

MEETING OF THE EXECUTIVE COMMITTEE FOR THE
METROPOLITAN TRANSIT SYSTEM (MTS)
1255 Imperial Avenue, Suite 1000
San Diego, CA 92101

April 11, 2013

A. ROLL CALL

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

B. APPROVAL OF MINUTES

Mr. Cunningham moved for approval of the minutes of the February 14, 2013, MTS Executive Committee meeting. Mr. Ovrom seconded the motion, and the vote was 5 to 0 in favor.

C. COMMITTEE DISCUSSION ITEMS

1. Trolley Renewal Update

John Haggerty of SANDAG provided a presentation on the Blue and Orange Line Improvement Corridor. He provided detailed information on the improvements including Blue Line crossover and signaling, Orange Line stations, Downtown stations, America Plaza, traction power substation installation, traction power substation site acquisition, the 25th and Commercial site, the Mount Hope Cemetery Site, Mount Hope Non-dedicated Cemetery Land, Blue Line Station Construction and Light Rail Procurement Status.

Paul Jablonski, Chief Executive Officer, described the proposed art installation at the Park & Market Station. Mr. Mathis questioned that should the art installation be vandalized would those who created the installation take responsibility for the repair. Mr. Jablonski advised that those who created the installation would take responsibility for the repair. Mr. Cunningham asked if MTS has a policy as to what art and projects MTS will accept on their property based on the subjectivity of art. Mr. Jablonski advised MTS does not have a formal policy and MTS has approached it from a standpoint of operating concern, cost and maintenance. He stated there is a criterion for which MTS evaluates what is appropriate where art installations are concerned.

Mr. Jablonski discussed the proposed Mount Hope substation and MTS's continued pursuit of acquisition of land within the existing maintenance yard within the cemetery to place a substation and spoke to the ongoing discussion with the City Attorney's office. The Board discussed benefits to the public that could be conveyed to the City Attorney's office. Karen Landers, General Counsel provided further explanation and advised she would be putting together a memorandum for the City Attorney outlining these benefits. Mr. Gloria commented he would work with Ms. Landers on the project.

Mr. Jablonski discussed the Union Pacific rights-of-way including the continued pursuit of an agreement with Union Pacific.

Mr. Haggerty discussed the continued and ongoing work regarding station completion and completion dates.

Mr. Mathis asked with regard to public perception, when the Blue Line Station construction would be complete. Mr. Haggerty responded mid-summer 2014.

Mr. Jablonski advised MTS would like to exercise the option with Siemens to purchase additional cars and this Amendment would be taken to the Board for approval at the April 18, 2013 Board meeting. Mr. Jablonski and Ms. Landers discussed the particulars with regard to the Amendment. Mr. Cunningham questioned the cutoff date of exercising the option. Mr. Jablonski advised the cutoff date would be April 28, 2013.

Mr. Jablonski discussed the picture of MTS's rail car which was featured in the Union Tribune and the retraction of the former article with regard to maintenance on MTS's rail cars. He advised Rob Schupp, Director of Marketing had recently spent a half day with a Union Tribune reporter and toured MTS's maintenance facility and reviewed MTS's healthy fleet of rail cars.

Action Taken

Mr. Cunningham moved to receive a report for information. Mr. Ovrom seconded the motion, and the vote was 5 to 0 in favor.

2. Bus Shelter Procurement Program

Mr. Schupp discussed MTS's current contract with CBS Outdoor including installation, maintenance, relocation and advertising revenue. Mr. Schupp further discussed the opportunities of the program, bus shelter procurement options and cost.

Mr. Cunningham asked Mr. Schupp to discuss the disadvantages of Option 1. Mr. Jablonski advised the only disadvantage would be using \$7M of outside capital dollars but MTS is in a good position fiscally to make such a decision and this decision is based on certain elements of the procurement. Mr. Jablonski advised the infrastructures of the shelters are still functioning so they could be replaced on MTS's schedule and at lower cost the replacing entire shelters all at once.

Mr. Roberts questioned the numbers in the 15 year forecast with regard to Option 1 and questioned the net revenue. Cliff Telfer, Chief Financial Officer provided explanation. Mr. Jablonski advised it is sustainable to put capital in and earn double the operating revenue on a yearly basis.

Mr. Gloria asked what MTS would do with the older bus shelters. Mr. Jablonski advised that MTS has thought about renewing the surface of the shelters and putting

them in unadvertised areas where there currently are no shelters and/or search for buyers, otherwise they would be disposed of per proper protocol.

Mr. Roberts asked if there were other companies that use standard designs to provide low cost shelters. Mr. Jablonski advised MTS would request additional bids from other companies. Mr. Mathis stated MTS was looking to the Executive Committee to provide direction on Option 1 or Option 2. Mr. Roberts requested additional bids and for bidders to separate out advertising cost from shelter cost.

Jeff Howard presented slides of MTS bus shelters in their existing conditions and provided a summary of site issues. He provided slides of design images of opportunities for future bus shelters including materials and colors and provided a summary on design elements, comfort and safety. He provided off the shelf product cost vs. custom and the advantages thereto.

Mr. Roberts questioned colors and branding. Mr. Howard advised the shelters in the slides were kept neutral and there were several colors that could be decided on at a later date. Mr. Cunningham advised that different areas may require different shelters with regard to color and aesthetics.

Mr. Gloria asked if they would have electrical capability and Mr. Howard advised they would have electrical capability, but it may be cost prohibitive to run electricity depending whether or not electrical cable would need to be run to the shelter.

Mr. Roberts advised he didn't think it was prudent to install new shelters in areas that do not pay for advertising. Mr. Jablonski advised certain cities maintain their own shelter program, but MTS would offer them the option to purchase shelters. Mr. Schupp advised MTS does not install their shelters in areas that do not have a Memorandum of Understanding with MTS.

Mr. Cunningham asked if solar panels would be installed where applicable and financially justifiable. Mr. Howard advised this is a future possibility. Sharon Cooney, Chief of Staff advised solar panels are easily broken with regard to vandalism.

Action Taken

Mr. Cunningham moved to provide direction on the following: (1) that staff proceed with an RFP for shelter advertising and maintenance, including multiple options for vendors, that will allow MTS the most flexibility and advertising revenue associated with the purchase, installation, and maintenance of bus shelters, and (2) that MTS proceed with the proposed shelter style as described in the staff report for the purpose of advancing the shelter advertising RFP. Mr. Ovrom seconded the motion, and the vote was 5 to 0 in favor.

D. REVIEW OF DRAFT APRIL 18, 2013, JOINT BOARD AGENDA

Recommended Consent Items

6. Investment Report - January 2013

Action would receive a report for information.

7. Investment Report - February 2013

Action would receive a report for information.

8. CBS Outdoor Advertising - Contract Extension

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. T0068.9-91 with CBS Outdoor to extend the existing bus shelter advertising and maintenance contract until December 31, 2013.

9. Hi-Rail Bucket Trucks - Contract Award

Action would authorize the CEO to execute MTS Doc. No. L1147.0-13 with Altec Industries for the purchase of two hi-rail bucket trucks.

10. MTS Code Compliance Records Management System - Contract Award (Sole Source)

Action would authorize the CEO to execute MTS Doc. No. G1528.0-13 with Intellichoice, Inc. (doing business as eForce) for the purchase of a Code Compliance Records Management System (RMS) software, including the option to exercise additional programming support and two additional years of system maintenance (pending available funding).

11. Proposed Revisions to MTS Policy No. 36 (MTS Reserve Funds)

Action would approve revisions to MTS Policy No. 36 (MTS Reserve Funds), including amending the contingency reserve rate to 12.5%.

12. MTS Job Order Contract Work Order for Bus Pavement Replacement at 12th & Imperial Avenue

Action would authorize the CEO to execute Work Order no. MTSJOC1431-07 with ABC Construction, Inc. (MTS Doc. No. PWL135.0-12) to remove the existing bus concrete paving and install new with curb and gutter.

13. Fiscal Year 2013 Transportation Development Act Claim Amendment

Action would adopt Resolution Nos. 13-9, 13-10, and 13-11 approving the revised fiscal year (FY) 2013 Transportation Development Act (TDA) Article 4.0, 4.5, and 8.0 claims.

E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA

Ms. Cooney advised of the upcoming April 12, 2013 SANDAG Executive Committee meeting which would include discussion regarding Policy 18. Ms. Cooney will attend at SANDAG's request to explain Title VI from an operator's standpoint.

F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS

Mr. Jablonski advised the TDA Audit had just been completed, there were no findings and the TDA was extremely complimentary to the operation MTS is running and a report would be initially provided to SANDAG.

G. PUBLIC COMMENTS


There were no Public Comments.

H. NEXT MEETING DATE

The next Executive Committee meeting is subsequently cancelled. Next Executive Committee meeting is scheduled for May 9, 2013.

I. ADJOURNMENT

Chairman Mathis adjourned the meeting at 10:58 a.m.


Chairman

Attachment: A. Roll Call Sheet

**EXECUTIVE COMMITTEE
METROPOLITAN TRANSIT SYSTEM**

ROLL CALL

MEETING OF (DATE) April 11, 2013

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

RECESS N/A

RECONVENE N/A

CLOSED SESSION N/A

RECONVENE N/A

ADJOURN 10:58 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
GLORIA	<input checked="" type="checkbox"/> (Emerald) <input type="checkbox"/>	9:00 a.m.	10:58 a.m.
MATHIS	<input checked="" type="checkbox"/>	9:00 a.m.	10:58 a.m.
OVROM	<input checked="" type="checkbox"/> (Bragg) <input type="checkbox"/>	9:00 a.m.	10:58 a.m.
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:00 a.m.	10:58 a.m.
CUNNINGHAM	<input checked="" type="checkbox"/> (McClellan) <input type="checkbox"/>	9:00 a.m.	10:58 a.m.
Transportation Committee Rep Slot (Mathis)			

SIGNED BY THE CLERK OF THE BOARD: 

CONFIRMED BY THE GENERAL COUNSEL: 