

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

September 8, 2005

BOARD OF DIRECTORS MEETING ROOM, 10<sup>TH</sup> FLOOR  
1255 IMPERIAL AVENUE, SAN DIEGO

MINUTES

1. Roll Call

Chairman Williams called the meeting to order at 9:03 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 August 11, 2005, Board of Directors meeting. Mr. Ewin seconded the motion, and the vote was 8 to 0 in favor.

3. Public Comments

*Don Stillwell:* Mr. Stillwell objected to the current routing and frequency of service for Route Nos. 13 and 14. Mr. Williams stated that the Board had already heard Mr. Stillwell's suggestions numerous times and that staff has also given reports on this matter. He suggested that the Board move onto the rest of its business. He then permitted Mr. Stilwell to finish his remarks.

*Crane Johnson:* Mr. Johnson stated that people that have appeared before the Board and staff in a negative way regarding Rural Bus Service do not necessarily represent the attitudes of most of the users of this service. He added that most Rural Bus Service riders recognize the present situation and the need to take some sort of action. He suggested the following: (1) Route 888 – Add the areas of Crest and Harbison to the present schedule and drop the newly created bus line covering those areas; (2) Route 888 – run one round trip per day including Sundays; and (3) save money in fuel by making some of the scheduled stops optional. Riders would telephone in and make reservations for bus stops in the Descanso, Lake Morena, Boulder Oaks, and the Golden Acorn Casino area. Mr. Peter Tereschuck, San Diego Trolley President-General Manager, stated that staff would respond to Mr. Johnson's suggestions.

*Elvis Jones:* Mr. Jones alleged that he is being harassed by members of MTS's security force, that he has observed them making inappropriate remarks to passengers at the San Ysidro Intermodal Transportation Center, and that he has been assaulted and stalked by certain security officers. He felt that MTS's current security contract should be terminated and the Board should research this matter. Mr. Tereschuck stated that

staff would respond to Mr. Jones' allegations. Chairman Williams asked that the Board be given a report as well.

*Lane Sherman:* Mr. Sherman thanked MTS for its efforts to provide effective transportation options in San Diego. He also stated that it is important that MTS make it a priority to solve the cost issue associated with Rural Bus Service. He stated that MTS should view this challenge as an opportunity to use innovation and forward thinking to solve this problem. He also suggested that MTS explore other innovations such as computer-aided scheduling and partnerships with private enterprise to solve the problem of providing transportation options in rural San Diego.

*John Hunter Lanz:* Mr. Lanz called attention to the written remarks that were being passed out to Board members. He provided the Board with an overview of his comments, questions, and suggestions. Ms. Atkins asked that staff respond to Mr. Lanz's comments. Ms. Claire Spielberg, Chief Operating Officer – Bus, stated that San Diego Transit's customer service staff have been contacted by Mr. Lanz and are in the process of reviewing and addressing his comments.

CONSENT ITEMS  
(Taken Out of Order)

6. SDTC: Amendment to SDTC Noncontract Retirement Plan (ADM 150.3, PC 50711)

Recommend that the Board of Directors approve an amendment (Attachment A of the agenda item) to the San Diego Transit Corporation Noncontract Retirement Plan.

7. MTS: Follow-Up on the Internal Audit Report on Accounting (LEG 492, PC 50101)

Recommend that the Board of Directors receive the internal audit follow-up memorandum (Attachment A of the agenda item) on the May 2005 audit report on the accounting process for information.

8. MTS: Memorandum of Understanding with the City of National City and the Community Development Commission of the City of National City (SDAE 710.1, PC 50921)

Recommend that the Board of Directors approve the Memorandum of Understanding (Attachment A of the agenda item) with the City of National City and the Community Development Commission of the City of National City, which includes a new, private at-grade crossing of San Diego and Arizona Eastern (SD&AE) Railway Company tracks, upon the recommendation of the SD&AE Railway Company Board of Directors

9. MTS: Light Rail Vehicle Blower Motor Replacement: Warranty Claim Settlement (OPS 970.6, PC 50101)

Recommend that the Board of Directors authorize the CEO to enter into an agreement (Attachment A of the agenda item) with Siemens Transportation Systems, Inc. to replace 150 blower motors on the U2 light rail vehicle fleet for a total cost, including delivery and taxes, not to exceed \$42,385.00.

10. MTS: Disadvantaged Business Enterprise Approval of FY 06 Goals for Publication (LEG 430, PC 50121)

Recommend that the Board of Directors approve the proposed disadvantaged business enterprise goals for FY 06 and authorize staff to publish a notice of these proposed goals for public information and comments.

11. SDTI: Light Rail Vehicle Equipment Procurement – Contract Award (OPS 970.6)

Recommend that the Board of Directors authorize the President-General Manager to execute a Standard Procurement Agreement (Attachment A of the agenda item) with Knorr Brake Corporation to supply 36 split brake discs for light rail vehicles for a total cost, including delivery and taxes, not to exceed \$39,790.

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

Recommend that the Board of Directors authorize the CEO to (1) transfer \$600,000 into the Construction Management (CM) line item (WBS #10426-0700) as shown on Attachment A of the agenda item, Budget Change Summary, to fund Contract Amendment No. 37 with Washington Group International (WGI) to extend CM services on the Mission Valley East (MVE) Light Rail Transit (LRT) Project; (2) execute Contract Amendment No. 37 (MTS Doc. No. L6343.37-01) with WGI in substantially the same form as shown in Attachment B of the agenda item, in an amount not to exceed \$1,037,690, for CM services on the MVE LRT Project, including extension of the CM services through December 31, 2005; (3) transfer \$500,000 into the Administration line item (WBS #10426-0100) as shown on Attachment A of the agenda item, Budget Change Summary, to continue project administration of contract closeout activities, including construction contract closeout, claims resolution, and vehicle procurement activities; (4) transfer \$500,000 into the Track and Systems Construction line item to WBS #10426-109918TR, as shown on Attachment A of the agenda item, to fund a negative balance in the line item; (5) transfer \$250,000 into the Right of Way line item (WBS #10426-0900) as shown on Attachment A of the agenda item, to fund a negative balance in the line item; (6) transfer \$400,000 from the remaining balance in the Grantville Construction line item (WBS #10426-109918GR) and \$1,450,000 from the Project Reserve (WBS #10426-3900) as shown in Attachment A of the agenda item, to fund the budget transfers in Recommendations 1, 3, 4, and 5; (7) transfer \$200,000 from the construction contingency for the San Diego State University (SDSU) Underground Station and Tunnel Contract LRT-10426.1 into the construction contingency for the SDSU Utility Relocation Contract LRT-10426.2, as shown in Attachment C of the agenda item, Construction Contingency Changes, to fund small project closeout change orders through the utility relocation contractor; (8) execute Contract Change Order (CCO) No. 74, Supplement No. 3, with Modern Continental Construction Company (MCC), in substantially the same form as Attachment D of the agenda item, to adjust the joint seal assemblies at the stairs and add steel plates at the Grantville Station under Contract LRT-10426.3, Grantville Segment, in an amount not to exceed \$80,000.

#### Recommended Consent Items

Mr. Rindone moved to approve Consent Agenda Item Nos. 6, 7, 8, 9, 10, 11, and 12. Mr. Emery seconded the motion, and the vote was 12 to 0 in favor.

5. Closed Session Items (ADM 122)  
(Taken Out of Order)

The Board convened to Closed Session at 9:21 a.m. for

- a. MTS: CONFERENCE WITH REAL PROPERTY NEGOTIATORS - Pursuant to California Government Code Section 54956.8. Property: Grossmont Center Station Parking Lot. Assessor Parcel Nos.: 490-200-39, 490-200-40, and 490-270-23. Agency Negotiators: Tim Allison, R. Martin Bohl, Gerald Trimble, and Tiffany Lorenzen. Under Negotiation: Instructions to Negotiators will include Price and Terms of Payment.
- b. MTS: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – Government Code Section 54956.9(a): Save Our Heritage Organisation (SOHO) v. City of San Diego, Et. Al. Superior Court Case No. GIC 837743.
- c. MTS: CONFERENCE WITH REAL PROPERTY NEGOTIATOR - Property: 2015 Hancock Street, San Diego, California. Negotiating Parties: Constellation Property Group, LP; Tiffany Lorenzen, MTS General Counsel; Tim Allison, MTS Right-of-Way Manager. Under Negotiation: MTS Grants of Easements and a License to Constellation Property Group, LP for the Stella Condominium.

The Board reconvened to Open Session at 10:31 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 gave direction to outside counsel.
- c. The Board received a report and gave direction to agency negotiators.

NOTICED PUBLIC HEARINGS

There were no Noticed Public Hearings.

DISCUSSION ITEMS

30. MTS: Southern California Maglev Project (AG 230, PC 50121)

Mr. Roberts showed the Board pictures of the Maglev train in Shanghai that were taken during his April 2005 trip to China. He showed pictures of the station and provided the Board with basic statistics as follows: Top speed - 300 mph (this particular service reaches 267 mph in its short run to the airport of 19 miles; travel time to airport - 8 minutes; train runs on parallel tracks; and fares are \$5 fare for coach and \$7 for first class. Mr. Roberts reported that two years after the contract was signed for this project, the Maglev made its inaugural run. He also reported that there is no contact between the train and the rail and explained how propulsion is achieved. He stated that there is

no engine, and the ride is smooth and generates little noise. He showed pictures of the tracks and the concrete infrastructure that supports the tracks. He pointed out that the infrastructure for Maglev in Germany is not as massive.

In response to a question from Mr. Rindone, Mr. Roberts stated that engineers designed Maglev taking earthquake risks into consideration, but there is always some inherent danger. Mr. Emery reported that General Electric proposed this type of transportation between San Diego and San Francisco in 1987. Mr. Monroe reported that Representative Filner has requested funding for the study of an east/west Maglev to Imperial Valley. He added that, if San Diego's airport is built in Imperial Valley, a Maglev trip could get passengers there in 20 minutes. He added that SANDAG supports this study.

#### Action Taken

Mr. Monroe moved to receive the report on the San Diego – Los Angeles Maglev Project. Mr. Rindone seconded the motion, and the vote was 12 to 0 in favor.

#### 31. MTS: Fiscal Year 2006 Performance Incentive Program (FIN 310, PC 50601)

Mr. Marinesi, MTS Budget Manager, stated that the proposed program for FY 2006 is structured with two tiers, one for combined organizational goals (top tier) and one for individual departments or functional areas, with equal weighting for each tier. Mr. Marinesi stated that the elimination of the middle tier of divisional goals (bus, rail and MTS administrative) emphasizes the fact that there is one unified MTS organization. He then provided a brief overview of the proposed program.

Mr. Ewin asked at what point the accomplishment of tasks should become part of an incentive program as opposed to just expected as part of a person's job. Mr. Tereschuck stated that the setting of goals discourages complacency on the part of employees and encourages innovative thinking. Mr. Monroe pointed out that good performance is itself a challenge, and that goals help staff members focus as a team on improving upon past performance. He added that he was pleased to see a sliding scale of award for different levels of achievement.

In response to a question by Mr. Ewin, Mr. Tereschuck stated that only energy costs were factored out of the goals because it is an element that is outside of staff's control.

#### Action Taken

Mr. Monroe moved to authorize the CEO to implement the Fiscal Year 2006 Performance Incentive Program. Ms. Atkins seconded the motion, and the vote was 12 to 0 in favor.

### REPORT ITEMS

#### 45. MTS: Trolley Safety Video (MKPC 620.3, PC 50551)

Ms. Judy Leitner, Interim Director of Marketing and Community Relations, advised the Board that, in order to increase knowledge and awareness of safety for youth riders, Andy Goddard, Trolley Safety Manager commissioned and helped develop a video *Don't*

*Be That Kid*. The video was played for the Board. Mr. Goddard pointed out that the situations that appeared in the video have actually occurred. In response to a question from Mr. Ewin, Mr. Goddard stated that the video will be distributed to various school districts. Ms. Hanson-Cox suggested that city councils be provided with copies of the video. In response to a suggestion from Mr. Monroe, Mr. Tereschuck stated that staff would contact Cox Communications and Time Warner Cable about playing the video on television as a public service announcement. Mr. Rindone suggested that each Board member be provided with a copy. He also suggested that the Coca Cola Scholarship Program adopt a safety theme for 2006. Mr. Mathis suggested that the video be played on campus at SDSU and on monitors at stations.

Action Taken

Mr. Monroe moved to receive this report and presentation of the 2005 Trolley Safety Video *Don't Be That Kid* for information. Mr. Rindone seconded the motion, and the vote was 11 to 0 in favor.

46. MTS: June Monthly Performance Indicators (OPS 920.1, 960.5, 970.5, PC 50451)

Ms. Anika deSilva, Associate Planner, provided the Board with an overview of monthly performance indicators for June 2005. She reviewed the operating environment, system ridership, on-time performance, mean distance between failures for both bus and trolley, customer complaints, customer compliments, and collision accidents. In response to a question from Mr. Monroe, Ms. deSilva explained that collision information is not yet available for contract services.

Action Taken

Mr. Monroe moved to receive this report for information. Ms. Atkins seconded the motion, and the vote was 10 to 0 in favor.

47. SDTI: MTS Rail FY 05 Year-End Operations Report (OPS 970.2)

Mr. Wayne Terry, SDTI Vice President of Operations, provided the Board with a report detailing the performance of San Diego Trolley operations for FY 05. He reported on ridership, accidents per 100,000 miles, schedule adherence/on-time performance, lift usage, special event service, car miles between service failures, and an update on the repainting and buffing of trolley cars. Mr. Terry reported that 44 out of 71 U-2 trolley cars have been repainted. He also provided a very brief description of start-up activities that occurred relative to the opening of the Green Line and reported that all 11 of the S70 trolley cars have been conditionally accepted. He stated that all required technical modifications should be completed next month.

Action Taken

Mr. Rindone moved to receive this report for information. Mr. Morrison seconded the motion, and the vote was 10 to 0 in favor.

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

There was no Chairman's Report.

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

*Senate Bill 959:* Mr. Tereschuck reported that General Counsel Tiffany Lorenzen had placed at each Board member's place a memorandum on the status of Senate Bill 959.

*Green Line Ridership:* Mr. Tereschuck reported that the Green Line is carrying between 3,000 and 4,000 students a day. He reported that 9,250 passengers, 5,500 of which were students, rode the Green Line to the UCLA/SDSU football game. He stated that semester passes at SDSU were sold out and more had to be printed.

62. Board Member Communications

*SB 959:* Ms. Atkins thanked staff who worked on Senate Bill 959. Mr. Tereschuck thanked Ms. Lorenzen in particular.

*Aztec Game/Security:* In response to a question from Mr. Rindone, Mr. Tereschuck reported that there were no security issues associated with the Aztec Game on Saturday, September 3, 2005.

63. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

64. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, September 22, 2005, at 9:00 a.m. in the same location.

65. Adjournment

Chairman Williams adjourned the meeting at 11:41 a.m.

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Chairman  
San Diego Metropolitan Transit  
Development Board

Filed by:

Approved as to form:

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

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Office of the General Counsel  
San Diego Metropolitan Transit  
Development Board

Attachment: A. Roll Call Sheet

gail.williams/minutes