

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

April 6, 2006

MTS
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

A. ROLL CALL

Chairman Mathis called the meeting to order at 9:02 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 March 16, 2006, Executive Committee meeting. Ms. Hanson-Cox seconded the motion, and the vote was 3 to 0 in favor.

C. COMMITTEE DISCUSSION ITEMS

2. MTS: Approval of Supplemental Environmental Projects (CIP 10426)
(Taken Out of Order)

Mr. Ramon Ruelas, SANDAG Sr. Transportation Engineer, provided the Committee with information on MTS's compliance with a San Diego Regional Water Quality Control Board order for alleged violations during the construction of the Mission Valley East (MVE) Light Rail Transit Extension Project. Mr. Ruelas provided information on supplemental environmental projects that could be funded by MTS under the order, the evaluation criteria used to evaluate those projects, and the results of the evaluation. Staff recommended prorated support for the top three projects because the total funding for these projects exceeds the \$50,000 MTS is required to provide. Mr. Ruelas pointed out that whatever action the Executive Committee takes will also have to be approved by the Regional Water Quality Control Board.

Ms. Atkins questioned why a project upstream was being recommended when one of the criteria used to evaluate each projects was that it be downstream from the MVE project in order to offset potential impacts caused by the MVE Project. She also stated that staff's recommendation goes against the criteria that MTS be able to fully fund the project. Mr. Ruelas pointed out that the criteria were considered in total and that the three projects recommended were the three highest ranking.

In response to a question from Ms. Hanson-Cox, Mr. Ruelas stated that there is no budget impact to this item since the financial responsibility for this matter will be assigned to the contractor.

Mr. Rindone agreed with Ms. Atkins points and suggested that MTS fully fund the first two projects on the list and fund the third project with what remains. He stated that this approach would be more likely to offset potential impacts caused downstream from the MVE Project. Mr. Roberts agreed that this approach would make more sense.

Action Taken

Mr. Rindone moved to receive a report on the status of MTS's compliance with the San Diego Regional Water Quality Board's Order (Regional Board) and approve the submission of recommended supplemental environmental projects to the Regional Board for funding approval as follows: (1) Mission Valley Preserve Restoration Activities for \$16,500; (2) Volunteers in Action Stewardship Trailer for \$16,500; and San Diego River Restoration (Lakeside) for \$17,000. Ms. Atkins seconded the motion, and the vote was 5 to 0 in favor.

3. This number was not used.
4. MTS: Legislative Analyst's Report (LAO) on Consolidation and SANDAG
(ADM 110.4, PC 50121)

Ms. Sharon Cooney, MTS Director of Government Affairs and Community Relations, provided the Committee with an overview of the LAO report on the consolidation. Ms. Cooney reviewed the report and its findings. She discussed the report's finding that the governance structure does not provide true proportional representation, and that there is limited ability to hold members accountable for regional objectives. In addition, she mentioned that the report found that the governance structure leaves only limited room for public involvement or feedback. She stated that the report indicates that the protracted process that is used, the complexity of the issues, and the consensus-building process that is used hinders debate. She added that the LAO report stated that a number of options could be considered including making no changes, making changes in incremental steps (particularly in the area of land-use issues and fiscal reform), making regulatory changes, or pursuing a full restructuring that may involve the election of officials to a regional body.

Ms. Cooney also briefly reviewed the benefits of the consolidation as identified within the LAO report including SANDAG's ability to see how projects link and to set priorities on a regional basis and what the report identified as better coordination of regional transit services. She added that the report stated that too many board approvals are needed for minor service and capital project changes, and that operators should have more flexibility and command over federal funding applications for maintenance of equipment and facilities. She added that the funding is currently allocated by SANDAG in accordance with federal formula, and that the report suggests that SANDAG review and possibly make changes to this approach to more closely align services with regional proprieties.

Mr. Roberts asked if the MTS Executive Committee and Board should take a formal position on this matter. Ms. Cooney stated that SANDAG Executive Director Gary Gallegos may provide the Transportation Committee with copies of this report. She added that any formal position taken by the MTS Board could be conveyed to its

state delegation and to California Assembly Member Christine Kehoe. Ms. Atkins expressed her support for taking a formal position. Chairman Mathis requested that staff prepare a draft position paper giving Board members an opportunity to comment on the draft. Mr. Rindone suggested that the draft position paper then be brought back to the Executive Committee and then to the full Board.

Mr. Jablonski stated that MTS has already negotiated with SANDAG to obtain authority to become the grantee for the purchase of equipment, parts, etc., and that change is in process. He added that MTS needs to be prepared for SANDAG's reconsideration of how federal funds are allocated to the operators.

There was a brief discussion regarding the reasons for including the Mid Coast Trolley Line in TransNet II. Chairman Mathis did not feel that the report should have included specific examples.

Action Taken

Mr. Rindone moved to receive this report for information and direct staff to prepare a draft position paper on the Legislative Analyst's Report (LAO) on Consolidation and SANDAG with input from Board members. This position paper would then be brought back to the Executive Committee and then to the full Board of Directors. Mr. Roberts seconded the motion, and the vote was 5 to 0 in favor.

D. REVIEW OF DRAFT APRIL 13, 2006 BOARD AGENDA

Recommended Consent Items

6. MTS: Salary Range Cost-Of-Living Increase for the MTS (ADM 150.3, PC 50711)

Recommend that the Board of Directors increase the salary ranges of management employees at MTS, SDI, and SDTC by 2.5 percent.

7. MTS: Negotiated Lease Agreement for The Transit Store (MKPC 670, PC 50513)

Recommend that the Board of Directors authorize the CEO to execute a lease agreement with Executive Complex, LP, for rental space at 102 Broadway for The Transit Store with the following terms: (1) a five-year fixed term with an option (at market value) for an additional five-year term at \$2.25 per usable square foot (\$4,920.65) per month, for the first 12 months, with an annual increase of 3 percent on the anniversary date (April 1, 2006); and (2) a tenant improvement allowance of \$11,450.00 to be used by MTS for any physical improvements to The Transit Store as MTS deems necessary.

Recommended Consent Items

There was no discussion of the recommended Consent Items.

Recommended Board Discussion Items

There was no discussion of the recommended Board Discussion Items.

E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA

There was no discussion of this item as the April 7, 2006, SANDAG Transportation Committee was cancelled.

F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS

There were no Committee member communications.

G. PUBLIC COMMENTS

Don Stillwell: Mr. Stillwell briefly discussed how the COA recommendation for Route Nos. 13 and 14 will substantially increase the number of trips each bus makes and added that these buses will run empty during 11 out of 17 hours of operation. He felt this recommendation should be reviewed.

C. COMMITTEE DISCUSSION ITEMS (Continued)

The Committee convened to Closed Session at 9:50 a.m. to discuss the following item:

1. MTS: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION California Government Code Section 54956.9: Balfour Beatty/Ortiz v. MTS (Claim No. Unassigned).

The Board reconvened to Open Session at 10:02 a.m.

Oral Report of Final Actions Taken in Closed Session

Ms. Lorenzen reported the following action taken in Closed Session: The Executive Committee received a report and gave direction to staff regarding this matter.

H. NEXT MEETING DATE:

The next meeting is scheduled for Thursday, April 20, 2006, in the Executive Conference Room.

I. ADJOURNMENT

Chairman Mathis adjourned the meeting at 10:03 a.m.

Chairman

Attachment: A. Roll Call Sheet
gailwilliams/minutes