of reference, but the parties agree that the entire Contract is incorporated herein by reference; and

WHEREAS, the parties have agreed to implement the System as a single-functioning computer system with central elements located within MTS-identified offices; and

WHEREAS, the intent of this partnership is to enhance operations and service within San Diego County through cost-effective deployment of technology and to provide service to other transit operators in the region; and

WHEREAS, the parties have agreed that the cost of the components of the System will be shared and prorated based on the number of peak revenue vehicles using the System as identified in the San Diego Regional Scheduling System Contract, MTS Doc. No G0856.0-03 ("Contract"). MTS's cost share of the initial contract is \$1,525,893. NCTD's cost share of the initial contract is \$308,382; and

WHEREAS, NCTD will not be participating in Phase 3 of the System, as defined in the Contract; and

WHEREAS, the parties wish to memorialize their agreement in this MOU to carry out the purposes set forth above.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises set forth herein, the parties agree as follows:

SANDAG AGREES:

1. To facilitate the implementation of the system and components; however, SANDAG will not be responsible for ongoing day-to-day operation of the System or associated costs.
2. To process Vendor payments for the scope of work in the Contract using programmed capital improvement funds and/or committed funds from MTS and/or NCTD. SANDAG will review and approve Contract invoices and, as appropriate, invoice NCTD and MTS for their share of the cost. NCTD and MTS will pay SANDAG within 20 business days of receiving an invoice from SANDAG.
3. Neither MTS, NCTD, nor any officer, employee, or agent thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by SANDAG under or in connection with any work, authority, or jurisdiction delegated to SANDAG under this MOU. It is understood and agreed that pursuant to Government Code Section 895.4, SANDAG shall fully defend, indemnify, and save harmless MTS and NCTD, all officers and employees from all claims, suits, or actions of every name, kind, and description brought for or on account of injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by SANDAG under or in connection with any work, authority, or jurisdiction delegated to SANDAG under this MOU.

NCTD AGREES:

1. To reimburse SANDAG for NCTD's share of costs for the System. NCTD payment terms shall be 20 business days following receipt of an invoice from SANDAG.
2. To facilitate System implementation through staff assignment and participation in various project meetings, at NCTD expense, and operational use of the deployed system(s).
3. That one full-time equivalent employee will be required to support the System as well as the Regional Transportation Management System (RTMS) communications system. The one full-time equivalent employee shall be employed by MTS, but the cost for the full-time employee, including salary and benefits, shall be pro-rated amongst NCTD and MTS with each agency paying their respective fair share. The fair share is to be determined based upon the number of revenue vehicles operated by each agency. In January of each year, each Agency shall report the number of revenue vehicles they anticipate will be in operation for the ensuing fiscal year, providing a mechanism that will allow the fair-share of expenses to be allocated appropriately.

4. Neither SANDAG, MTS, nor any officer, employee, or agent thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by NCTD under or in connection with any work, authority, or jurisdiction delegated to NCTD under this MOU. It is understood and agreed that pursuant to Government Code Section 895.4, NCTD shall fully defend, indemnify, and save harmless SANDAG and MTS, all officers and employees from all claims, suits, or actions of every name, kind, and description brought for or on account of injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by NCTD under or in connection with any work, authority, or jurisdiction delegated to NCTD under this MOU.

MTS AGREES:

1. To reimburse SANDAG for MTS's share of costs for the System as invoiced from vendors. MTS payment terms shall be 20 business days following receipt of an invoice from SANDAG.
2. To facilitate System implementation through staff assignment and participation in various project meetings, at MTS expense, and operational use of the deployed system(s).
3. To be responsible for the day-to-day operations of the System, including maintenance and support of the database server, application server, and RSS Terminal Server. MTS shall consult with and obtain approval from NCTD and SANDAG prior to making any changes to the System. MTS shall consult with and obtain approval from NCTD prior to any scheduled disruptions to the availability of the System.
4. That one full-time equivalent employee will be required to support the System as well as the Regional Transportation Management System (RTMS) communications system. The one full-time equivalent employee shall be employed by MTS, but the cost for the full-time employee, including salary and benefits, shall be pro-rated with each agency paying their respective fair share. The fair share is to be determined based upon the number of revenue vehicles operated by each agency. In January of each year, each Agency shall report the number of revenue vehicles they anticipate will be in operation for the ensuing fiscal year, providing a mechanism that will allow the fair-share costs to be allocated appropriately.
5. Said employee shall be made available immediately for support in the event of system failure during regular working hours. During off hours, said employee shall respond within four hours of notification of system failure. NCTD shall be provided with the means and authority to directly contact said employee for failures that affect NCTD.
6. Neither SANDAG, NCTD, nor any officer, employee, or agent thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by MTS under or in connection with any work, authority, or jurisdiction delegated to MTS under this MOU. It is understood and agreed that pursuant to Government Code Section 895.4, MTS shall fully defend, indemnify, and save harmless SANDAG and NCTD, all officers and employees from all claims, suits, or actions of every name, kind, and description brought for or on account of injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by MTS under or in connection with any work, authority, or jurisdiction delegated to MTS under this MOU.

THE PARTIES MUTUALLY AGREE:

1. The parties have agreed that the cost of future components of the System will be shared and prorated based on the number of peak revenue vehicles using the System as identified in the Contract. The cost of equipment and/or components deployed for specific agency use will be assumed by the affected agency.
2. The parties agree that if any of the parties terminates this MOU, the other parties will be allowed to continue project activities as reasonably necessary to implement the System. The terminating party shall remain responsible for those System costs incurred on the terminating agency's behalf in accordance with the Contract's termination clause, plus any net increase in cost to the agencies not terminating this MOU as a result of the withdrawal of the terminating agency. The date of termination shall be the date that notice of termination is deposited in the U.S. mail, postage paid. When so given, such notice shall be effective from the date of mailing of same.
3. That all obligations of SANDAG under the terms of this MOU are subject to the appropriation of the required resources by SANDAG and the approval of the SANDAG Board of Directors.
4. Any notice required or permitted under this MOU may be personally served on the other party by the party giving notice or may be served by certified mail, return receipt requested, to the following addresses:

For SANDAG

401 B Street, Suite 800
San Diego, CA 92101
Attn: Gary Gallegos

For NCTD

810 Mission Avenue
Oceanside, CA 92054
Attn: Karen King

For MTS

1255 Imperial Avenue, Suite 1000
San Diego, CA 92101
Attn: Paul Jablonski

5. That unless it is amended by the parties, in writing, this MOU shall continue in effect unless or until a party to the MOU gives 60 (sixty) days' written notice of its desire to withdraw from the MOU. If such notice is given, the MOU shall continue to be binding on those parties who have not formally withdrawn.
6. The indemnification provisions of this MOU shall survive termination of the MOU.
7. This MOU shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this MOU, the action shall be brought in a state or federal court situated in the County of San Diego, State of California.
8. All terms, conditions, and provisions hereof shall inure to and shall bind each of the parties hereto, and each of their respective heirs, executors, administrators, successors, and assigns.
9. For purposes of this MOU, the relationship of the parties is that of independent entities and not as agents of each other or as joint ventures or partners. The parties shall maintain sole and exclusive control over their personnel, agents, consultants, and operations.

10. No alteration or variation of the terms of this MOU shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.
11. Nothing in the provisions of this MOU is intended to create duties or obligations to or rights in third parties to this MOU or affect the legal liability of the parties to this MOU.
12. This MOU may be executed in any number of identical counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument when each party has signed one such counterpart.

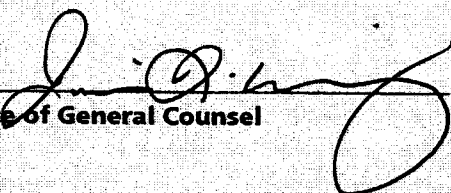
IN WITNESS WHEREOF, the Parties hereto have executed this MOU effective on the day and year first above written.

SAN DIEGO ASSOCIATION
OF GOVERNMENTS



GARY L. GALLEGOS
Executive Director

APPROVED AS TO FORM:



Office of General Counsel

METROPOLITAN TRANSIT SYSTEM



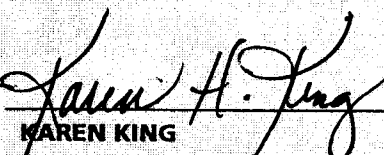
PAUL C. JABLONSKI
Chief Executive Officer

APPROVED AS TO FORM:



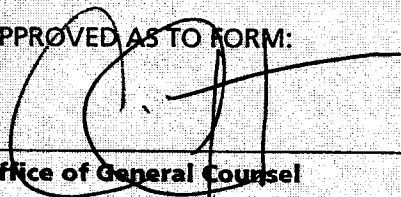
Office of General Counsel

NORTH COUNTY TRANSIT DISTRICT



KAREN KING
Executive Director

APPROVED AS TO FORM:



Office of General Counsel

Exhibit A to the MOU

Contract G0856.0-03



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
(619) 231-1466 • FAX (619) 234-3407

March 13, 2007

MTS Doc. No. G0856.6-03
CIP 10940

Mr. Daniel Dubuc
Administration Director
GIRO, Inc.
75 Rue du Port-Royal East, Suite 500
Montreal (Quebec)
CANADA H3L 3T1

Dear Mr. Dubuc:

Subject: MTS DOC. NO. G0856.0-03: AMENDMENT NO. 6 TO REGIONAL SCHEDULING SYSTEM

This letter will serve as Amendment No. 6 to the above-referenced document and in response to GIRO, Inc.'s (GIRO's), proposal dated June 9, 2006.

SCOPE OF SERVICES

San Diego Transit Corporation (SDTC) requires a modification to the Regional Scheduling System (RSS) that will add a Windows GUI Shake-up Display to the Bidding module of HASTUS.

GIRO will perform the services as identified in the attached proposal dated June 9, 2006, and will work with staff to develop a design specification to describe the customization in more detail.

This amendment relieves GIRO of the contractual requirement to develop one Phase 1 custom reports for SDTC, as specified in the Conformed Technical Specification section 2.10. In exchange, 15 days of report development time will be reallocated to this amendment.

SCHEDULE

The Shake-up Display shall be fully implemented and tested within nine (9) months after signature of this amendment.

Mr. Daniel Dubuc
March 13, 2007
Page 2

PAYMENT

The total cost of this amendment is \$15,290. The payment milestones are as follows:

Percent	Milestone	Payment
10%	Schedule	1,529
20%	Specification Approval	3,058
50%	Delivery/Pre-Acceptance	7,645
20 40%	Final Acceptance	1,529 3,058
10%	Warranty period	1,529
100%		\$15,290

The following table lists contract actions to date.

Action	Total
Initial Contract	1,834,275
Amendment 1	0
Amendment 2	13,200
Amendment 3	56,272
Amendment 4	56,881
MTS Amendment 5	15,290
Amended Contract Total	\$1,975,918

The total cost of this amendment shall not exceed \$15,290, without prior written approval from MTS. The total cost of the contract, including this amendment, shall not exceed \$1,975,918. All other terms and conditions of the contract remain unchanged.

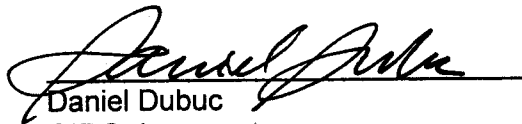
If you agree with the above, please sign below and return the document marked "original" to Melissa Fernandez, Contract Specialist, at MTS. Retain the other copy for your records.

Sincerely,



Paul C. Jablonski
Chief Executive Officer

Accepted:



Daniel Dubuc
GIRO, Inc.

Aisla
CL-G0856.6-03.GIRO.CCHEN

Date: May 3, 2007

Attachment: GIRO's Proposal for Shake-Up Display Modifications Dated June 9, 2006



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
(619) 231-1466 • FAX (619) 234-3407

July 10, 2007

ORIGINAL

MTS Doc. No. G0856.7-03
CIP 10940

Mr. Daniel Dubuc
Administration Director
GIRO, Inc.
75 Rue du Port-Royal East, Suite 500
Montreal (Quebec)
CANADA H3L 3T1

Dear Mr. Dubuc:

Subject: AMENDMENT NO. 7 TO MTS DOC. NO. G0856.0-03; HASTUS MAINTENANCE AND SUPPORT CONTRACT – JANUARY 7, 2007 THRU JANUARY 6, 2008.

This shall serve as our Amendment No. 7 to MTS Doc. No. G0856.0-03, to include the maintenance and support contract for annual fees of \$60,363.00 US. The shared maintenance cost is based on MTS Doc. No. G0856.0-03 between NCTD and MTS and costs will be split for the annual support based on the break out below.

Phase 1	Phase 2
MTS - \$45,201.58	MTS - \$2,326.22
NCTD - \$11,770.42	NCTD - \$1,064.78

SCHEDULE

This Amendment shall remain in effect from January 7, 2007 thru January 6, 2008.

SCOPE OF SERVICES

No changes to the Scope of Services.

PAYMENT

Payment shall be based on actual costs, not to exceed the original maintenance support contract amount of \$60,363.00 without prior written approval from MTS. The total value of this contract including all amendments shall not exceed \$2,036,281.00 US.

All previous conditions remain in effect. If you agree with the above, please sign below and return the document marked "original" to Melissa Fernandez, Contract Specialist, at MTS. Retain the other copy for your records.

Sincerely,

Paul C. Jablonski
Chief Executive Officer

WCASSIDY-CL
CL-G0856.6-03.GIRO.DBOSSERT

Accepted:

Daniel Dubuc
GIRO, Inc.

Date: July 18, 2007

cc: Mr. Howard, NCTD

Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB), a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

D-1

DRAFT

January 17, 2008

MTS Doc. No. G0856.8-03
CIP 10940

Mr. Daniel Dubuc
Administration Director
GIRO, Inc.
75 Rue du Port-Royal East, Suite 500
Montreal (Quebec)
CANADA H3L 3T1

Dear Mr. Dubuc:

Subject: AMENDMENT NO. 8 TO MTS DOC. NO. G0856.0-03; HASTUS MAINTENANCE AND
SUPPORT CONTRACT – JANUARY 17, 2008, THROUGH JUNE 30, 2008

This shall serve as Amendment No. 8 to MTS Doc. No. G0856.0-03 to include the maintenance and support contract for semiannual fees of \$47,364.00 US. The shared maintenance cost is based on MTS Doc. No. G0856.0-03 between North County Transit District (NCTD) and MTS, and costs will be split for the annual support based on the break out below.

	<u>PHASE 1</u>	<u>PHASE 2</u>	<u>PHASE 3</u>	<u>PHASE 4 DDAM Due 5/08</u>
MTS	\$22,314.00	\$1,135.00	\$738.00	\$7,285.00
NCTD	\$ 5,767.00	\$ 536.00	\$543.00	
10 development days for MTS - \$9,000.00				

SCHEDULE

This Amendment shall remain in effect from January 7, 2008, through June 30, 2008.

SCOPE OF SERVICES

No changes to the Scope of Services. Provide ten days of development (as determined by MTS).

PAYMENT

Payment shall be based on actual costs not to exceed the original maintenance support contract amount of \$47,364.00 without prior written approval from MTS. The total value of this contract including all amendments shall not exceed \$2,083,645.00 US. All previous conditions remain in effect. If you agree with the above, please sign below and return the document marked "original" to Melissa Fernandez, Contracts Specialist, at MTS. The other copy is for your records.

Sincerely,

Accepted:

Paul C. Jablonski
Chief Executive Officer

Daniel Dubuc
GIRO, Inc.

JAN17-08.9.AttE.G0856.8-03.GIRO.DBOSSERT.doc

Date: _____

cc: Ron Howard – NCTD

E-1

2008 HASTUS Maintenance Contract Cost Breakdown

FY08 - Pro-rated Maintenance Contract					
1/7/2008 - 6/30/2008					
Due	Due	Agencies	Total	MTS	NCTD
Phase 1	1/7/2008	SDTC, SDTI, MCS, CVT, NCT, NCTD	28,081	22,314	5,767
Phase 2 - Bid	1/7/2008	SDTC, SDTI, NCTD	1,672	1,135	536
Phase 4 - Stops	N/A	N/A	-	-	-
Phase 5 - ATP	1/7/2008	SDTC, NCTD	1,326	783	543
Phase 6 - Bid Display	N/A	SDTC	-	-	-
		Subtotal Due 1/7/2008	31,078	24,232	6,846
Phase 3 - DDAM	5/2/2008	SDTC, SDTI	7,285	7,285	-
		Subtotal for 1/7/08 - 6/30/08	38,364	31,518	6,846
Development Days - 10	1/7/2008	MTS	9,000	9,000	-
		Total for 1/7/2008 through 6/30/2008	47,364	40,518	6,846

FY09 Maintenance Contract					
7/1/2008 - 6/30/2009					
FY09 Contract	Due	Agencies	Total	MTS	NCTD
Phase 1	7/1/2008	SDTC, SDTI, MCS, CVT, NCT, NCTD	58,396	46,404	11,992
Phase 2 - Bid	7/1/2008	SDTC, SDTI, NCTD	3,476	2,360	1,116
Phase 3 - DDAM	7/1/2008	SDTC, SDTI	44,440	44,440	-
Phase 4 - Stops	N/A	N/A	-	-	-
Phase 5 - ATP	7/1/2008	SDTC, NCTD	2,757	1,628	1,129
Phase 6 - Bid Display	N/A	SDTC	-	-	-
		Subtotal for 7/1/08 through 6/30/09	109,069	94,832	14,237
Development Days - 10	7/1/2008	MTS	9,000	9,000	-
		Total for 7/1/08 through 6/30/09	118,069	103,832	14,237

PEAK VEHICLE COUNTS BY AGENCY

Phase 1			
Agency	Veh	Split	
MTS (All Operators)	534	0.7946	
NCTD	138	0.2054	
Peak Vehicle Total	672		

Phase 2			
Agency	Veh	Split	
MTS (SDTC/SDTI)	292	0.6791	
NCTD	138	0.3209	
Peak Vehicle Total	430		

Phase 5			
Agency	Veh	Split	
MTS (SDTC)	199	0.5905	
NCTD	138	0.4095	
Peak Vehicle Total	337		

Peak Vehicle Count as of September 2007			
Agency	Veh	Provided by	
SDTC	199	Devin Braun/Steve Tomkiel	
MCS / CVT / NCT	242	Devin Braun	
SDTI	93	Wally Clack	
NCTD	138	Bryan Killian	
Peak Vehicle Total	672		

HASTUS
MAINTENANCE AND SUPPORT CONTRACT
(Reference number: 395-1)

ENTERED INTO BETWEEN:

GIRO INC./LE GROUPE EN INFORMATIQUE ET RECHERCHE OPÉRATIONNELLE, having its principal place of business at 75, Port-Royal Street East, Suite 500, in the city of Montreal, Province of Quebec, Canada, H3L 3T1.

(hereinafter referred to as "GIRO")

AND:

METROPOLITAN TRANSIT DEVELOPMENT BOARD, having its principal place of business at 1255 Imperial Avenue, Suite 1000, in the city of San Diego, California, USA 92101-7490.

(hereinafter referred to as the "Client")

FOR:

The software *HASTUS-Vehicle*, *HASTUS-Crew*, *CrewOpt*, *Minbus*, *HASTUS-Roster*, *Geo*, *Bid*, *RosterPlus*, *HASTUS-DDAM*, and *HASTUS-ATP* version 2003 (hereinafter referred to as "Software") used by the Client for the operation of a maximum of seven hundred (700) vehicles during the peak hour.

Starting on January 7, 2008, for the period from January 7, 2008 to June 30, 2008.

1. SERVICES PROVIDED

GIRO will provide the Client with the following services beginning on the Commencement Date of this Agreement specified above and conditionally on payment of charges for support and maintenance as defined in Section 2.

1.1 GIRO will assign, in a maximum delay of 24 hours, an employee to correct a Software defect, once the Client has provided GIRO with a detailed description of the said defect. For the purposes of this Agreement, a defect is considered to exist when the Software does not perform according to the description given in the appropriate version of the Detailed Design Specifications documents, User Guide, and online help and when the said defect affects the performance of the Software. Correction of any problems due to one or several of the following causes is excluded from this Agreement: an accident, a disaster, faulty use of Software, additions and/or modifications which are made to the Software by other than GIRO's personnel except if these additions and/or modifications have been done with prior approval by GIRO, a change to an unsupported version of the operating system or database management system, and failure to supply the necessary facilities for correct operation of the Software.

In case of accident, disaster or faulty use of Software by the Client, at Client's request, GIRO will provide the necessary support to correct the problems. Such support will be charged to the Client by GIRO in addition to this Agreement at then-current rates for GIRO personnel.

1.2 Electronic mail and telephone support are available from Monday to Friday inclusively from 9 a.m. to 5 p.m. (Eastern Standard Time) excluding Québec public holidays.

1.3 When the *Geo* module is included in the Software, the support required to assist in one annual conversion of the geographical data is included. However, any Software modification required for the data conversion is not covered by this Agreement and the additional costs will be invoiced.

1.4 GIRO will provide the Client with a bank of ten (10) person-days of GIRO staff time. This time can be used to perform tests on system operation, to make minor modifications to the Software, to train personnel on the Client's premises, and to approve additions and/or modifications made by the Client. The use of these ten (10) staff days is determined by the Client. Non-used days can be accumulated and used in subsequent years as long as this Agreement is renewed by the Client without interruption. The time needed by GIRO personnel to perform modifications requested by the Client under this Agreement and that are not defects as defined in the present Agreement will be deducted from this bank. If the ten (10) days allotted have been completely used, the time necessary to perform any work requested by the Client under this Agreement except for work required for defects as defined in this Agreement, will be charged to the Client by GIRO according to current rates for GIRO personnel.

1.5 Availability for the Client, without additional license fees, of all additions and improvements made to the Software by GIRO for other customers, excluding new

GIRO	Client
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modules or new products. These improvements or additions to the Software could be a new report, a new command or a new function. If requested by the Client, they can be adapted and/or installed by GIRO on the Client's version of the Software without any additional license fees related to their purchase. New versions of the Software up to release 2004 are also available without additional license fees. Charges relative to the installation of these additions, improvements or new version by GIRO, if applicable, will be payable by the Client and invoiced separately. Any charges relative to third party software licenses are also payable by the Client.

1.6 A 20% discount on the license fee is accorded to the Client when a new module of *HASTUS* is added to *HASTUS-Vehicle* and *HASTUS-Crew*. This discount is valid only if the Client has maintained a Maintenance and Support Contract without interruption since the initial installation of the Software.

2. TERMS AND CONDITIONS

For services specified in Section 1, the Client will pay GIRO a fee of \$47,364 US. This amount will be billed by GIRO to the Client as follows:

On January 7, 2008	\$40,079 US
On May 2, 2008	\$7,285 US

2.1 The fee includes the following direct expenses: telephone charges, fax and courier incurred by GIRO during the provision of the services specified in this Agreement. Travel and living expenses that may be incurred are not included, unless required to repair a defect in the Software that cannot be corrected otherwise.

2.2 All charges quoted or understood in the present Agreement will be increased as necessary to reflect any applicable taxes in vigor at the time that the monies become due.

2.3 The Client will supply GIRO with a method to access the installed Software remotely for maintenance and support purposes.

2.4 GIRO undertakes not to reveal any of the Client's confidential information acquired during product installation and support activities without the express authorization of the Client.

The Client acknowledges that he has read this Agreement, understood it, and has agreed to be bound by its terms and conditions. Further, he agrees that it is the complete and

exclusive statement of the Agreement between the parties and that it supersedes all proposals or prior Agreements, oral or written, and all other communications between the parties relating to its subject matter.

At _____, this ____ day of _____.

GIRO INC./LE GROUPE EN INFORMATIQUE ET RECHERCHE OPÉRATIONNELLE

Per:

Name: Daniel Dubuc

Title: Administration Director

Signature: _____

Duly authorized, as he so declares.

At _____, this ____ day of _____.

METROPOLITAN TRANSIT DEVELOPMENT BOARD

Per:

Name: _____

Title: _____

Signature: _____

Duly authorized, as he/she so declares.

DRAFT

January 17, 2008

MTS Doc. No. G0856.9-03
CIP 10940

Mr. Daniel Dubuc
Administration Director
GIRO, Inc.
75 Rue du Port-Royal East, Suite 500
Montreal (Quebec)
CANADA H3L 3T1

Dear Mr. Dubuc:

Subject: AMENDMENT NO. 9 TO MTS DOC. NO. G0856.0-03; HASTUS PAYROLL MODIFICATIONS

This shall serve as Amendment No. 9 to MTS Doc. No. G0856.0-03 per your letter of December 12, 2007, for modification of HASTUS with the addition of new modifications and customizations for payroll processing for San Diego Transportation Corporation (SDTC) and San Diego Trolley, Inc. (SDTI).

SCOPE OF SERVICES

Provide modifications and customizations to the following payroll codes (per letter dated December 12, 2007) G0856-0.03GIRO/SD-066:

- Issue # 7 – New Payroll Code 041; Jury Duty Overtime - Cost: \$1,000.00 US
- Issue #10 – Adjustment to payroll codes 500, 413, and 414 - Cost: \$3,000.00 US
- Issue #33 – Alternate Clerk Activity to payroll codes 001,002,004,006 - Cost: \$1,000.00 US
- Issue #34 - TBS Holiday Assignment should show extra board availability - Cost: \$2,000.00 US
- Issue # 2 – Validation of Activity and Absences used per agencies

PAYMENT

Payment shall be based on 50% at time of formal order and 50% upon completion and acceptance costs not to exceed the contract amount of \$9,000.00 without prior written approval from MTS. The total value of this contract, including all amendments, shall not exceed \$2,092,645.00 US.

All previous conditions remain in effect. If you agree with the above, please sign below and return the document marked "original" to Melissa Fernandez, Contracts Specialist, at MTS. Retain the other copy for your records.

Sincerely,

Accepted:

Paul C. Jablonski
Chief Executive Officer

Daniel Dubuc
GIRO, Inc.

JAN17-08.9.AttF.G0856.9-03.GIRO.DBOSSERT.doc

Date: _____

cc: Ron Howard – NCTD

F-1



December 12th, 2007

Ms. Karen A. Murphy
SANDAG Project Manager
Regional Scheduling System Project
San Diego Association of Governments
401 B Street, Suite 800
San Diego, CA 92101
USA

Subject: Proposal for new customizations

GIRO Inc. is pleased to submit to SANDAG the enclosed proposal for the modification of your current *HASTUS* version 2004 with the addition of new modifications for payroll process. The enclosed proposal is based different discussions and information exchange on the subject over the past months. The proposed modification will be unique to SANDAG's *HASTUS* version 2004.

Lists of customizations

Issue #7: New payroll code 041; Jury duty overtime

The system will return for SDTC division the portion of overtime when an operator is on a full day absence of type JURD on a working day. For example if an operator is schedule to work a run that pays:

001 7h50 004 0h20 and 006 : 0h10

And becomes absent for JURD for the complete day, the system will return 427_J 8h00 and 041_J 0h20

For SDTI division, the system should return no value to this payroll code

Cost evaluation: 1000.00US

Issue #10: Adjustment to payroll codes 500, 413 and 414

All these modifications will be done for both agencies (SDTC and SDTI).

The payroll codes 413 and 414 will be removed from the system.

The following absence type will no longer be used by SDTC or SDTI agencies: FNBP, FCHP, FSPO, FPAP, FMLS starting at a specific day. These absence types cannot be removed as they are currently used by SDTC or SDTI agency and there are operational data using these absence types. A modification is needed in the system to advise the system that a specific absence type has an inactive status starting at a specific day, so that it cannot be in the available absence type list when a dispatcher applies an absence type to an operator.

The calculation of payroll code 500 needs to be modified as follow for both agencies.

When the operator is absent all day with the following absence types FMLO, FNBN, FCHN, FSPN, FPAN, FMLU then the system must return in payroll code 500

- ☐ For SDTI, any full-time operator without any work assigned to them (FT relief or assign to a TSIF roster) the system will return a fix value of 8h00
- ☐ For SDTC, any full-time operator with an Extra-Board status not on TBS or TBV position or assign to a SSIC or SPAS position, the system will return a fix value of 8h00.
- ☐ For SDTC, any part-time operator assign to a SSIC or SPAS position, the system will return a fix value of 0h00.
- ☐ For SDTI, any part-time operator without any work assigned to them (PT relief or assign to a TSIF roster) the system will return a fix value of 0h00
- ☐ For SDTC and SDTI, the remaining full-time operators and part-time operators, the system will return the total amount of planned work with overtime, guarantee and spread time that the operator is in title to according to the planned work the operator bid during the division shakeup or during the weekly shakeup process.

When the operator is partially absent all day with one of the following absence types FMLO, FNBN, FCHN, FSPN, FPAN, FMLU then the system must return in payroll code 500, the absence duration and in code 001 the total amount of working time performed. No guarantee (002) or spread allowance bonus (006) will be paid in this case.

Cost evaluation: 3000.00US

Issue #33: Adjustment to payroll codes 500, 413 and 414

Currently the AltClerk activity is computed towards the code 001, 002, 004 and 006. A modification is needed so that the AltClerk activity is no longer computed towards those payroll codes but only in the new payroll code 043. The payroll code 043 should compute the total duration of Alternate clerk activity an operator work in a day of operation. Spread, overtime and guarantee allowance are no longer calculated when a driver does this kind of activity in a day.

This modification would apply for both agencies.

Cost evaluation: 1000.00US

Issue #34: TBS Holiday Assignment should show extra board availability:

A modification is needed in order for the TBS replacement operator to keep their holiday assignment that they bided during the division shakeup process. This modification is only needed for SDTC agency.

Cost evaluation: 2000.00US

Wish list Items Issue #2: Validation of Activity and Absences used per agencies

New workday validations attributes will be created in order to validate the activities and absences types defined per each agency. These validations message will appear when loading daily schedules or when creating improper activity pieces or when assigning an improper absence types to the operator. Instructions on which attributes to change will be provided to each agency, when new activities or absences types are defined.

Cost evaluation: 2000.00US

Project planning

Work would start in Montréal after receiving your formal order in the form of a Purchase Order. The project will require the customization of the application's code in SANDAG's *HASTUS* version, testing, and delivery. It is estimated that a maximum period of four to six weeks (excluding the period of December 21st 2007 to January 4th 2008) will be required to complete the project after formal approval is received.

Cost

The total cost of this project for all modifications enumerated below is set to 9,000US. If you prefer removing some let us know when you send us the PO.

Conditions

This proposal is for a fixed cost contract. Costs are expressed in US dollars, and exclude any applicable taxes or duties, for which SANDAG would be responsible. Implementation of the proposed customizations will have no impact on the cost of the Maintenance and Support Contract. The proposed schedule of payments is the following:

- 50% at time of formal order, and
- 50% upon acceptance.

This proposal is valid for 90 days. Please let us know when you wish to start these customizations. We are looking forward to working with you and your team on these customizations to your current *HASTUS* installation.

Yours truly,



Liette Belliveau
Project Manager

CC : M. Dan Trent – SDTC
M Daniel Bossert – MTS
Mrs. Chiachi Chen – Sandag
M. Walter Clark – SDTI



Check all that apply: ☒ local ☐ state ☐ federal

SOLE SOURCE APPROVAL

(Required for all purchases exceeding \$2,500)

Project Manager: D. Bossert Agency: ☒ MTS ☐ SDTC ☐ SDTI Date: 12/14/2007

Contractor/Consultant/Vendor: Giro INC.

Address: 75 Rue du Port-Royal East STE 500 Telephone: 8009007547

Project Number: 50-902-53910 Contract Amount: \$ 9000.00

Project Description: Software Modifications for Payroll Processing on HASTUS DDAM and new PR system

☐ Attach Procurement Initiation Form (PIF) if Purchase Exceeds \$100,000 (\$50,000 Public Works)

JUSTIFICATION FOR AWARD OF SOLE SOURCE CONTRACT*:

- ☐ **EMERGENCY** — There is an urgent need for the service due to an emergency that will not permit a delay resulting from a competitive procurement (*requires detailed explanation, please attach as a separate sheet*)
- ☐ Staff solicited competitive bids and was unable to obtain a responsive bidder
- ☐ The grantor agency providing funds has approved sole source
- ☒ The service is only available from a single source
- ☐ The item is a capital maintenance item directly procured from the original manufacturer and that supplier is the only source for such item

ADDITIONAL JUSTIFICATIONS FOR AWARD OF SOLE SOURCE CONTRACT (W/NO FEDERAL FUNDING)*

- ☒ Only one (1) Contractor/Consultant/Vendor who can provide unique/highly specialized item/ service
- ☐ Economy or efficiency supports award to existing contractor/consultant as a logical follow-on to work already in progress under a competitively awarded contract
- ☐ Cost to prepare for a competitive procurement exceeds the cost of the work or item
- ☐ The item is an integral repair part or accessory compatible with existing equipment
- ☒ The item or service is essential in maintaining research or operational continuity
- ☐ The item/service is one with which staff members who will use the item/service have specialized training and/or expertise and retraining would incur substantial cost in time and/or money

* DETAILED EXPLANATION (Use a separate sheet if necessary):

☒ Approved/☐ Disapproved by: [Signature]

Manager of Procurement

Date: 12-17-07

☐ Approved/☐ Disapproved by: _____

General Council

Date: _____

☐ Approved/☐ Disapproved by: _____

Chief Executive Officer

Date: _____

Comments: _____

DRAFT

July 1, 2008

MTS Doc. No. G0856.10-03
CIP 10940

Mr. Daniel Dubuc
Administration Director
GIRO, Inc.
75 Rue du Port-Royal East, Suite 500
Montreal (Quebec)
CANADA H3L 3T1

Dear Mr. Dubuc:

Subject: AMENDMENT NO. 10 TO MTS DOC. NO. G0856.0-03; HASTUS MAINTENANCE AND
SUPPORT CONTRACT – JULY 1, 2008, THROUGH JUNE 30 2009

This shall serve as Amendment No. 10 to MTS Doc. No. G0856.0-03 to include the maintenance and support contract for semiannual fees of \$118,069.00 US. The shared maintenance cost is based on MTS Doc. No. G0856.0-03 between North County Transit District (NCTD) and MTS, and costs will be split for the annual support based on the break out below.

	PHASE 1 - SCHEDULING	PHASE 2 - BID	PHASE 5 - ATP	PHASE 3 - DDAM
MTS	\$46,404.00	\$2,360.00	\$1,628.00	\$44,440
NCTD	\$ 11,992.00	\$1,116.00	\$ 1,129.00	
MTS	\$9,000.00 for ten development days			

SCHEDULE

This Amendment shall remain in effect from July 1, 2008, through June 30, 2009.

SCOPE OF SERVICES

No changes to the Scope of Services. Provide ten additional development days determined by MTS.

PAYMENT

Payment shall be based on actual costs not to exceed the original maintenance support contract amount of \$118,069 without prior written approval from MTS. The total value of this contract, including all amendments, shall not exceed \$2,210,714.00 US.

All previous conditions remain in effect. If you agree with the above, please sign below and return the document marked "original" to Melissa Fernandez, Contracts Specialist, at MTS. Retain the other copy for your records.

Sincerely,

Accepted:

Paul C. Jablonski
Chief Executive Officer

Daniel Dubuc
GIRO, Inc.

JAN17-08.9.AttG.G0856.10-03.GIRO.DBOSSERT.doc

Date: _____

cc: Ron Howard – NCTD

2008 HASTUS Maintenance Contract Cost Breakdown

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Phase 6 - Bid Display	N/A	SDTC	-	-	-
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7/1/2008 - 6/30/2009					
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PEAK VEHICLE COUNTS BY AGENCY

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Peak Vehicle Total	672		

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Phase 5			
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MTS (SDTC)	199	0.5905	
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Peak Vehicle Total	337		

Peak Vehicle Count as of September 2007			
Agency	Veh	Provided by	
SDTC	199	Devin Braun/Steve Tomkiel	
MCS / CVT / NCT	242	Devin Braun	
SDTI	93	Wally Clack	
NCTD	138	Bryan Killian	
Peak Vehicle Total	672		

HASTUS
MAINTENANCE AND SUPPORT CONTRACT
(Reference number: 395-2)

ENTERED INTO BETWEEN:

GIRO INC./LE GROUPE EN INFORMATIQUE ET RECHERCHE OPÉRATIONNELLE, having its principal place of business at 75, Port-Royal Street East, Suite 500, in the city of Montreal, Province of Quebec, Canada, H3L 3T1.

(hereinafter referred to as "GIRO")

AND:

METROPOLITAN TRANSIT DEVELOPMENT BOARD, having its principal place of business at 1255 Imperial Avenue, Suite 1000, in the city of San Diego, California, USA 92101-7490.

(hereinafter referred to as the "Client")

FOR:

The software *HASTUS-Vehicle*, *HASTUS-Crew*, *CrewOpt*, *Minbus*, *HASTUS-Roster*, *Geo*, *Bid*, *RosterPlus*, *HASTUS-DDAM*, and *HASTUS-ATP* version 2003 (hereinafter referred to as "Software") used by the Client for the operation of a maximum of seven hundred (700) vehicles during the peak hour.

Starting on July 1, 2008 for successive periods of one year each.

1. SERVICES PROVIDED

GIRO will provide the Client with the following services beginning on the Commencement Date of this Agreement specified above and conditionally on payment of annual charges for support and maintenance as defined in Section 2.

1.1 GIRO will assign, in a maximum delay of 24 hours, an employee to correct a Software defect, once the Client has provided GIRO with a detailed description of the said defect. For the purposes of this Agreement, a defect is considered to exist when the Software does not perform according to the description given in the appropriate version of the Detailed Design Specifications documents, User Guide, and online help and when the said defect affects the performance of the Software. Correction of any problems due to one or several of the following causes is excluded from this Agreement: an accident, a disaster, faulty use of Software, additions and/or modifications which are made to the Software by other than GIRO's personnel except if these additions and/or modifications have been done with prior approval by GIRO, a change to an unsupported version of the operating system or database management system, and failure to supply the necessary facilities for correct operation of the Software.

In case of accident, disaster or faulty use of Software by the Client, at Client's request, GIRO will provide the necessary support to correct the problems. Such support will be charged to the Client by GIRO in addition to this Agreement at then-current rates for GIRO personnel.

1.2 Electronic mail and telephone support are available from Monday to Friday inclusively from 9 a.m. to 5 p.m. (Eastern Standard Time) excluding Québec public holidays.

1.3 When the *Geo* module is included in the Software, the support required to assist in one annual conversion of the geographical data is included. However, any Software modification required for the data conversion is not covered by this Agreement and the additional costs will be invoiced.

1.4 GIRO will provide the Client with a bank of ten (10) person-days of GIRO staff time. This time can be used to perform tests on system operation, to make minor modifications to the Software, to train personnel on the Client's premises, and to approve additions and/or modifications made by the Client. The use of these ten (10) staff days is determined by the Client. Non-used days can be accumulated and used in subsequent years as long as this Agreement is renewed by the Client without interruption. The time needed by GIRO personnel to perform modifications requested by the Client under this Agreement and that are not defects as defined in the present Agreement will be deducted from this bank. If the ten (10) days allotted have been completely used, the time necessary to perform any work requested by the Client under this Agreement except for work required for defects as defined in this Agreement, will be charged to the Client by GIRO according to current rates for GIRO personnel.

1.5 Availability for the Client, without additional license fees, of all additions and improvements made to the Software by GIRO for other customers, excluding new

GIRO	Client
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modules or new products. These improvements or additions to the Software could be a new report, a new command or a new function. If requested by the Client, they can be adapted and/or installed by GIRO on the Client's version of the Software without any additional license fees related to their purchase. New versions of the Software up to release 2004 are also available without additional license fees. Charges relative to the installation of these additions, improvements or new version by GIRO, if applicable, will be payable by the Client and invoiced separately. Any charges relative to third party software licenses are also payable by the Client.

1.6 A 20% discount on the license fee is accorded to the Client when a new module of *HASTUS* is added to *HASTUS-Vehicle* and *HASTUS-Crew*. This discount is valid only if the Client has maintained a Maintenance and Support Contract without interruption since the initial installation of the Software.

2. TERMS AND CONDITIONS

2.1 For services specified in Section 1, the Client will pay GIRO a fee of \$118,069 US. The total amount is payable upon receipt of an invoice from GIRO when the Agreement comes into effect. Amounts due for renewal will be invoiced by GIRO each year on the anniversary of the original Agreement.

2.2 The annual fee includes the following direct expenses: telephone charges, fax and courier incurred by GIRO during the provision of the services specified in this Agreement. Travel and living expenses that may be incurred are not included, unless required to repair a defect in the Software that cannot be corrected otherwise.

2.3 The present Agreement is automatically renewed for successive periods of one year each.

2.4 The Client may cancel the present Agreement by notifying GIRO in writing two (2) months before the renewal date of the present Agreement.

2.5 GIRO will notify the Client of any increases to the price of the Support and Maintenance Contract at least three (3) months before the annual renewal date.

2.6 All charges quoted or understood in the present Agreement will be increased as necessary to reflect any applicable taxes in vigor at the time that the monies become due.

2.7 The Client will supply GIRO with a method to access the installed Software remotely for maintenance and support purposes.

2.8 GIRO undertakes not to reveal any of the Client's confidential information acquired during product installation and support activities without the express authorization of the Client.

The Client acknowledges that he has read this Agreement, understood it, and has agreed to be bound by its terms and conditions. Further, he agrees that it is the complete and exclusive statement of the Agreement between the parties and that it supersedes all proposals or prior Agreements, oral or written, and all other communications between the parties relating to its subject matter.

At _____, this ____ day of _____.

GIRO INC./LE GROUPE EN INFORMATIQUE ET RECHERCHE OPÉRATIONNELLE

Per:

Name: Daniel Dubuc

Title: Administration Director

Signature: _____

Duly authorized, as he so declares.

At _____, this ____ day of _____.

METROPOLITAN TRANSIT DEVELOPMENT BOARD

Per:

Name: _____

Title: _____

Signature: _____

Duly authorized, as he/she so declares.

GIRO	Client
------	--------



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466 FAX 619.234.3407

Agenda

Item No. 10

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

LEG 491 (PC 50633)

January 17, 2008

SUBJECT:

MTS: INCREASED AUTHORIZATION FOR LEGAL SERVICES

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to enter into contract amendments with the law firm of Hanson Bridgett Marcus Vlahos & Rudy, LLP (MTS Doc. No. G1066.2-07) for legal services (in substantially the same form as Attachment A) and ratify prior amendments entered into under the CEO's authority.

Budget Impact

Not to exceed \$65,000 for The Law Offices of Hanson Bridgett Marcus Vlahos & Rudy, LLP. Recommended amounts are contained within the FY 2008 budget.

DISCUSSION:

On January 18, 2007, the Board approved a list of qualified attorneys for general liability and workers' compensation for use by MTS, San Diego Trolley, Inc. (SDTI), and San Diego Transit Corporation (SDTC) (hereinafter referred to as the Agencies) staffs on an as-needed basis. Thereafter, MTS began to contract with approved attorneys for various amounts depending upon current and anticipated needs.

Pursuant to Board Policy No. 52 (Procurement of Goods and Services), the CEO may enter into contracts with service providers for up to \$100,000. The Board must approve all agreements in excess of \$100,000. Attorney David Miller has a complex case specifically involving the Old Town Station matter, and the total cost of legal services will exceed the CEO's \$100,000 authority.



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

The Law Offices of Hanson Bridgett Marcus Vlahos & Rudy, LLP are currently under contract with the Agencies for \$100,000. Mr. Miller has successfully assisted and continues to assist MTS and SDTI in complex legal services involving rail. Invoices for current services recently received exceed the current contract authority due to related reimbursable disbursements.

The CEO has approved contracts up to the \$100,000 authority level. Board ratification of the prior contracts/amendments is also requested.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: James Dow, 619.557.4562, jim.dow@sdmts.com

JAN18-08.LEGAL SVCS.JDOW.doc

Attachment: A. Draft MTS Doc. No. G1066.2-07

DRAFT

January 17, 2008

MTS Doc. No. G1066.2-07
LEG 491 (PC 50633)

Mr. David Miller
Hanson Bridgett Marcus Vlahos & Rudy, LLP
425 Market Street, 26th Floor
San Francisco, CA 94105

Dear Mr. Miller:

Subject: AMENDMENT NO. 2 TO MTS DOC. NO. G1066.0-07: LEGAL SERVICES – RAIL, TAXICAB,
DEVELOPMENT, CONSTRUCTION LIABILITY

This letter will serve as Amendment No. 2 to MTS Doc. No. G1066.0-07. This contract amendment authorizes additional costs not to exceed \$65,000 for professional services. The total value of this contract, including this amendment, is \$165,000. Additional authorization is contingent upon MTS approval.

If you agree with the above, please sign below and return the document marked "original" to Melissa Fernandez, Contracts Administrator at MTS. The other copy is for your records.

Sincerely,

Accepted:

Paul C. Jablonski
Chief Executive Officer

David Miller
Hanson Bridgett Marcus Vlahos & Rudy, LLP

JAN17-08.10.LEGAL SVCS.AttA.JDOW.doc

Date: _____



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
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Agenda

Item No. 30

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

ADM 110.2

January 17, 2008

SUBJECT:

MTS: PROPOSED AMENDMENTS TO BOARD POLICY NO. 22 (RULES OF
PROCEDURE FOR THE METROPOLITAN TRANSIT SYSTEM [MTS])

RECOMMENDATION:

That the Board provide direction to staff and/or approve the proposed revisions
(Attachment A) to Board Policy No. 22.

Budget Impact

None.

DISCUSSION:

At the November 8, 2007, Chairman Mathis directed staff to prepare an agenda item
regarding MTS Board Policy No. 22 and the composition of the Executive Committee.
Currently the Executive Committee is comprised of the following voting members:

1 member from the City of San Diego	Toni Atkins
1 member from the East County Cities	Ernie Ewin
1 member from the South Bay Cities	Jerry Rindone
1 member from the County of San Diego	Ron Roberts
The Chairman of the MTS Board	Harry Mathis

There are also up to two additional nonvoting members:

The San Diego Association of Governments (SANDAG) Transportation Committee representative	Bob Emery
The Vice Chairman if he is not already sitting as a voting member	Currently Vacant



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc.,
in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company.
MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway,
City of San Diego, City of Santee, and the County of San Diego.

The distinction between voting and nonvoting membership is immaterial in most respects except when the Executive Committee convenes in closed session. Under the rules of the Ralph M. Brown Act, only voting members and key staff are authorized to participate in closed session. The California Attorney General's Office has issued two opinions on who may participate in closed sessions of a local public agency. The first opinion discussed whether the mayor of a charter city may participate in the closed session of a city's redevelopment agency where the members of the redevelopment agency are appointed by the city; i.e., the city council does not sit as the redevelopment agency [Opinion 00-506, October 3, 2000]. The second opinion discussed whether an alternate board member can participate in closed session when not serving in the place of a regular member [Opinion 98-1011, March 4, 1999].

Both opinions recognize that the presence of these members in closed session would be beneficial to the individual agencies but conclude that allowing those individuals to participate in closed session would violate the Brown Act (Cal. Gov't Code §54956.8). Both opinions specify that closed sessions may only involve the membership of the body in question plus any additional support staff which may be required; i.e., attorney required to provide legal advice; supervisor required for disciplinary proceeding; labor negotiator required for consultation. The opinions indicate that persons without an official role in the meeting, even if they are elected officials (such as the mayor), should not be present.

Staff is seeking direction from the Board on whether to consider modifying the composition of the Executive Committee to allow up to all seven members to participate in closed session. This would involve making both the Transportation Committee representative and the Vice Chairman voting members if they are not already sitting as a voting member of the committee.

Proposed language is included in Attachment A starting on page 8.

With respect to the issue of Executive Committee alternates, Councilmember Monroe raised the issue of whether the Executive Committee member's personal representative should serve as the alternate if the member is unable to make a meeting or whether there should be an alternate at large that sits for any committee member who is unable to make the meeting. The current language is located in paragraph 22.8.3 on page 8. Staff is seeking direction from the Board on whether to modify the existing language.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Tiffany Lorenzen, 619.557.4512, Tiffany.Lorenzen@sdmts.com

JAN17-08.30.POLICY 22.TLOREN.doc

Attachment: A. Proposed Revisions to Policy No. 22



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Att. A, AI 30, 1/17/08

Policies and Procedures

No. 22

Board Approval: ~~7/19/07~~ 1/17/08

SUBJECT:

RULES OF PROCEDURE FOR THE METROPOLITAN TRANSIT SYSTEM (MTS)

PURPOSE:

To define and clarify Board Rules of Procedure and incorporate them in Board Policy.

BACKGROUND:

In 1977, the Board adopted Rules of Procedure by resolution and from time to time amendments have been adopted. The Rules shall be contained in Board Policy for ease of reference and periodic updating.

22.1 Membership and Organization

- 22.1.1 Membership in this Board is established by Division 11, Chapter 1, Section 120050 through 120051.6 of the California Public Utilities Code.
- 22.1.2 The Board consists of 15 members selected as follows:
 - a. One member of the County of San Diego Board of Supervisors appointed by the Board of Supervisors.
 - b. Four members of the City Council of the City of San Diego, one of whom may be the mayor, appointed by the City Council.
 - c. One member of each city council appointed individually by the City Councils of the Cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, and Santee.



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

- d. One person, a resident of San Diego County, elected by a two-thirds vote of the Board, a quorum being present, who shall serve as chairperson of the Board.
- 22.1.3 Any person who is a member of the Board may be appointed by his or her appointing authority to continue to serve as a member of the Board after the termination of his or her term of office for a period not to exceed four years after the date of termination of his or her term of elected office.
- 22.1.4 Alternate members of the Board shall be appointed as follows:
- a. The County of San Diego Board of Supervisors shall appoint any other county supervisor who qualifies for appointment to serve as an alternate member.
 - b. The City Council of the City of San Diego shall appoint a member of the City Council not already appointed to serve as an alternate member.
 - c. The City Councils of the Cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, and Santee shall each individually appoint a member of their respective city councils not already appointed to serve as an alternate member.
- 22.1.5 This Board shall exercise all powers authorized by the laws of the State of California.
- 22.1.6 Only the duly selected official representative, or in his or her absence his or her duly selected alternate, shall be entitled to represent a member agency in the deliberations of the Board.
- 22.1.7 Names of the official representatives and alternates shall be communicated in writing to the Board by each participating member agency and shall thereafter be annually communicated or reaffirmed prior to the February meeting of the Board and at such other times as changes in representation are made by member agencies.
- 22.1.8 The Board shall have the authority to appoint committees or subcommittees and may provide for the appointment of alternates to these committees or subcommittees.
- 22.1.9 Standing committees shall be appointed by the Board as may be required to carry out general and continuing functions and shall be abolished only upon specific action by the Board.
- 22.1.10 Ad hoc specialized subcommittees may be appointed by the Board as the need arises to accomplish specific tasks. Upon

completion of its assignment, each ad hoc subcommittee shall disband.

- 22.1.11 Board members serving on such subcommittees shall be compensated as provided by Board ordinance. The Chief Executive Officer is authorized to enter into agreements to compensate individuals who were Board members at the time of their appointments to such subcommittees and who continue to serve on such subcommittees after their terms of office as Board members, subject to the same limitations as exist for compensation of Board members, and subject to replacement by the Board.

22.2 Meetings

- 22.2.1 On or before the first regular meeting of the Board in December of each year, the Board shall adopt a schedule of its meetings by date, time, and location for the coming year. The Board shall conduct at least one regular meeting in each of the subsequent twelve months. The schedule of the meetings shall be published in the local newspaper of general circulation prior to the next regular meeting.
- 22.2.2 The Board may, when necessary, change the time and place of regular meetings. Notice of such change shall be posted pursuant to the Ralph M. Brown Act.
- 22.2.3 The Clerk of the Board shall forward written notice of the annual schedule of regular meetings and any changes thereto stating the dates, times, and locations to each member's agency and to the respective members and alternates of the Board and the standing committees.
- 22.2.4 Special meetings may be called and noticed under the provisions of the Ralph M. Brown Act as applicable and, specifically, Section 54956 of the California Government Code. The call and notice shall be posted in an area accessible to the public at least 24 hours prior to the meeting.

Special meetings normally shall be called by a majority of the Board or Executive Committee only upon a finding that extraordinary circumstances require Board action prior to the next scheduled Board meeting, such as to discuss a work stoppage or significant litigation, or that a special meeting is necessary to hold a workshop, a joint meeting with another agency, or for other special purposes at a future date beyond the next Board meeting. The Chair may call such meetings only when such extraordinary circumstances arise after the last Board or Executive Committee meeting and Board action is required prior to the next regularly scheduled Board or Executive Committee meeting.

- 22.2.5 A majority of the members of the Board shall constitute a quorum for the transaction of business, and all official acts of the Board shall require the affirmative vote of a majority of the members of the Board.
- 22.2.6 Parliamentary procedure at all meetings shall be governed by Robert's Rules of Order Newly Revised except as otherwise modified herein.
- 22.2.7 Prior to each regular meeting, the Clerk of the Board shall forward a copy of the agenda to each member in accordance with the schedule adopted by the Board. The agendas shall also be mailed to each person or entity previously requesting such in writing. The Clerk shall post the agenda in an area accessible to the public at least 72 hours before the meeting in accordance with the Ralph M. Brown Act. Agenda materials shall be available as public record in accordance with the Ralph M. Brown Act and, specifically, Section 54957.5 of the California Government Code.
- 22.2.8 The Board may take action on items of business not appearing on the posted agenda in accordance with the Ralph M. Brown Act.
- 22.2.9 Requests for Board action may be initiated by any member of the Board or any staff officer.
- 22.2.10 Communication requests may be initiated by an individual and submitted to the Clerk by letter or on forms provided by the Clerk and must state the subject matter and the action which the writer wishes the Board to take. The Clerk shall review all communication requests so received and shall list them on the Board's docket under those items which the Clerk deems to be proper areas of discussion or action by the Board. When a Communications item is listed on the docket, it is not debatable and must be referred to an appropriate committee, other public agency, or to staff to prepare a report or response.
- 22.2.11 Any permanent rule of the Board as set forth herein and unless otherwise established by law may be suspended temporarily by a two-thirds vote of the members present.
- 22.3 Amendments
- 22.3.1 The Board shall be responsible for making all amendments to these rules.
- 22.3.2 Proposed amendments may be originated by the Board, or any member of such, or by the Chief Executive Officer.
- 22.3.3 Each proposed amendment shall be considered by the Board and a copy thereof forwarded by the Clerk of the Board to the official representative of each member agency.

22.4 Ordinances

- 22.4.1** Every ordinance shall be signed by the Chairman of the Board and attested by the Clerk of the Board.
- 22.4.2** On the passage of all ordinances, the votes of the several members of the Board shall be entered on the minutes.
- 22.4.3** Ordinances shall not be passed within five days of their introduction nor at other than a regular meeting or at an adjourned regular meeting. However, an urgency ordinance may be passed immediately upon introduction either at a regular or special meeting. Except when, after reading the title, further reading is waived by regular motion adopted by unanimous vote of the Board members present, all ordinances shall be read in full either at the time of introduction or passage. When ordinances, other than urgency ordinances, are altered after introduction, they shall be passed only at a regular or at an adjourned regular meeting held at least five days after alteration. Corrections of typographical or clerical errors are not alterations within the meaning of this section.
- 22.4.4** The Clerk of the Board shall cause a proposed ordinance or proposed amendment to an ordinance, and any ordinance adopted by the Board, to be published at least once, in a newspaper of general circulation published and circulated in the Board's area of jurisdiction.
- 22.4.5** The publication of an ordinance, as required by subdivision, may be satisfied by either of the following actions:
- a.** The Board may publish a summary of a proposed ordinance or proposed amendment to an ordinance. The summary shall be prepared by the Clerk of the Board and General Counsel. The summary shall be published and a certified copy of the full text of the proposed ordinance or proposed amendment shall be posted in the office of the Clerk of the Board at least five (5) days prior to the Board meeting at which the proposed ordinance or amendment is to be adopted. Within 15 days after adoption of the ordinance or amendment, the Board shall publish a summary of the ordinance or amendment with the names of those Board members voting for and against the ordinance or amendment, and the Clerk of the Board shall post in the office of the clerk a certified copy of the full text of the adopted ordinance or amendment along with the names of those Board members voting for and against the ordinance or amendment.

- b. If the person designated by the Board determines that it is not feasible to prepare a fair and adequate summary of the proposed ordinance or amendment, and if the Board so orders, a display advertisement of at least one-quarter of a page in a newspaper of general circulation in the Board's area of jurisdiction shall be published at least five (5) days prior to the Board meeting at which the proposed ordinance or amendment is to be adopted. Within 15 days after adoption of the ordinance or amendment, a display advertisement of at least one-quarter of a page shall be published. The advertisement shall indicate the general nature of, and provide information regarding, the adopted ordinance or amendment, including information sufficient to enable the public to obtain copy of the complete text of the ordinance or amendment and the name of those Board members voting for and against the ordinance amendment.

22.4.6 Ordinances shall take effect thirty days after their final passage. An ordinance takes effect immediately, if it is an ordinance for the immediate preservation of the public peace, health, or safety, containing a declaration of the facts constituting the urgency and is passed by a four-fifths vote of the Board.

22.5 Public Comment

22.5.1 At a public hearing of the Board, persons wishing to provide comment and testimony shall be permitted to address the Board after submitting a written request to speak to the Clerk identifying the person and the subject agenda item. The Chairman may limit the time for each presentation and may permit additional time to speakers representing a group of individuals or organizations to avoid duplicative testimony. Ordinarily, each speaker will be allowed no more than three minutes.

22.5.2 Persons wishing to comment on agenda items other than a public hearing must submit a written request to speak in advance to the Clerk identifying the person and the subject agenda item. Comments must be limited to issues relevant to the particular agenda item. The Chairman may limit the time for each presentation and may permit additional time to speakers representing a group of individuals or organizations to avoid duplicative testimony. Ordinarily, each speaker will be allowed no more than three minutes.

22.5.3 Public comment on matters not on the agenda will be permitted on items of interest to the public that are within the subject matter jurisdiction of the Board. Persons wishing to comment must submit a written request in advance to the Clerk identifying the person and subject matter. The Chairman may limit the time for each speaker. Ordinarily, each speaker will be allowed no more than three minutes.

22.6 Chairperson

Prior to the expiration of a Chairperson's term, the Executive Committee shall make a recommendation to the Board on whether to reelect the current Chairperson. In the event that the Board does not reelect a chairperson, or in the event of a vacancy in the position of Chairperson, the Executive Committee shall create an ad hoc nominating committee that shall, by whatever means it deems appropriate, recommend to the Board a candidate or candidates for the position of Chairperson. The Board shall then vote to elect a Chairperson.

22.7 Election of Board Officers and Appointments to Committees

- 22.7.1** On or before the Board's first meeting in November, the Board shall appoint less than a quorum of members to an Ad Hoc Nominating Committee. The Ad Hoc Nominating Committee shall review the list of MTS committees and make recommendations to the Board with respect to the appointment of members of the Board to serve on each committee.
- 22.7.2** The Ad Hoc Nominating Committee shall also review the list of outside boards and/or committees and make recommendations to the Board with respect to the appointment of members of the Board to represent MTS on each outside board or committee, except for the Board representative appointed to the San Diego Association of Governments (SANDAG) Transportation Committee, which shall be appointed by the Executive Committee.
- 22.7.3** The Ad Hoc Nominating Committee shall also make a recommendation to the Board with respect to the appointment of the Vice Chairman and the Chair Pro Tem and any other board officers.
- 22.7.4** The Ad Hoc Nominating Committee shall forward its recommendations for appointments of officers and committee members on or before the first Board meeting in January.
- 22.7.5** At its first meeting in January, the Board shall elect a Vice Chairman and a Chair Pro Tem from amongst its members. The Vice Chairman shall preside in the absence of the Chairman. In the event of the absence or inability to act by the Chairman and Vice Chairman, the Chair Pro Tem shall preside.
- 22.7.6** The Board shall then vote on the recommendations made by the Ad Hoc Nominating Committee with respect to all other committee appointments.
- 22.7.7** In the event that a Board member vacates his or her position on the Board, at the next meeting, the Chairperson shall take nominations from the floor to fill any opening in any Committee positions vacated by that Board member.

22.8 Executive Committee

22.8.1 The Executive Committee of the Board shall consist of the Chairman, the Vice Chairman (if he or she is not already a voting member) a member from the County of San Diego, a member from the City of San Diego, the Transportation Committee Representative (if he or she is not already a voting member), one member who represents the cities of Chula Vista, National City, Coronado, and Imperial Beach (the "South Bay representative"), and one member who represents the cities of Lemon Grove, La Mesa, El Cajon, Poway, and Santee (the "East County representative"). The South Bay representative and the East County representative shall serve as members of the Executive Committee for a term of two years each. The terms of these two members shall be staggered so as to avoid replacement of both members at the same time.

22.8.2 The East County and South Bay representatives shall serve in the following order:

East County: El Cajon, La Mesa, Lemon Grove, Santee, Poway—each serving a two year term.

South Bay: Chula Vista, Coronado, Imperial Beach, National City—each serving a two year term; however, the representative must have been the primary Board member for two years in order to serve as the Executive Committee representative. In the event that the South Bay representative has not been the primary Board member for two years, the rotation schedule shall be adjusted so that the next city in the rotation serves as the representative, and the city whose member has not yet served two years as the primary Board member would serve the term immediately thereafter; i.e., if Imperial Beach lacked two years of experience, National City would serve first, then Imperial Beach and then the rotation would continue on as set forth above. The requirement for two years of service as the primary Board member shall only apply to the South Bay representative.

After each member has served as either the East County or South Bay representative, the rotation schedule shall repeat.

22.8.3 The alternates to the Executive Committee members shall be the alternate appointed by the particular city or agency to serve as the alternate for the Board. The second alternate at large shall be the Vice Chairman. Alternates shall be appointed for a term of two years or such lesser term as necessary to coincide with the term of the member for whom the alternate is appointed.

22.8.4 The Vice Chairman shall attend each Executive Committee meeting as a ~~non~~voting member. The Vice Chairman shall serve as the alternate to the Chairman in his or her absence ~~and as a~~

~~second alternate at large for any of the Executive Committee representatives and shall be a voting member when serving in this capacity. The Vice Chairman shall be entitled to compensation for attendance at all Executive Committee meetings whether serving as a voting or nonvoting member. The Chair Pro Tem may also serve as an alternate at large for any of the Executive Committee representatives if necessary for the Executive Committee to establish or maintain a quorum at any meeting. The Chair Pro Tem shall be a voting member when serving in this capacity. The Chair Pro Tem shall be entitled to compensation when serving in this capacity.~~

22.8.5 On or before its first meeting in January, the Executive Committee shall appoint one of its members to serve as the representative and one of its members to serve as the alternate to the San Diego Association of Governments (SANDAG) Transportation Committee to serve for a term of one year. In the event that the Executive Committee feels a member of the Board who does not serve on the Executive Committee is their preferred representative or alternate for the SANDAG Transportation Committee, the Executive Committee shall have the ability to select the representative or alternate from the full Board. In that instance, the SANDAG Transportation Committee representative, or the alternate in his or her absence, shall attend the Executive Committee meetings as a nonvoting member. ~~The SANDAG Transportation Committee representative, or the alternate in his or her absence, shall be entitled to compensation for attendance at all Executive Committee meetings.~~

22.8.6 The primary purposes of the Executive Committee shall be to review and recommend consent items for the agenda of the next MTS Board of Directors meeting; add or delete items as appropriate; and provide input and direction on emerging policies, plans, and issues, in advance, for Board consideration. The Executive Committee shall have the authority to create ad hoc subcommittees for purposes of carrying out its duties and responsibilities.

22.8.7 Three members shall constitute a quorum of the Executive Committee, and a majority vote of the members present shall be required to approve any item. In the absence of a quorum, the Chairman may review and recommend consent items for the agenda, establish the order of items, and add or delete items.

22.8.8 The Executive Committee shall adopt operating procedures as are necessary for the conduct of its business.

22.9 Audit Oversight Committee

22.9.1 The Audit Oversight Committee shall be comprised of the same members that make up the Executive Committee. The Chairman

of the Audit Oversight Committee shall be appointed from amongst its members at the first meeting held during each calendar year. The Chairman of the Audit Oversight Committee shall be another member other than the member who serves as the Executive Committee Chairman. Additional members of the MTS Board may be appointed on an annual basis at the first MTS Board meeting in January at the discretion of the MTS Board. The Board may appoint individuals who are not members of the Board to serve as non-voting advisory members to the Audit Oversight Committee.

22.9.2 No additional compensation shall be paid to the members of the Audit Oversight Committee unless a meeting takes place on a day other than a regularly scheduled MTS Board meeting or MTS Executive Committee meeting. Compensation shall be paid to any additional members of the MTS Board who are appointed to serve on the Audit Oversight Committee meeting. No compensation shall be paid to any non-voting advisory member appointed by the MTS Board.

22.9.3 The primary duties and responsibilities of the Audit Oversight Committee shall be to ensure that management is maintaining a comprehensive framework of internal control, to ensure that management's financial reporting practices are assessed objectively, and to determine to its own satisfaction that the financial statements are properly audited and that any problems disclosed in the course of the audit are properly resolved.

22.9.4 The tasks to be performed by the Audit Oversight Committee shall be as follows:

- a. Review the appropriate scope of the annual independent audit and any other audit the committee feels is appropriate.
- b. Review the appropriate scope of nonaudit services to be performed by the independent auditor.
- c. Oversee the procurement of outside auditor services with final approval by the Board.
- d. Review and oversee the preparation of annual financial statements, the annual financial reporting process, internal controls, and independent auditors using an appropriate degree of professional skepticism.
- e. Assess the performance of any independent auditors.
- f. Provide a forum for MTS internal auditors to report findings.

- g. Provide at least an annual written and oral report to the Board on how the committee discharged its duties and responsibilities.
- h. Establish a procedure for receipt, retention, and treatment of complaints regarding accounting, internal controls, or auditing matters.

22.9.5

The annual scheduled functions to be performed by the Audit Oversight Committee shall be as follows:

- a. In June of each year or as soon as reasonably practicable, review the independent audit engagement letter.
- b. In March or April of each year or as soon as reasonably practicable, establish a plan for review of the audits with independent auditor.
- c. In September of each year or as soon as reasonably practicable, receive report on the status of any audit(s).
- d. In October of each year or as soon as reasonably practicable, receive a report on the preliminary audit findings.
- e. In December of each year or as soon as reasonably practicable, receive a report and provide feedback on financial and compliance statements to Board, and provide the annual report to the Board on the committee's activities.
- f. In March of each year or as soon as reasonably practicable, review the management letter and management's response to the letter.

22.9.6

On a periodic basis the Audit Oversight Committee shall perform the following functions:

- a. Establish procedure for handling complaints.
- b. Receive reports from MTS internal auditor.
- c. Report to Board in addition to annual report.
- d. Review the appropriate scope of any nonaudit services recommended for performance by the independent auditor.
- e. Review the procurement of independent auditor services and make a recommendation to the Board.

- f. Request procurement of outside independent advisor(s) with Board concurrence.
- g. Meet with the independent auditor without MTS management present.

22.9.7

At a minimum, the Audit Oversight Committee shall ask the following questions of MTS Staff, the Internal Auditor and/or the independent auditors:

- a. What is the name of the audit firm performing the audit, and how long has such firm been under contract to perform such audits?
- b. Was the audit performed in accordance with generally accepted auditing standards (AICPA GAAS standards) or generally accepted government-auditing standards (GAO GAGAS)? If not, why?
- c. Has the independent auditor(s) prepared an unqualified opinion regarding the financial statements? If not, what type of opinion was issued and why?
- d. Was the audit performed independently? The Audit Oversight Committee should ask how the audit firm maintained its independence during the course of the audit.
- e. The Audit Oversight Committee should have the independent auditor(s) describe, in general, the audit procedures performed.
- f. The Audit Oversight Committee should have the independent auditor(s) discuss whether any new accounting principles were adopted, whether any changes were made, or whether the independent auditor(s) recommends any changes in the accounting policies used or their application. In particular, the relevant issue is whether the audit applied best or merely permissible principles.
- g. The Audit Oversight Committee should have the independent auditor(s) describe any significant accounting adjustments affecting the financial statements (prior year as well as current year).
- h. Did the independent auditor(s) encounter any difficulties in dealing with management in performing the audit, including whether there were any disagreements with management regarding any accruals, estimates, reserves,

or accounting principles? Did the independent auditor(s) have the full cooperation of MTS management and staff?

- i. The Audit Oversight Committee should ask the audit firm about the quality of the component unit's accounting, internal controls, and the competency of staff. Did the independent auditor(s) issue a management letter? What nonmaterial weaknesses or reportable conditions has the independent auditor(s) noted?
- j. Were there any accounting issues on which the audit firm sought the advice of other audit firms or regulatory bodies?
- k. The Audit Oversight Committee should ask the audit firm whether there are new pronouncements and/or areas of potential financial risk affecting future financial statements of which the Audit Oversight Committee should be aware.

- 22.9.8 Three members shall constitute a quorum of the Audit Oversight Committee, and a majority vote of the members present shall be required to approve any item. In the absence of a quorum, the Chairman may review and recommend consent items for the agenda, establish the order of items, and add or delete items.
- 22.9.9 The Audit Oversight Committee shall adopt operating procedures as are necessary for the conduct of its business.

22.10 Board Member Standards of Conduct

- 22.10.1 The purpose of this policy is to emphasize that each Board member occupies a position of public trust that demands the highest moral and ethical standard of conduct.
- 22.10.2 This policy shall be supplemental and in addition to the Conflict of Interest Code of the Board and is not intended to supersede such Code or any provisions thereof.
- 22.10.3 Board members shall not engage in any business or transaction or have a financial or other personal interest, actual, potential, or apparent, which is incompatible with the proper discharge of his or her official duties or would tend to impair his or her independence of judgment or action in the performance of such duties. Such business, transaction, or interest shall constitute a conflict of interest.
- 22.10.4 No Board member shall engage in any enterprise or activity that shall result in any of the following:
 - a. Using the prestige or influence of the Board office for private gain or advantage of the member or another person.

- b. Using time, facilities, equipment, or supplies of the Board for the private gain or advantage of the member or another person.
- c. Using official information not available to the general public for private gain or advantage of the member or another person.
- d. Receiving or accepting money or other consideration from anyone other than the Board for the performance of acts done in the regular course of duty.
- e. Receiving or accepting, directly or indirectly, any gift or favor from any one doing business with the Board under circumstances from which it could reasonably be inferred that such was intended to influence such person in such person's duties or as a reward for official action.
- f. Soliciting any gift or favor in such person's official capacity, either directly or indirectly, when such solicitation might reasonably be inferred as to have a potential effect on such person's duties or decision, or when the individual's position as a Board member would in any way influence the decision of the person being solicited.
- g. Engaging in or accepting private employment or rendering services for private interest, direct or indirect, which may conflict with such person's responsibility or duty, or which, because of that person's position, may influence a decision to the benefit of the organization in which such person has an interest.

22.10.5 If a Board member has an actual, potential, or apparent conflict of interest in the subject of an agenda item, and the Board will make a decision regarding this agenda item during an open session meeting, the Board member must recuse himself or herself or, in the case of uncertainty, request a binding determination from the Board's General Counsel. If the Board member has a conflict, he or she may observe, but not participate, in the decision-making process.

22.10.6 If a Board member has an actual, potential, or apparent conflict of interest in the subject of an agenda item to be discussed during a closed session meeting, the Board member shall be disqualified and not present during such discussion so as not to make, participate in making, or in any way attempt to use his or her official position to influence the discussion or decision. In such case, the Board member must recuse himself or herself or, in the case of uncertainty, request a binding determination from the Board's General Counsel. In accordance with the Brown Act, the

Board member would be entitled to any information that is publicly reported. The Board member would not, however, be privy to any confidential or privileged information or communications pertaining to the closed session agenda item.

- 22.10.7 No Board member shall disclose to any person, other than members of the Board and other Board staff designated to handle such confidential matters, the content or substance of any information presented or discussed during a closed session meeting unless the Board authorizes such disclosure by the affirmative vote by a majority of the Board.
- 22.10.8 No Board member may disclose confidential or privileged information or communications to any person other than a Board member, General Counsel to the Board, or other Board staff designated to handle such matters, unless disclosure is mandated by law or the Board authorizes such disclosure by the affirmative vote of a majority of the Board.
- 22.10.9 A Board member shall not be privy to confidential or privileged information or communications concerning threatened, anticipated, or actual litigation affecting the Board where the Board member has an actual, potential, or apparent conflict of interest. In the case of uncertainty as to whether a conflict of interest exists, the Board's General Counsel shall issue a binding determination.
- 22.10.10 No Board member shall represent a position on an issue to be the Board's unless the Board has formally adopted such position at a public meeting.
- 22.10.11 Any violation of this policy shall constitute official misconduct if determined by an affirmative vote of the majority of the Board in an open and public meeting. The Board may elect to censure the Board member and the violation may be subject to criminal and/or civil penalties as provided for by applicable law.

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Original Policy approved on 4/5/84.

Policy revised on 1/12/84.

Policy revised on 7/11/85.

Policy revised on 1/8/87.

Policy revised on 1/11/90.

Policy revised on 8/23/90.

Policy revised on 1/10/91.

Policy revised on 3/24/94.

Policy revised on 1/14/99.

Policy revised on 6/14/01.

Policy revised on 1/10/02.

Policy revised on 1/24/02.

Policy revised on 5/8/03.

Policy revised 2/26/04.

Policy revised 1/12/06.

Policy revised 3/9/06.

Policy revised 3/23/06.

Policy revised 6/14/07.

Policy revised 7/19/07.

Policy revised 1/17/08.



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Agenda

Item No. 31

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

SANDAG CIP 10415
MTS 11181, 11238, 11239

January 17, 2008

SUBJECT:

MTS: BUS PROCUREMENT

RECOMMENDATION:

That the Board of Directors:

1. authorize the Chief Executive Officer (CEO) to execute a contract (MTS Doc. No. G1101.0-07 in substantially the same format as Attachment A) with New Flyer of America, Inc. for the purchase of 35-foot and 40-foot low-floor transit buses for a five-year period contingent upon the successful completion of the federally required preaward audit; and
2. authorize the CEO to purchase the initial order of up to fifty 40-foot buses and twelve 35-foot buses contingent upon receipt of funding from the San Diego Association of Governments (SANDAG) for Super Loop vehicle acquisitions. Any subsequent order placed by means of this contract will be subject to Board authorization on a case-by-case basis.

Budget Impact

Included in this award will be the authorization to place the initial order for contract year one for fifty 40-foot standard compressed natural gas (CNG) low-floor transit buses at \$21,431,940.65, and twelve 35-foot gasoline/electric hybrid low-floor transit buses at \$7,194,718.06. The above pricing includes disabled access equipment, delivery, training and materials, tools and diagnostic equipment, and California sales tax. The total cost of this initial order, not including vehicle license and registration, is \$28,626,658.72. Funding for 35-foot vehicles is allocated under SANDAG Fiscal Year



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

2008 and 2009 Capital Improvement Program (CIP) No. 1041502 (Super Loop) in the amount of \$8.56 million. Initial order funding totaling \$21.46 million is allocated in the MTS Fiscal Years 2007 and 2008 CIP Nos. 11181, 11238, and 11239.

Executive Committee Recommendation

At its meeting on January 10, 2008, the Executive Committee recommending forwarding this item to the Board of Directors for approval.

DISCUSSION:

On May 22, 2007, MTS issued a Request for Proposals (RFP) to purchase (through a negotiated procurement process) a minimum of ten and a maximum of twenty 35-foot "Super Loop" buses on behalf of SANDAG and a minimum of 60 and a maximum of 350 40-foot buses for MTS over a five-year period. (MTS also negotiated additional options to purchase buses above these amounts and to purchase 40-foot buses with a gasoline/hybrid electric power plant, if it is determined in future years to be in MTS's best interest). This type of procurement was done to eliminate the need to conduct two separate procurements and to encourage more manufacturers to participate in the 35-foot bus solicitation. For the first time, staff used the negotiated "best value" process to purchase buses.

Proposers were allowed to submit offers for one or both types of buses. MTS also allowed offers to be submitted on alternative body styles and propulsion systems. This was done to stimulate creativity and competition. It also provided MTS a strong platform to evaluate different solutions and determine which could best meet the agency's primary objectives.

Proposers were asked to submit pricing that would be held firm for the first year of the contract. The pricing for contract years two through five was subject to adjustment using the Producer Price Index for Truck and Bus Bodies #1413. A four percent cap was established for any one-year period. If funding allows, MTS intends to place its second order for ten 40-foot gasoline/electric hybrid buses before the year one pricing expires.

The RFP's primary evaluation criteria in the order of importance were as follows:

- Price
- Lead Time and Delivery Schedule
- Technical Requirements, Qualifications and Resources, and Management Plan
- Training

On August 24, 2007, MTS received four proposals from the following manufacturers: North American Bus Industries (NABI), New Flyer of America (New Flyer), DesignLine International Holdings (DLI), and DaimlerChrysler Commercial Bus North America (DCCBNA).

The MTS Evaluation Panel (Panel) reviewed all four submittals and requested supplemental information. The Panel then interviewed and had discussions with all four proposers. After the interviews, the Panel requested proposers to revise their proposals

in consideration of our discussions and changes made by MTS to the technical requirements. All "Revised Proposals" were found responsive, and the Panel again reviewed all the information received, including price.

On November 15, 2007, the Panel completed the initial evaluation of all four proposals and developed a competitive range based upon a consideration of the procurement objectives, the evaluation criteria contained in the RFP, and a consideration of both technical and price factors. The DLI and DCCBNA proposals were not included in the competitive range and were no longer considered by the Panel for selection.

On December 11, 2007, MTS received Best and Final Offers (BAFOs) from NABI and New Flyer (Attachment B). The Panel met on December 14, 2007, to review the BAFOs, and the overall finding was that the proposal and BAFO submitted by New Flyer represented the best value to MTS based on the procurement objectives, the evaluation criteria contained in the RFP, and a consideration of both technical and price factors.

Staff is recommending contract award (in substantially the same format as Attachment A) to New Flyer because its offer was found to be the most advantageous and of the greatest value to the Agency.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contacts: Claire Spielberg, (619) 238-0100 ext. 6400, claire.spielberg@sdmts.com
Mike Ceragioli, (619) 238-0100 ext. 6493, mike.ceragioli@sdmts.com

JAN17-08.31.BUS PROCUREMENT.MCERAGIOLI.doc

Attachments: A. Draft Contract with New Flyer (MTS Doc. No. G1101.0-07)
B. BAFO Pricing Summary

STANDARD PROCUREMENT AGREEMENT

DRAFT

G1101.0-07
 CONTRACT NUMBER
 SANDAG CIP 10415
 MTS CIPs 11181, 11238, 11239
 FILE NUMBER (S)

THIS AGREEMENT is entered into this ____ day of ____ 2008, in the state of California by and between the Metropolitan Transit System (MTS), and the following contractor, hereinafter referred to as "Contractor":

Name: New Flyer of America, Inc.Address: 711 Kernsghan Avenue

Form of Business: Corporation
 (Corporation, partnership, sole proprietor, etc.)

Winnipeg, Manitoba R2C 3T4 CanadaTelephone: 204.224.1251

Authorized person to sign contracts: John Marinucci Chief Executive Officer
 Name Title

The attached Standard Conditions are part of this agreement. The Contractor agrees to furnish to MTS services and materials, as follows:

Provide 35' and 40' low-floor transit buses for a five-year period to the Metropolitan Transit System delivered to 100 16th Street, San Diego, CA, 92101, based upon MTS's RFP No. G1101.0-07, Addendum Nos. 1 through 7, MTS's Responses to Questions and Clarifications, and in accordance with MTS's Standard Procurement Agreement, including the Standard Conditions Procurement, Federal Requirements, New Flyer's original proposal dated August 23, 2007, and New Flyer's Best and Final Offer (BAFO). If there are any inconsistencies between MTS's RFP (Doc. No. G1101.0-07), including Addendums No's 1 through 7 and MTS's Responses to Questions and Clarifications, Standard Procurement Agreement, Standard Conditions Procurement, or Federal Requirements, the following order of precedence will govern the interpretation of this contract: (1) MTS's RFP No. G1101.0-07 for 35' and 40' low-floor transit buses, including Addendum Nos. 1 through 7 and MTS's Responses to Questions and Clarifications, New Flyer's Proposal and BAFO and (2) Standard Procurement Agreement, including Standard Conditions Procurement and Federal Requirements. MTS's initial order will be for 50 each 40' standard CNG buses and 12 each 35' gasoline/electric hybrid buses. The total cost of the initial order, not including licensing and registration, shall not exceed \$28,626,658.72. Subsequent orders placed via this contract shall be placed by MTS as needed and are subject to Board approval and audits.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CONTRACTOR AUTHORIZATION
By: <u>Chief Executive Officer</u>	Firm: _____
Approved as to form:	By: _____ Signature
By: <u>Office of General Counsel</u>	Title: _____

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$ 7,194,718.06	SANDAG CIP 1041502	FY 08, 09
\$ 21,431,940.65	MTS CIP 11181, 11238, 11239	FY 07, 08

By: Cliff Telfer, Interim Chief Financial Officer

JAN10-08.C2.BUS PROCUREMENT.AttA.G1159.0-08.MCERAGIOLI.doc

Date
A-1

BAFO PRICING SUMMARY

MTS RFP No. G1101.0-07

Att. B, AI 31, 1/17/08

Contract Year - One (Initial Order) and Contract Year - Two (Anticipated Order)

40' STANDARD CNG (Initial Order Contract Year One - 50 Buses)

	DESCRIPTION	NABI - 40LFW Standard CNG	New Flyer - C40LF Standard CNG
1	Unit Price:	\$ 368,902.00	\$ 374,254.00
2	Warranty per Bus:	\$ 6,389.00	\$ 5,300.00
3	Handicap Equipment per Bus:	\$ 15,915.00	\$ 12,683.00
4	Delivery per Bus:	\$ 5,016.00	\$ 4,463.00
5	Sub-Total per Individual Bus w/o Taxes:	\$ 396,222.00	\$ 396,700.00
6	Grand Total for 50 Buses Contract Year One :	\$ 19,811,100.00	\$ 19,835,000.00
7	Training:	\$ 75,336.00	\$ 53,081.00
8	Training Materials:	\$ 42,678.00	\$ 9,914.00
9	Spare Engine (N/A):	\$ -	\$ -
10	Tools:	\$ 53,412.00	\$ 57,917.00
11	Sub-Total:	\$ 19,982,526.00	\$ 19,955,912.00
12	CA Sales Tax Line Items #1 and #2 x 50 Buses:	\$ 1,454,252.63	\$ 1,470,771.75
13	CA Sales Taxes Lines #8, #9, #10:	\$ 7,446.98	\$ 5,256.90
14	Grand Total:	\$ 21,444,225.60	\$ 21,431,940.65

35' GASOLINE HYBRID (Initial Order Contract Year One - 12 Buses)

	DESCRIPTION	NABI 35LFW Gasoline Hybrid w/ Ultra Caps	New Flyer GE35 LFR w/Ultra Caps
1	Unit Price:	\$ 524,849.00	\$ 527,143.00
2	Warranty per Bus:	\$ 7,389.00	\$ 5,300.00
3	Handicap Equipment per Bus:	\$ 15,929.00	\$ 12,683.00
4	Delivery per Bus:	\$ 2,714.00	\$ 4,064.00
5	Sub-Total per Individual Bus w/o Taxes:	\$ 550,881.00	\$ 549,190.00
6	Grand Total for 12 Buses Contract Year one:	\$ 6,610,572.00	\$ 6,590,280.00
7	Training:	\$ 115,544.00	\$ 63,732.00
8	Training Materials:	\$ 6,203.00	\$ 10,859.00
9	Spare Engine (N/A):	\$ -	\$ -
10	Tools:	\$ 42,710.00	\$ 31,400.00
11	Sub-Total:	\$ 6,775,029.00	\$ 6,696,271.00
12	CA Sales Tax Line Items #1 and #2 x 12 Buses:	\$ 494,981.34	\$ 495,171.99
13	CA Sales Taxes Lines #8, #9, #10:	\$ 3,790.76	\$ 3,275.07
14	Grand Total:	\$ 7,273,801.10	\$ 7,194,718.06

DESCRIPTION	NABI	NEW FLYER
Total Contract Year One (Initial Order): (50) each 40' Standard CNG and (12) each 35' Gasoline Hybrids	\$ 28,718,026.70	\$ 28,626,658.72

Most Favorable Overall Pricing Including All Deliverables

BAFO PRICING SUMMARY

MTS RFP No. G1101.0-07

Contract Year - One (Initial Order) and Contract Year - Two (Anticipated Order)

40' GASOLINE HYBRID (Anticipated Order Contract Year Two - 10 Buses)

DESCRIPTION	NABI 40LFW Gasoline Hybrid w/ Ultra Caps	New Flyer GE40 LF w/Ultra Caps
1 Unit Price:	\$ 496,221.00	\$ 492,928.00
2 Warranty per Bus:	\$ 7,289.00	\$ 5,300.00
3 Handicap Equipment per Bus:	\$ 15,915.00	\$ 12,683.00
4 Delivery per Bus:	\$ 2,714.00	\$ 4,064.00
5 Sub-Total per Individual Bus w/o Taxes:	\$ 522,139.00	\$ 514,975.00
6 Grand Total for 10 Buses Contract Year Two:	\$ 5,221,390.00	\$ 5,149,750.00
7 Training:	\$ 115,544.00	\$ 63,732.00
8 Training Materials:	\$ 41,300.00	\$ 13,914.00
9 Spare Engine (N/A):	\$ -	\$ -
10 Tools:	\$ 46,078.00	\$ 58,439.00
11 Sub-Total:	\$ 5,424,312.00	\$ 5,285,835.00
12 CA Sales Tax Line Items #1 and #2 x 12 Buses:	\$ 390,220.25	\$ 386,126.70
13 CA Sales Taxes Lines #8, #9, #10:	\$ 6,771.80	\$ 5,607.36
14 Grand Total:	\$ 5,821,304.05	\$ 5,677,569.06

DESCRIPTION	NABI	NEW FLYER
Total Contract Year Two (Anticipated Subsequent Order): (10) each 40' Gasoline Hybrids	\$ 5,821,304.05	\$ 5,677,569.06

DESCRIPTION	NABI	NEW FLYER
Grand Total for Contract Years One and Two (Combined): (50) each 40' Standard CNG, (12) each 35' Gasoline Hybrids, and (10) each 40' Gasoline Hybrids	\$ 34,539,330.74	\$ 34,304,227.77

Most Favorable Overall Pricing Including All Deliverables



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Agenda

Item No. 32

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

FIN 310 (PC 50601)

January 17, 2008

SUBJECT:

MTS: FY 2007 FINAL BUDGET COMPARISON

RECOMMENDATION:

That the Board of Directors approve applying all of the excess of revenues over costs to the Contingency Reserve.

Budget Impact

FY 2007 finished \$5,112,000 positive to the amended budget for operations. The midyear amended budget contained an excess of revenues over expenses of \$2,194,000. The combination of these totals is \$7,306,000 (as shown on Attachment B-1).

Additionally during FY 2007, MTS recognized \$4,643,000 of prior years' subsidy revenue related to capital projects. These funds stem primarily from two series of transactions. The first is recognizing deferred revenue on completed projects under MTS's control. The second relates to MTS projects under the San Diego Association of Governments' (SANDAG's) control. These projects were completed or transferred to MTS and, in FY 2007, SANDAG has reconciled them and given MTS the net subsidy due.

MTS was notified late in the FY 2007 budget process (May 2007) of significant Transportation Development Act (TDA) and TransNet shortfalls from earlier FY 2007 and FY 2008 projections. As an interim step taken in June 2007, \$4,137,000 from contingency reserves was committed to balance the FY 2008 budget. Additionally \$2,141,000 related to the receipt of compressed natural gas (CNG) credits was committed in the development of the FY 2009 Capital Improvement Program (CIP).



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

DISCUSSION:

The Board of Directors received a draft Comprehensive Annual Financial Report (CAFR) at its December 13, 2007, meeting as a report. The final CAFR for MTS for FY 2007 is included as Attachment A.

With the completion of the FY 2007 CAFR, the FY 2007 budget with audited numbers is provided for review. Attachment B-1 summarizes the results with the variances to budget on a consolidated basis. Attachment B-2 summarizes operating subsidy by area. Attachment B-3 consolidates the operating areas directly managed by MTS (Bus Operations, Rail Operations, and Contracted Services). Attachments B-4 through B-9 provides details for the various areas within MTS.

Overall Results

As indicated within Attachment B-1, on a consolidated basis, MTS had an excess of revenues over expenses of \$7,306,000 for FY 2007 operations. The midyear amended budget called for \$2,194,000, and actual results produced an additional \$5,112,000 positive variance. As discussed above \$4,137,000 was committed to the FY 2008 budget as an interim solution funded by this positive variance. The larger items contributing to this positive variance were the receipt of CNG credits, savings from not concluding a labor contract, purchased transportation, and materials. Attachment B-10 contains the detailed reconciliation.

Below is a comparison of the results against the amended budget.

REVENUES

Fare Revenue

Combined fare revenue for FY 2007 was \$68,635,000 compared to the amended budget of \$68,566,000, representing a \$69,000 (0.1%) favorable variance. A \$530,000 favorable variance in bus operations was partially offset by a \$461,000 unfavorable variance in rail operations.

Other Operating Revenue

Other operating revenue was favorable to budget by \$598,000 primarily from interest earnings on unrestricted cash balances held. As the FY 2007 budget was being developed in the spring of FY 2006, MTS unrestricted cash balances were very low. This changed due to two factors: (1) MTS received significant state funding for future capital projects; and (2) after final acceptance as a grantee, MTS began receiving its federal funding on a timelier basis significantly increasing its unrestricted cash balances.

Subsidy Revenue

For FY 2007, subsidy revenue came in \$94,000 less than budgeted. A \$1.1 million unfavorable variance in TransNet funding was largely offset by favorable variances in Congestion Mitigation and Air Quality (CMAQ), Medi-Cal, and Department of Homeland Security (DHS) funding.

EXPENSES

Overall, expenses were \$232,863,000 compared to an amended budget of \$237,528,000 for a favorable variance of \$4,665,000. The larger variances were in transit operations funding, purchased transportation, materials, and energy (inclusive of CNG credits). Additionally MTS realized savings in personnel costs as the labor contract for the bus drivers union has not yet been finalized.

Savings realized in transit operations funding primarily relates to payments to Chula Vista and National City operations. These two operations are managed separately but fall within MTS's umbrella. MTS pays these agencies Transportation Development Act (TDA) funding at budgeted amounts during the year that are subsequently adjusted after completion of financial audits. Due to the timing of their audits, these adjustments occur in the next fiscal year. Of the \$923,000 total favorable variance for transit operations funding, the adjustments for Chula Vista Transit and National City Transit are \$713,000, and \$210,000, respectively.

Purchased transportation within MTS's contract services operation was \$47,107,000 compared to an amended budget of \$47,856,000 resulting in a favorable variance of \$749,000. This was primarily due to a lower-than-projected performance bonus payout as well as operating slightly fewer miles and hours of service.

Materials expenses were \$7,191,000 compared to an amended budget of \$7,630,000 for a favorable variance of \$439,000. The favorable variance was primarily in the light rail vehicle (LRV) maintenance as FY 2007 brought new management initiatives to this area.

Energy expenses were \$22,767,000 compared to an amended budget of \$25,083,000 for a favorable variance of \$2,316,000. \$2,141,000 of this savings relates to federal CNG fuel credits received for FY 2007. These fuel credits are part of federal legislation giving CNG users rebates. This program continues through 2009; however, Congress could change the program at any time. As part of the FY 2009 CIP, the MTS Board of Directors approved shifting the CNG rebates to the capital program.

CNG prices averaged \$1.225 per therm compared to the midyear budget rate of \$1.220 per therm. Diesel prices averaged \$2.363 per gallon compared to the midyear budget rate of \$2.27 per gallon.

Reserves

Attachment B-11 details MTS's contingency reserve. The ending June 30, 2006, reserve balance was \$16,413,000. During FY 2007, MTS made a change in an accounting principle related to moving to a single Enterprise fund, which is common for many transit agencies. The total of the effects of this change added \$1,786,000. This action, coupled with adding the excess revenues over expenses to the reserve, results in an ending balance of \$30,309,000.

The FY 2008 adopted operating budget committed \$4,137,000 from the contingency reserve. This was the interim step taken in June 2007 when MTS was notified of significant TDA and TransNet shortfalls from original projections.

Additionally \$2,141,000 related to the receipt of CNG credits was committed in the development of the FY 2009 CIP. These two commitments reduce the net contingency reserve balance available for use to \$24,031,000.

The other reserve balances are listed on Attachment B-12.

Staff Recommendation

In order to provide the Board the maximum flexibility to address challenges forthcoming in future budgets, it is staff's recommendation to:

- Commit \$7,467,000 from FY 2007 operations to the Contingency Reserve.
- Commit \$4,643,000 related to recognition of prior years' subsidy revenue funding for capital projects to the Contingency Reserve.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Tom Lynch, 619.557.4538, tom.lynch@sdmts.com

JAN17-08.32.FY 07 FINAL BUDGET COMPARE.TLYNCH.doc

- Attachments:
- A. FY 2007 Comprehensive Annual Financial Report (CAFR) – (Board Only due to volume; available on-line at http://www.sdmts.com/MTS/MTS_reports.asp)
 - B. FY 2007 Final Budget Comparison Schedules, Contingency Reserve Schedule, and Reserve Balances

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CONSOLIDATED MTS

FINAL YEAR END BUDGET COMPARISON

YEAR ENDING JUNE 30, 2007

(in \$000's)

	<u>ACTUAL</u>	<u>AMENDED BUDGET</u>	<u>VARIANCE</u>	<u>% VARIANCE</u>
Fare Revenue	\$ 68,635	\$ 68,566	\$ 69	0.1%
Other Revenue	4,412	3,814	598	15.7%
Total Operating Revenue	73,047	72,380	667	0.9%
Subsidy	150,167	150,260	(94)	-0.1%
Other Non Operating Income	16,956	17,082	(126)	-0.7%
Total Non Operating Revenue	167,123	167,343	(220)	-0.1%
Total Revenue	240,170	239,722	447	0.2%
Personnel	95,811	95,438	(373)	-0.4%
Services	15,523	15,513	(10)	-0.1%
Transit Funding Operations	5,438	6,361	923	14.5%
Purchased Transportation	47,107	47,856	749	1.6%
Materials	7,191	7,630	439	5.8%
Energy	22,767	25,083	2,316	9.2%
Risk Management	5,196	5,437	242	4.4%
General and Administrative	960	1,134	175	15.4%
Debt Service	32,886	32,942	56	0.2%
Vehicle/Facility Lease	215	363	148	40.7%
Overhead Allocation	(230)	(230)	0	0.0%
Total Costs	232,863	237,528	4,665	2.0%
Total Revenue Less Total Costs	\$ 7,306	\$ 2,194	\$ 5,112	233.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
NET SUBSIDY/OTHER REVENUES USED BY ENTITY
FINAL YEAR END BUDGET COMPARISON
YEAR ENDING JUNE 30, 2007

	(in \$000's)			
	<u>ACTUAL</u>	<u>AMENDED BUDGET</u>	<u>VARIANCE</u>	<u>VARIANCE</u>
<u>Operating Revenue</u>				
Internal Bus Operations	\$ 23,513	\$ 23,278	\$ 234	1.0%
Rail Operations	28,054	28,485	(431)	-1.5%
Contracted Bus Operations	19,001	18,509	491	2.7%
Administration inclusive of Debt Service	1,691	1,322	369	27.9%
Transit Funding Operations (Chula Vista/ National City)			0	-
Subtotal	72,259	71,595	664	0.9%
Taxicab Administration	710	685	25	3.6%
SD&AE	78	100	(22)	-22.1%
Total Operating Revenues	\$ 73,047	\$ 72,380	\$ 667	0.9%
<u>Expenses</u>				
Internal Bus Operations	\$ 77,774	\$ 79,531	\$ 1,757	2.2%
Rail Operations	55,658	55,756	97	0.2%
Contracted Bus Operations	57,287	59,020	1,733	2.9%
Administration inclusive of Debt Service	35,757	35,939	182	0.5%
Transit Funding Operations (Chula Vista/ National City)	5,438	6,361	923	14.5%
Subtotal	231,914	236,607	4,693	2.0%
Taxicab Administration	748	711	(36)	-5.1%
SD&AE	201	210	9	4.1%
Total Expenses	\$ 232,863	\$ 237,528	\$ 4,665	2.0%
<u>Net Subsidy/Non Operating Revenues Used</u>				
Internal Bus Operations	\$ 54,261	\$ 56,253	\$ 1,991	3.5%
Rail Operations	27,604	27,271	(334)	-1.2%
Contracted Bus Operations	38,286	40,511	2,225	5.5%
Administration inclusive of Debt Service	34,066	34,617	551	1.6%
Transit Funding Operations (Chula Vista/ National City)	5,438	6,361	923	14.5%
Subtotal	159,655	165,012	5,357	3.2%
Taxicab Administration	38	26	(11)	-43.5%
SD&AE	123	110	(13)	-12.2%
Total Net Subsidy/Non Operating Revenues Used	\$ 159,817	\$ 165,148	\$ 5,332	3.2%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CONSOLIDATED OPERATIONS

FINAL YEAR END BUDGET COMPARISON

YEAR ENDING JUNE 30, 2007

(in \$000's)

	ACTUAL	AMENDED BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 68,635	\$ 68,566	\$ 69	0.1%
Other Revenue	1,933	1,707	226	13.2%
Total Operating Revenue	70,568	70,273	295	0.4%
Subsidy	120,144	124,034	(3,890)	-3.1%
Other Non Operating Income	8	0	8	100.0%
Total Non Operating Revenue	120,152	124,034	(3,883)	-3.1%
Total Revenue	190,719	194,307	(3,588)	-1.8%
Personnel	85,358	85,347	(11)	0.0%
Services	12,680	12,494	(187)	-1.5%
Transit Funding Operations	0	0	0	-
Purchased Transportation	47,107	47,856	749	1.6%
Materials	7,186	7,589	403	5.3%
Energy	22,449	24,841	2,392	9.6%
Risk Management	4,630	4,668	38	0.8%
General and Administrative	359	381	22	5.8%
Debt Service	3,496	3,529	33	0.9%
Vehicle/Facility Lease	215	363	148	40.7%
Overhead Allocation	7,240	7,240	(0)	0.0%
Total Costs	190,719	194,307	3,588	1.8%
Total Revenue Less Total Costs	\$ 0	\$ (0)	\$ 0	-

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

INTERNAL BUS OPERATIONS

FINAL YEAR END BUDGET COMPARISON

YEAR ENDING JUNE 30, 2007

(in \$000's)

	ACTUAL	AMENDED BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 22,298	\$ 22,264	\$ 33	0.1%
Other Revenue	1,215	1,014	201	19.8%
Total Operating Revenue	23,513	23,278	234	1.0%
Subsidy	54,261	56,253	(1,991)	-3.5%
Other Non Operating Income		0	0	-
Total Non Operating Revenue	54,261	56,253	(1,991)	-3.5%
Total Revenue	77,774	79,531	(1,757)	-2.2%
Personnel	55,168	55,397	229	0.4%
Services	2,152	2,042	(110)	-5.4%
Transit Funding Operations			0	-
Purchased Transportation		0	0	-
Materials	4,399	4,425	25	0.6%
Energy	6,552	8,187	1,634	20.0%
Risk Management	2,211	2,146	(65)	-3.1%
General and Administrative	219	152	(67)	-44.0%
Debt Service	3,496	3,529	33	0.9%
Vehicle/Facility Lease		78	78	-
Overhead Allocation	3,576	3,576	(0)	0.0%
Total Costs	77,774	79,531	1,757	2.2%
Total Revenue Less Total Costs	\$ 0	\$ (0)	\$ 0	-

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RAIL OPERATIONS

FINAL YEAR END BUDGET COMPARISON

YEAR ENDING JUNE 30, 2007

(in \$000's)

	ACTUAL	AMENDED BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 27,402	\$ 27,863	\$ (461)	-1.7%
Other Revenue	652	622	30	4.9%
Total Operating Revenue	28,054	28,485	(431)	-1.5%
Subsidy	27,604	27,271	334	1.2%
Other Non Operating Income		0	0	-
Total Non Operating Revenue	27,604	27,271	334	1.2%
Total Revenue	55,658	55,756	(97)	-0.2%
Personnel	29,559	29,356	(202)	-0.7%
Services	8,569	8,406	(163)	-1.9%
Transit Funding Operations		0	0	-
Purchased Transportation		0	0	-
Materials	2,787	3,164	378	11.9%
Energy	9,185	9,088	(97)	-1.1%
Risk Management	2,419	2,523	104	4.1%
General and Administrative	135	213	78	36.7%
Debt Service		0	0	-
Vehicle/Facility Lease	93	93	(0)	0.0%
Overhead Allocation	2,912	2,912	(0)	0.0%
Total Costs	55,658	55,756	97	0.2%
Total Revenue Less Total Costs	\$ 0	\$ (0)	\$ 0	-

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CONTRACT SERVICES

FINAL YEAR END BUDGET COMPARISON

YEAR ENDING JUNE 30, 2007

(in \$000's)

	ACTUAL	AMENDED BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 18,935	\$ 18,438	\$ 497	2.7%
Other Revenue	66	71	(5)	-7.6%
Total Operating Revenue	19,001	18,509	491	2.7%
Subsidy	38,278	40,511	(2,232)	-5.5%
Other Non Operating Income	8	0	8	100.0%
Total Non Operating Revenue	38,286	40,511	(2,225)	-5.5%
Total Revenue	57,287	59,020	(1,733)	-2.9%
Personnel	631	593	(38)	-6.4%
Services	1,959	2,046	87	4.2%
Transit Funding Operations			0	-
Purchased Transportation	47,107	47,856	749	1.6%
Materials	0	0	0	-
Energy	6,711	7,566	855	11.3%
Risk Management	0	0	0	-
General and Administrative	5	15	11	70.0%
Debt Service		0	0	-
Vehicle/Facility Lease	122	191	69	36.4%
Overhead Allocation	752	752	(0)	0.0%
Total Costs	57,287	59,020	1,733	2.9%
Total Revenue Less Total Costs	\$ 0	\$ (0)	\$ 0	-146.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
ADMINISTRATION (GENERAL FUND) INCLUSIVE OF DEBT SERVICE
FINAL YEAR END BUDGET COMPARISON
YEAR ENDING JUNE 30, 2007

(in \$000's)

	<u>ACTUAL</u>	<u>AMENDED BUDGET</u>	<u>VARIANCE</u>	<u>% VARIANCE</u>
Fare Revenue	\$	\$ 0	\$	-
Other Revenue	1,691	1,322	369	27.9%
Total Operating Revenue	1,691	1,322	369	27.9%
Subsidy	30,023	26,226	3,796	14.5%
Other Non Operating Income	16,948	16,946	3	0.0%
Total Non Operating Revenue	46,971	43,172	3,799	8.8%
Total Revenue	48,662	44,494	4,168	9.4%
Personnel	9,945	9,581	(364)	-3.8%
Services	2,644	2,878	234	8.1%
Transit Funding Operations	5,438	6,361	923	14.5%
Purchased Transportation		0	0	-
Materials	3	5	1	31.2%
Energy	309	230	(79)	-34.5%
Risk Management	497	676	180	26.5%
General and Administrative	467	654	186	28.5%
Debt Service	29,390	29,414	24	0.1%
Vehicle/Facility Lease		0	0	-
Overhead Allocation	(7,498)	(7,498)	0	0.0%
Total Costs	41,195	42,300	1,105	2.6%
Total Revenue Less Total Costs	\$ 7,467	\$ 2,194	\$ 5,273	-240.3%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

TAXICAB ADMINISTRATION

FINAL YEAR END BUDGET COMPARISON

YEAR ENDING JUNE 30, 2007

(in \$000's)

	ACTUAL	AMENDED BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$	\$ 0	\$ 0	-
Other Revenue	710	685	25	3.6%
Total Operating Revenue	710	685	25	3.6%
Subsidy			0	-
Other Non Operating Income	0	26	(26)	-
Total Non Operating Revenue	0	26	(26)	-
Total Revenue	710	711	(1)	-0.2%
Personnel	464	446	(18)	-4.0%
Services	138	88	(50)	-56.5%
Transit Funding Operations			0	-
Purchased Transportation		0	0	-
Materials	2	37	35	93.4%
Energy	10	12	3	21.8%
Risk Management			0	-
General and Administrative	106	99	(6)	-6.4%
Debt Service			0	-
Vehicle/Facility Lease		0	0	-
Overhead Allocation	28	28	0	0.0%
Total Costs	748	711	(36)	-5.1%
Total Revenue Less Total Costs	\$ (38)	\$ 0	\$ (38)	100.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

SD&AE

FINAL YEAR END BUDGET COMPARISON

YEAR ENDING JUNE 30, 2007

(in \$000's)

	ACTUAL	AMENDED BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$	\$ 0	\$ 0	-
Other Revenue	78	100	(22)	-22.1%
Total Operating Revenue	78	100	(22)	-22.1%
Subsidy			0	-
Other Non Operating Income		110	(110)	-
Total Non Operating Revenue	0	110	(110)	-
Total Revenue	78	210	(132)	-62.9%
Personnel	44	64	20	30.7%
Services	61	53	(8)	-14.2%
Transit Funding Operations			0	-
Purchased Transportation			0	-
Materials			0	-
Energy			0	-
Risk Management	69	93	24	25.6%
General and Administrative	27		(27)	100.0%
Debt Service			0	-
Vehicle/Facility Lease		0	0	-
Overhead Allocation			0	-
Total Costs	201	210	9	4.1%
Total Revenue Less Total Costs	\$ (123)	\$ 0	\$ (123)	100.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

Reconciliation of Major Differences to Budget

Year Ending June 30, 2007

(in \$000's)

Item	Budget Category Line	Amount	Explanation
Interest Income	Other Operating Revenue	719	Cash balances much higher than anticipated
Federal Revenue	Subsidy Revenue	400	Additional Homeland Security funding
TransNet revenue	Subsidy Revenue	(1,112)	Less funding received due to drop in sales tax receipts
CMAQ revenue	Subsidy Revenue	326	Costs can be charged at actual vs estimated in budget
MediCal revenue	Subsidy Revenue	164	Costs can be charged at actual vs estimated in budget
Chula Vista FY06 True up	Transit Funding Operations	713	Chula Vista's under budget in FY2006 paid less TDA in FY07
National City consolidation	Transit Funding Operations	210	TDA not paid as operations absorbed into contract services
Purchased transportation	Purchased transportation	749	Less Mileage; lower performance bonuses
LRV Materials	Materials	378	More aggressive management of LRV repair materials costs
CNG credits	Energy	2,141	Determined ability to positively collect after budget developed
Risk Management	Risk Management	242	Good claims experience
All other		182	
Variance to Budget		<u>5,112</u>	

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

Contingency Reserve

June 30, 2007

(in \$000's)

Balance, June 30, 2006		16,413
Change in Accounting principle - Move to Enterprise Accounting in FY2007		<u>1,786</u>
Adjusted Beginning Balance		18,199
Adjustments for receipt of prior years subsidy funding		4,643
FY 2007 MTS Operations	7,306	
Add back (deduct) Revenue over Expenses for entities with separate reserve balances		
Taxicab Administration	38	
SD&AE	<u>123</u>	
Subtotal, FY2007 changes		<u>7,467</u>
Balance, June 30, 2007		<u><u>30,309</u></u>
Committed in FY 2008 budget for FY 2008 operations		(4,137)
Committed in the FY 2009 CIP for capital projects		<u>(2,141)</u>
Net available for use at current time		<u><u>24,031</u></u>

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

Reserve Balances

June 30, 2007

(in \$000's)

Contingency	30,309
CCDC	928
Taxicab capital	11
Insurance	2,000
Billboard San Diego	224
Billboard Chula Vista	728
SD&AE	448
MTS JPA residual	497
Land management	405
	35,550



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San Diego, CA 92101-7490
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Agenda

Item No. 33

JOINT MEETING OF THE BOARD OF DIRECTORS

CIP 11210

for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

January 17, 2008

SUBJECT:

MTS: SDTI YARD FENCE PROJECT – CONTRACT AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1161.0-08 (in substantially the same format as Attachment A) with Select Electric, Inc. for trolley yard security upgrades under the SDTI Yard Fence Project contingent upon:

1. expiration of the two-week protest period (without receiving any protests), which ends January 21, 2008; and
2. receiving written notification from Transportation Security Administration (Department of Homeland Security) (TSA) confirming the extension of the grant period to June 30, 2008.

Budget Impact

The total contract cost of \$623,366.70, including additive Alternates B and D and a 15% contract contingency, would come from Capital Improvement Program (CIP) 11210 (SDTI Yard Fence) funded by a TSA grant.

DISCUSSION:

In its 2005 grant, the Department of Homeland Security (DHS) approved MTS's application for the SDTI Yard Fence Project, and the project was included in MTS's CIP. The grant deadline for completion of the project was December 31, 2007. When it became apparent that the project could not be completed by that time frame due to



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

design delays, MTS applied for a six-month grant extension. MTS has been informed that its extension request has been approved, and written confirmation is expected soon.

The project was advertised in four newspapers, including two Disadvantaged Business Enterprise publications in November 2007. Four bids were received on January 3, 2008 (Attachment B). The lowest responsive and responsible bid was submitted by Select Electric, Inc. of San Diego. A Notice of Intent to Award letter has been sent to all bidders. In accordance with MTS's policy, bidders have ten working days to file a protest. Contingent upon not receiving any protests, staff requests approval of the contract award to the lowest bidder, Select Electric, Inc., and approval of a contract contingency of 15%.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Russ Desai, 619.595.4908, Rushikesh.Desai@sdmts.com

JAN17-08.33.SDTI YARD FENCE PROJ.RDESAI.doc

Attachments: A. MTS Doc. No. G1161.0-08
B. Bid Summary

STANDARD CONSTRUCTION AGREEMENT

DRAFT

G1161.0-08
 CONTRACT NUMBER
 CIP 11210
 FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____, 2008, in the state of California by and between Metropolitan Transit System (MTS), and the following contractor, hereinafter referred to as "Contractor":

Name: _____ Address: _____

Form of Business _____
 (Corporation, partnership, sole proprietor, etc.) _____

Telephone: _____

Authorized person to sign contracts: _____
 Name Title

The attached Standard Conditions are part of this agreement. The Contractor agrees to furnish to MTS services and materials, as follows:

The work consists, in general, of removal and disposal of existing chain-link fencing, earth work, including trenching, backfilling and resurfacing, electrical and communications including installation of above-ground conduit, pull wire, power wire, and messenger wire, pull boxes and junction boxes, procurement and installation of utility poles, light fixtures, and transformers, power connections, grounding and bonding, access control and monitoring system, including door card key modification, high security ornamental fencing, cantilever gate, chain-link fencing with razor wire, automatic gate operator, removable bollards and retractable tire spike system, and procuring all materials and performing all other work necessary to complete the work in accordance with the Project CIP 11210 plans and Special Provisions.

THE TOTAL CONTRACT VALUE SHALL NOT EXCEED \$ 542,059.

METROPOLITAN TRANSIT SYSTEM		CONTRACTOR AUTHORIZATION	
By: _____ Chief Executive Director		Firm: _____	
Approved as to form:		By: _____ Signature	
By: _____ Office of General Counsel		Title: _____	
AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR	
\$542,059	CIP 11210	2008	

By: _____
 Director of Finance Date

(_____ total pages, each bearing contract number)



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BID SUMMARY

METROPOLITAN TRANSIT SYSTEM TROLLEY YARD SECURITY PROJECT
CIP 11210

Bids Due to MTS: January 3, 2008, at 2:30 p.m.

Totals

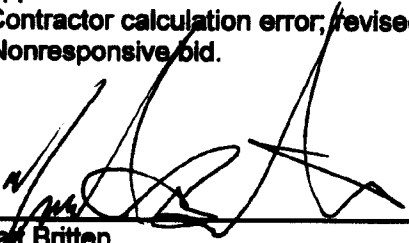
Select Electric, Inc.* P.O. Box 1457 Spring Valley, CA 91979	\$596,658.50 *
St. Thomas Enterprises, Inc. 3817 Palm Drive Bonita, CA 91902	\$799,963.71^
Start Electric 7925 Silverton Avenue, Suite 517 San Diego, CA 92126	\$887,716.00
Neal Electric 13250 Kirkham Way Poway, CA 92064	\$1,045,055.47^

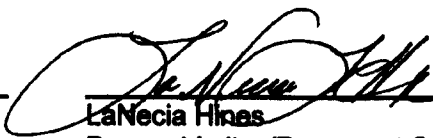
Engineer's Estimate: \$703,000.00

*Apparent low bid.

^Contractor calculation error, revised correct total shown.

#Nonresponsive bid.


Matt Britten
Bureau Veritas/Project Engineer


LaNecia Hines
Bureau Veritas/Document Specialist

LHines
BS-11210-MTS-TROLLEY YARD SECURITY.MBRITT
1/4/08

cc: MTS: Tiffany Lorenzen, Russ Desai, Marco Yniguez, Stephanie Murphy, Larry Savoy, Bill Burke

SANDAG: Jim Linthicum, John Haggerty, Bill Prey, Angel Morales, Brad Helgason, Matt Britten,
LaNecia Hines



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Agenda

Item No. 45

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

FIN 310 (PC 50601)

January 17, 2008

SUBJECT:

MTS: YEAR-TO-DATE OPERATIONS BUDGET STATUS REPORT THROUGH
NOVEMBER 2007

RECOMMENDATION:

That the Board of Directors receive the MTS Year-to-Date Operations Budget Status
Report through November 2007.

Budget Impact

None at this time.

DISCUSSION:

This report summarizes MTS's year-to-date operating results through November 2007. Attachment A-1 combines the operations, administration, and other activities results through November 2007. Attachment A-2 details the year-to-date November 2007 combined operations results, and Attachments A-3 to A-8 present budget comparisons for each MTS operation. Attachment A-9 details budget comparisons for MTS Administration, and Attachment A-10 provides year-to-date November 2007 results for MTS other activities (Taxicab/San Diego and Arizona Eastern [SD&AE] Railway Company).



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

MTS NET-OPERATING SUBSIDY RESULTS

As indicated within Attachment A-1, the year-to-date November 2007 MTS net-operating subsidy favorable variance totaled \$3,455,000 (6.4%). Operations produced a \$2,676,000 (5.0%) favorable variance, and the administrative/other activities areas were favorable by \$779,000.

MTS COMBINED RESULTS

Operating Revenues

Year-to-date combined operating revenues through November 2007 were \$35,275,000 compared to the year-to-date budget of \$33,547,000, representing a \$1,728,000 favorable variance. This is due to higher fare box passenger revenues within transit services (\$193,000) and rail operations (\$297,000). Consolidated other operating revenues were favorable by \$1,257,000 primarily due to higher-than-anticipated interest income revenue and advertising within MTS operating divisions than budgeted.

Expenses

Year-to-date combined expenses through November 2007 were \$86,011,000 compared to the year-to-date budget of \$87,738,000, resulting in a \$1,727,000 (2.0%) favorable variance.

Personnel Costs. Year-to-date personnel-related costs totaled \$40,301,000 compared to a year-to-date budgetary figure of \$40,958,000, producing a favorable variance of \$657,000 (1.6%). This is primarily due to favorable variances within workers; compensation, operator wages, and sick leave payoff within transit services.

Outside Services and Purchased Transportation. Total outside services year-to-date expenses totaled \$28,834,000 compared to a budget of \$29,788,000, resulting in a year-to-date favorable variance of \$955,000 (3.2%). This is primarily due to lower-than-expected operating expenses within purchased transportation for both fixed-route and paratransit.

Materials and Supplies. Total year-to-date materials and supplies expenses totaled \$3,132,000 compared to a budgetary figure of \$2,885,000, resulting in an unfavorable expense variance of \$247,000 (-8.5%). This is primarily due to more revenue vehicle parts within transit services needed than originally budgeted.

Energy – Year-to-Date November 2007. Total year-to-date energy costs were \$11,531,000 compared to the budget of \$11,636,000, resulting in a year-to-date favorable variance of \$105,000 (0.9%). Year-to-date compressed natural gas (CNG) prices averaged \$1.192 per therm compared to the budgetary rate of \$1.29 per therm, which produced a favorable variance of \$540,000. Year-to-date diesel prices averaged \$2.616 per gallon compared to a budgetary rate of \$2.62 per gallon. However, diesel has an unfavorable variance of \$270,000 due to more miles than budgeted run using this energy source. Year-to-date traction power, facility electricity, and other utilities

Risk Management. Total year-to-date expenses for risk management were \$1,714,000 compared to the year-to-date budget of \$1,909,000, resulting in a favorable variance totaling \$195,000 (10.2%). This is primarily due to favorable variances in liability claims payments within transit services.

General and Administrative. Year-to-date general and administrative costs, including vehicle and facilities leases, were \$63,000 (11.2%) under budget totaling \$498,000 through November 2007 compared to a year-to-date budget of \$561,000.

YEAR-TO-DATE SUMMARY

The November 2007 year-to-date net-operating subsidy totaled a favorable variance of \$3,455,000 (6.4%) and was produced by several factors. These factors include favorable variances in other revenue, personnel costs, purchased transportation, energy, and risk management partially offset by materials and supplies.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Larry Marinesi, 619.557.4542, Larry.Marinesi@sdmts.com

JAN17-08.45.NOV07 OPS BUDGET.JFITS..doc

Attachment: A. Comparison to Budget

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
MTS
CONSOLIDATED
COMPARISON TO BUDGET - FISCAL YEAR 2008
NOVEMBER 30, 2007
(in \$000's)

	YEAR TO DATE				% VARIANCE
	ACTUAL	BUDGET	VARIANCE		
Passenger Revenue	\$ 32,264	\$ 31,793	\$ 472		1.5%
Other Revenue	3,011	1,754	1,257		71.6%
Total Operating Revenue	\$ 35,275	\$ 33,547	\$ 1,728		5.2%
Personnel costs	\$ 40,301	\$ 40,958	\$ 657		1.6%
Outside services	28,834	29,788	955		3.2%
Transit operations funding	-	-	-		-
Materials and supplies	3,132	2,885	(247)		-8.5%
Energy	11,531	11,636	105		0.9%
Risk management	1,714	1,909	195		10.2%
General & administrative	374	379	5		1.3%
Vehicle/facility leases	124	182	58		31.7%
Amortization of net pension asset	-	-	-		-
Administrative Allocation	(0)	(0)	(0)		0.0%
Depreciation	-	-	-		-
Total Operating Expenses	\$ 86,011	\$ 87,738	\$ 1,727		2.0%
Operating income (loss)	\$ (50,735)	\$ (54,191)	\$ 3,455		6.4%
Total public support and nonoperating revenues	4,074	4,056	18		0.4%
Income (loss) before capital contributions	\$ (46,661)	\$ (50,134)	\$ 3,473		-6.9%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OPERATIONS

CONSOLIDATED OPERATIONS

COMPARISON TO BUDGET - FISCAL YEAR 2008

NOVEMBER 30, 2007

(in \$000's)

	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 32,264	\$ 31,793	\$ 472	1.5%
Other Revenue	913	613	300	49.0%
Total Operating Revenue	\$ 33,177	\$ 32,405	\$ 772	2.4%
Personnel costs	\$ 36,050	\$ 36,554	\$ 504	1.4%
Outside services	27,811	29,029	1,218	4.2%
Transit operations funding	-	-	-	-
Materials and supplies	3,132	2,875	(257)	-8.9%
Energy	11,369	11,481	112	1.0%
Risk management	1,503	1,715	213	12.4%
General & administrative	101	158	57	36.0%
Vehicle/facility leases	124	182	58	31.7%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	3,747	3,747	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 83,837	\$ 85,741	\$ 1,904	2.2%
Operating income (loss)	\$ (50,660)	\$ (53,336)	\$ 2,676	5.0%
Total public support and nonoperating revenues	1,386	1,366	20	1.5%
Income (loss) before capital contributions	\$ (49,274)	\$ (51,970)	\$ 2,696	-5.2%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
TRANSIT SERVICES (SAN DIEGO TRANSIT CORPORATION)
COMPARISON TO BUDGET - FISCAL YEAR 2008
NOVEMBER 30, 2007
(in \$000's)

	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 9,685	\$ 9,492	\$ 193	2.0%
Other Revenue	393	390	4	1.0%
Total Operating Revenue	\$ 10,079	\$ 9,882	\$ 197	2.0%
Personnel costs	\$ 22,817	\$ 23,286	\$ 469	2.0%
Outside services	751	925	175	18.9%
Transit operations funding	-	-	-	-
Materials and supplies	1,944	1,676	(269)	-16.0%
Energy	3,355	3,546	190	5.4%
Risk management	630	815	185	22.7%
General & administrative	62	75	14	18.3%
Vehicle/ facility leases	39	33	(6)	-18.3%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	1,813	1,813	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 31,411	\$ 32,169	\$ 758	2.4%
Operating income (loss)	\$ (21,332)	\$ (22,287)	\$ 955	4.3%
Total public support and nonoperating revenues	(1,441)	(1,461)	20	-1.4%
Income (loss) before capital contributions	\$ (22,773)	\$ (23,748)	\$ 975	-4.1%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
RAIL OPERATIONS (SAN DIEGO TROLLEY, INCORPORATED)
COMPARISON TO BUDGET - FISCAL YEAR 2008
NOVEMBER 30, 2007
(in \$000's)

	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 12,590	\$ 12,383	\$ 207	1.7%
Other Revenue	520	223	297	133.0%
Total Operating Revenue	\$ 13,109	\$ 12,606	\$ 503	4.0%
Personnel costs	\$ 12,767	\$ 12,741	\$ (26)	-0.2%
Outside services	3,694	3,572	(122)	-3.4%
Transit operations funding	-	-	-	-
Materials and supplies	1,188	1,197	9	0.8%
Energy	4,164	3,959	(205)	-5.2%
Risk management	872	900	28	3.1%
General & administrative	38	74	36	49.1%
Vehicle/ facility leases	33	35	2	4.9%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	1,465	1,465	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 24,221	\$ 23,944	\$ (277)	-1.2%
Operating income (loss)	\$ (11,112)	\$ (11,338)	\$ 226	2.0%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (11,112)	\$ (11,338)	\$ 226	-2.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
MULTIMODAL OPERATIONS (FIXED ROUTE)
COMPARISON TO BUDGET - FISCAL YEAR 2008
NOVEMBER 30, 2007
(in \$000's)

	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 8,027	\$ 8,037	\$ (10)	-0.1%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 8,027	\$ 8,037	\$ (10)	-0.1%
Personnel costs	\$ 114	\$ 166	\$ 51	30.8%
Outside services	16,640	17,249	610	3.5%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	2,841	2,966	125	4.2%
Risk management	-	-	-	-
General & administrative	1	4	3	65.8%
Vehicle/ facility leases	52	105	53	50.9%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	378	378	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 20,026	\$ 20,867	\$ 841	4.0%
Operating income (loss)	\$ (11,999)	\$ (12,831)	\$ 832	6.5%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (11,999)	\$ (12,831)	\$ 832	-6.5%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
MULTIMODAL OPERATIONS (PARATRANSIT)
COMPARISON TO BUDGET - FISCAL YEAR 2008
NOVEMBER 31, 2007
(in \$000's)

	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 726	\$ 676	\$ 50	7.5%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 726	\$ 676	\$ 50	7.5%
Personnel costs	\$ 85	\$ 100	\$ 14	14.2%
Outside services	4,264	4,657	393	8.4%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	741	587	(155)	-26.4%
Risk management	-	-	-	-
General & administrative	1	1	1	49.1%
Vehicle/ facility leases	-	9	9	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	16	16	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 5,107	\$ 5,369	\$ 262	4.9%
Operating income (loss)	\$ (4,381)	\$ (4,694)	\$ 312	6.7%
Total public support and nonoperating revenues	500	500	-	0.0%
Income (loss) before capital contributions	\$ (3,881)	\$ (4,194)	\$ 312	-7.5%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
CONSOLIDATED CHULA VISTA TRANSIT OPERATIONS
COMPARISON TO BUDGET - FISCAL YEAR 2008
NOVEMBER 30, 2007
(in \$000's)

	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 1,236	\$ 1,205	\$ 31	2.6%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 1,236	\$ 1,205	\$ 31	2.6%
Personnel costs	\$ 256	\$ 252	\$ (4)	-1.7%
Outside services	2,377	2,559	182	7.1%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	258	415	157	37.8%
Risk management	-	-	-	-
General & administrative	0	4	4	99.7%
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	75	75	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 2,966	\$ 3,305	\$ 339	10.3%
Operating income (loss)	\$ (1,730)	\$ (2,100)	\$ 370	17.6%
Total public support and nonoperating revenues	2,256	2,256	-	0.0%
Income (loss) before capital contributions	\$ 525	\$ 155	\$ 370	238.2%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

**OPERATIONS
CORONADO FERRY**

COMPARISON TO BUDGET - FISCAL YEAR 2008

NOVEMBER 30, 2007

(in \$000's)

	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	-	-	-	-
Total Operating Revenue	\$ -	\$ -	\$ -	-
Personnel costs	\$ -	\$ -	\$ -	-
Outside services	60	60	-	0.0%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	-	-	-	-
Risk management	-	-	-	-
General & administrative	-	-	-	-
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	-	-	-	-
Depreciation	-	-	-	-
Total Operating Expenses	\$ 60	\$ 60	\$ -	0.0%
Operating income (loss)	\$ (60)	\$ (60)	\$ -	0.0%
Total public support and nonoperating revenues	71	71	-	0.0%
Income (loss) before capital contributions	\$ 11	\$ 11	\$ -	0.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

ADMINISTRATION

CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2008

NOVEMBER 30, 2007

(in \$000's)

	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	1,909	976	934	95.7%
Total Operating Revenue	\$ 1,909	\$ 976	\$ 934	95.7%
Personnel costs	\$ 4,032	\$ 4,162	\$ 130	3.1%
Outside services	1,002	706	(295)	-41.8%
Transit operations funding	-	-	-	-
Materials and supplies	-	8	8	-
Energy	157	149	(8)	-5.6%
Risk management	194	175	(19)	-10.9%
General & administrative	238	200	(37)	-18.6%
Vehicle/ facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	(3,763)	(3,763)	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 1,860	\$ 1,638	\$ (222)	-13.5%
Operating income (loss)	\$ 50	\$ (662)	\$ 712	107.5%
Total public support and nonoperating revenues	9,969	9,969	-	0.0%
Income (loss) before capital contributions	\$ 10,019	\$ 9,307	\$ 712	7.7%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OTHER ACTIVITIES

CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2008

NOVEMBER 30, 2007

(in \$000's)

	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	189	166	23	13.6%
Total Operating Revenue	\$ 189	\$ 166	\$ 23	13.6%
Personnel costs	\$ 219	\$ 241	\$ 23	9.3%
Outside services	21	53	32	60.8%
Transit operations funding	-	-	-	-
Materials and supplies	(0)	2	2	112.0%
Energy	5	6	1	20.5%
Risk management	18	18	1	3.7%
General & administrative	36	21	(15)	-69.9%
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	17	17	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 314	\$ 358	\$ 44	12.4%
Operating income (loss)	\$ (125)	\$ (192)	\$ 67	34.9%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (125)	\$ (192)	\$ 67	-34.9%



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Agenda

Item No. 62

Chief Executive Officer's Report

ADM 121.7 (PC 50101)

January 17, 2008

In accordance with Board Policy No. 52, Procurement of Goods and Services, attached are listings of contracts, purchase orders, and work orders that have been approved within the CEO's authority (up to and including \$100,000) for the period December 4, 2007, through January 7, 2008.

[gail.williams/agenda item 62](#)



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway.

Chief Executive Officer's Report

January 17, 2008

Contracts

JACOBS CENTER FOR NEIGHBORHOOD	RIGHT OF ENTRY PERMIT	\$0.00
CITY OF SAN DIEGO	EMA MORENA VISTA BUILDING FOOTINGS	\$0.00
CITY OF SAN DIEGO	EMRA-MORENAVISTA 6' WROUGHT IRON FENCE	\$0.00
CITY OF SAN DIEGO	EMRA-MORENA PRIVATE BACKFLOW PREVENTER	\$0.00
DONALD DAME	ECO PASS THREE-MONTH PILOT PROGRAM	\$81,360.00
CITY OF SAN DIEGO	EMA MORENA VISTA BUILDING AL AT PATIO	\$0.00
SECOR INTERNATIONAL	RIGHT OF ENTRY PERMIT	\$0.00
JACOBS CENTER FOR NEIGHBORHOOD	HOLIDAY MUSIC PROGRAM AT TROLLEY STATION	\$3,000.00
SDSU INTERCULTURAL RELATIONS	GROUP SALES DAY PASS	\$1,450.00
NORTH COUNTY TRANSIT DISTRICT	AMEND FUND TRANSFER AGREEMENT	\$122.00
SANDAG	COMPLETE AS-BUILT PLANS-SAN YSIDRO INTERMODAL TRANS. CTR.	\$25,000.00
HP COMM INC	RIGHT OF ENTRY PERMIT	\$1,500.00
STEWART TITLE	ESCROW INSTRUCTIONS	\$0.00
MONARCH SCHOOL	NO-BUILD EASEMENT TO MONARCH SCHOOL	\$10,000.00
CANON BUSINESS SOLUTIONS	PURCHASE OF ONE COPIER	\$37,614.00
CENTER FOR EMPLOYMENT TRAINING	BUILDING MAINTENANCE INSTRUCTION	\$32,528.00
XEROX CORPORATION	ANNUAL MAINTENANCE AGREEMENT FOR XEROX	\$9,365.44
CALTRANS	EAST COUNTY BUS	\$0.00
ADD-ON'S INC	SUPPORT AND FUNCTIONAL DEVELOPMENT OF ELLIPSE PRODUCTS	\$30,000.00

Agenda Item No. 62
Chief Executive Officer's Report

January 17, 2008

Purchase Orders

BORDEAUX PRINTERS INC	BUS DASH CARDS	\$2,985.75
SD BUSINESS JOURNAL	BANNER ADS	\$2,498.00
TRACE 3	DATA DOMAIN RESTORER DD5630	\$32,852.98
ZONES CORPORATE SOLUTIONS	BUS PARTS	\$13,545.81
REID AND CLARK SCREEN	SMALL ROUTE DECALS	\$1,908.25
TRACE 3	DATA DOMAIN RESTORER	\$32,852.98
BORDEAUX PRINTERS INC	BUS CARDS	\$1,524.66
CHARRETTE CORP	CARTRIDGES	\$1,120.87
VISIBLE INK	BANNERS FOR GROSSMONT CENTER	\$1,837.14
HAMMER CONSTRUCTION	CONCRETE BUS LANDING	\$3,650.00
LEXIS NEXIS	LEGAL RESEARCH SERVICES	\$1,841.00
AAA PRINTING COMPANY	SAN DIEGO TROLLEY	\$12,914.23
RUSH PRESS	REGIONAL TRANSIT MAP	\$27,487.03
101 THINGS TO DO	FULL-PAGE AD	\$6,560.00

Agenda Item No. 62
Chief Executive Officer's Report

December 17, 2008

Work Orders

IBI	PLANNING SERVICES FOR GRANTVILLE	\$99,800.00
BERRYMAN & HENIGAR	PROPERTY SURVEYING FOR YARD	\$6,246.00
THE WIGGINS GROUP	RIGHT-OF-WAY FOR PROPERTY MANAGEMENT	\$25,000.00