

EXECUTIVE COMMITTEE MEETING FOR THE
METROPOLITAN TRANSIT SYSTEM (MTS),
SAN DIEGO TRANSIT CORPORATION (SDTC),
AND SAN DIEGO TROLLEY, INC. (SDTI)

February 16, 2006

MINUTES

A. ROLL CALL

Chairman Mathis called the meeting to order at 9:06 a.m. A roll call sheet listing Executive Committee member attendance is attached.

B. APPROVAL OF MINUTES

Ms. Atkins moved approval of the minutes of the February 2, 2006, Executive Committee meeting. Mr. Roberts seconded the motion, and the vote was 3 to 0 in favor with Mr. Lewis abstaining.

C. COMMITTEE DISCUSSION ITEMS

1. MTS: Appointment of San Diego Association of Governments (SANDAG) Transportation Committee Alternate Representative (LEG 405, PC 50101)

Chairman Mathis took nominations from the floor for an alternate representative for the SANDAG Transportation Committee. He stated that he would like to serve as that alternate, which would be symbolic of MTS's interest in matters being handled by the Transportation Committee that impact MTS.

Action Taken

Mr. Roberts moved to nominate Chairman Mathis to serve as the SANDAG Transportation Committee Alternate representing MTS for the 2006 calendar year. Mr. Lewis seconded the motion, and the vote was 3 to 0 in favor with Mr. Mathis abstaining.

D. REVIEW OF DRAFT FEBRUARY 23, 2006 BOARD AGENDA

Recommended Consent Items

6. MTS: Budget Transfers, Construction Management Contract Amendment, and Contract Change Order for Mission Valley East (CIP 10426.7)

Recommend that the Board of Directors (1) transfer \$300,000 into the Construction Management (CM) line item (WBS #10426-0700) to fund Contract Amendment No. 39 with Washington Group International (WGI) to extend CM services on the Mission Valley East (MVE) Light Rail Transit (LRT) Project, to fund other previously authorized miscellaneous expenses, and to fund additional other future MVE claims support by WGI and our on-call consultant CMs (see Attachment A of the agenda

item, Budget Transfer History); (2) transfer \$800,000 into the Professional Service line item (WBS #10426-0800) to fund claims support as approved by the Executive Committee on February 1, 2006 (see Attachment A of the agenda item); (3) execute Contract Amendment No. 39 (MTS Doc. No. L6343.39-01) with WGI in substantially the same form as shown in Attachment B of the agenda item, in an amount not to exceed \$190,965, for CM services on the MVE LRT Project, including extension of the CM services through May 31, 2006; (4) execute Contract Change Order (CCO) No. 90, Supplement 2, with Stacy and Witbeck, Inc. (SWI), in substantially the same format as Attachment C of the agenda item, to complete the fiber-optic cable network between Qualcomm Stadium Station and Grossmont Transit Center Station under Contract LRT-10426.5, Track and Systems, in an amount not to exceed \$160,481.30; and (5) transfer \$1,100,000 from the Project Reserve (WBS #10426-3900), as shown in Attachment A of the agenda item, Budget Transfer History, to fund the budget transfers in Recommendations 1 and 2.

7. MTS: Creative Development and Image Advertising Services (MKPC 620.9, PC 50551)

Recommend that the Board of Directors (1) authorize the CEO to execute Option One of two 1-year option extensions to Doc. No. G0919.0-04, with Wash Creative, Inc., for continuation of creative development and image advertising services in an amount not to exceed \$400,000; and (2) ratify action taken by the CEO in executing the base contract for a total dollar value of \$800,000.

8. MTS: Proposed Amendments to Board Policy No. 41 – MTS Signature Authority (ADM 110.2, PC 50601)

Recommend that the Board of Directors approve the proposed revisions to Board Policy No. 41 (Attachment A of the agenda item).

9. MTS: Accessible Services Advisory Committee (ASAC) Minutes Distribution (OPS 980.8, PC 30117)

Recommend that the Board of Directors receive a copy of ASAC meeting minutes as an update regarding accessible service concerns and trends. (The January 19, 2006, ASAC meeting minutes were provided as Attachment A of the agenda item.)

10. MTS: Liability Insurance Renewal (LEG 491, PC 50633)

Recommend that the Board of Directors authorize the CEO to place the liability insurance policy (limits of \$75 million less a \$2 million self-insurance retention), at an annual cost of approximately \$2,786,844, effective March 1, 2006 through March 1, 2007.

11. SDTI: Light Rail Vehicle Window Film Installation and Maintenance Contract Award (OPS 970.6, PC 30102)

Recommend that the Board of Directors authorize the President-General Manager to execute a Standard Services Agreement (Attachment A of the agenda item) with Energy Control Center of San Diego to (1) supply and install light rail vehicle

window film on U2 and SD 100 vehicles for a total cost not to exceed \$95,776.00; and (2) exercise an option for a one-year maintenance agreement to replace graffitied window films on the LRV fleet, on an as-needed basis, for a total cost not to exceed \$132,000.00.

Recommended Consent Items

Agenda Item No. 7 - MTS: Creative Development and Image Advertising Services. Mr. Lewis asked how MTS would judge the success of this effort. Mr. Jablonski, MTS Chief Executive Officer, stated that Wash Creative would be providing MTS with assistance in communicating and educating the public regarding the service changes implemented as part of the Comprehensive Operational Analysis (COA). Mr. Rob Schupp, MTS Director of Marketing and Communications, advised the Committee that Wash Creative would also continue their "branding" marketing activities and would be providing a measuring technique in their proposal that will be used to quantify the results of their efforts.

Recommended Board Discussion Items

There was no discussion of Recommended Board Discussion Items.

E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA

Mr. Jablonski reported that the SANDAG Transportation Committee will be discussing an agenda item during its February 17, 2006, meeting regarding transit revenue estimates and allocations (agenda item no. 16). He stated that the TransNet II allocation for transit operations was increased from 13.33 to 16.5 in order to address increasing operating requirements (maintenance and expansion). He added that SANDAG staff is recommending that almost one percent of that 16.5 percent be set aside for Americans With Disabilities (ADA) and senior services, that the transit operators continue to receive their 13.33 percent as in previous years, and that the difference be held in a discretionary fund that would be allocated by SANDAG. Mr. Jablonski expressed concern that this staff recommendation is being made despite identifying this as an issue to Mission Valley East funding and without any discussion with the SANDAG Transportation Committee, the SANDAG Board, or with the operators themselves. Mr. Jablonski reported that this discretionary pool of money was created by SANDAG last year in the annual revenue report and was not discussed. The issue has been raised with SANDAG following that report. He felt that this type of matter should be a policy issue decided upon by policy makers and should not be a staff-driven item. Mr. Jablonski referred Executive Committee members to a handout regarding this item, specifically Table 3a, footnotes 2 and 3, for an explanation of SANDAG's rationale.

Ms. Atkins stated that MTS should convey to the Transportation Committee that this is unacceptable – that MTS and NCTD should receive the full 16.5 percent rather than the previous allocation (TransNet I) of 13.33 percent. Mr. Jablonski pointed out that this represents a loss to MTS of approximately \$4 million. He further pointed out that, in two more years, MTS will no longer be able to use Congestion Mitigation and Air Quality (CMAQ) funds to cover Mission Valley East operating costs, which will cause MTS to lose about \$5 million in funding at the same time that TransNet II takes effect. In response to a

question from Mr. Roberts, Mr. Jablonski stated that NCTD seems to be in favor of the discretionary because it could be used for capital or expansion projects.

Mr. Emery pointed out that SANDAG does not acknowledge that the 70/30 split between MTS and NCTD will always be there. Mr. Jablonski stated that MTS feels that the fairest way to split funding among agencies is to follow the criteria used by the federal government to determine allocations between agencies, i.e. based on population. He stated that SANDAG has been able to verify that this approach is equitable in San Diego. He also informed the Committee that SANDAG feels that their van pool program should be factored into the split of funds and may eventually pursue a change on that basis. In response to a question from Mr. Roberts, Mr. Jablonski stated that SANDAG Executive Director Gary Gallegos supports staff's recommendation to the Transportation Committee and felt that MTS projects would probably rank highly in the process for requesting the use of these discretionary funds. Ms. Sharon Cooney, MTS Director of Government Affairs and Community Relations, felt that projects for which SANDAG is responsible may be ranked higher than the projects submitted by MTS. Mr. Mathis stated that if this agenda item is approved as is, MTS will have to request funds from SANDAG that were supposed to come directly to the operators. Mr. Rindone stated that the most important point regarding this funding is that these dollars were designated for operations, and that expansions should not be pursued until funds adequate to support existing operations are identified.

It was agreed that Ms. Atkins would request that this item be pulled from the Consent Agenda, that Harry Mathis would make introductory comments, and Mr. Jablonski would provide factual information. Mr. Emery requested that staff make sure that NCTD understands what MTS is attempting to do. Mr. Jablonski stated that he would talk to NCTD again. Mr. Mathis agreed to talk to NCTD Chairman, Jerome Stocks. Mr. Emery offered to call Transportation Committee alternate, David Druker.

Mr. Jablonski pointed out that because of the amount of TransNet II funding SANDAG is using for Early Action Projects, MTS will have to resolve its capital funding issues itself. He stated that staff is trying to keep expenditures as low as possible and will use the resulting savings to fund the capital program. He stated that if MTS does not receive the TransNet allocation of 16.5 percent, MTS will face a \$5 million shortfall when CMAQ funds for Mission Valley East are no longer available.

F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS

Chairman Mathis reported that he will be reporting for jury duty on Tuesday, February 21, 2006.

Mr. Rindone requested that Board members be faxed information on the east county public hearing date.

G. PUBLIC COMMENTS

Don Stillwell: Mr. Stillwell distributed a copy of his public comments from the January 9, 2006, Board meeting. He then went on to object to changes being made to Route Nos. 13 and 14 through the COA. Mr. Conan Cheung, Director of Planning and Performance

Monitoring, responded to Mr. Stillwell's comments. Chairman Mathis advised Mr. Stillwell to hold his comments for the upcoming public hearing. Mr. Roberts stated that what staff is recommending is rational, and that this is how you run a bus system. He pointed out that the recommended routing provides each route with access to a trolley station. Ms. Atkins thanked staff for taking Mr. Stillwell's comments seriously and for all the assistance and information staff has provided to her office. She stated that transit service must be provided in a way that is best for overall ridership. Mr. Jablonski stated that MTS has to balance all travel patterns and focus on taking the most frequent travel pattern and ensuring that these passengers get to their destinations as quickly as possible. He stated that this approach increases ridership, and that MTS loses ridership by taking its passengers out of direction. Mr. Mathis advised Mr. Stillwell that he would be called out of order if he brought this matter up again outside of the public-hearing process.

Clive Richard: Mr. Richard provided Mr. Jablonski with an excerpt from an Office of the Secretary of Transportation document regarding station accessibility.

H. NEXT MEETING DATE:

The next meeting is scheduled for Thursday, March 2, 2006, in the Executive Conference Room.

I. ADJOURNMENT

Chairman Mathis adjourned the meeting at 10:05 a.m.

Chairman

Attachment: A. Roll Call Sheet
gailwilliams/minutes