



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

***REVISED**

Agenda

JOINT MEETING OF THE EXECUTIVE COMMITTEE

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

July 8, 2010
Executive Conference Room
9:00 a.m.

ACTION RECOMMENDED

- A. ROLL CALL
- B. APPROVAL OF MINUTES - June 17, 2010 Approve
- C. COMMITTEE DISCUSSION ITEMS
1. MTS: Blue Line Rehabilitation and Outreach Schedule (Rob Schupp) Receive
Action would receive a report for information.
 2. MTS: Trolley Rehabilitation Project Update (Wayne Terry and John Haggerty of SANDAG) Possible Action
Action would receive a report for information and provide comments.
 3. MTS: Procurement, Integration, and Installation of Onboard Video Surveillance Systems for MTS Buses (Claire Spielberg and John Miller) Approve
Action would forward a recommendation to the Board of Directors to authorize the CEO to award MTS Doc. No. B0521.0-09 to Apollo Video Technology to procure, integrate, and install onboard video surveillance systems (OBVSS) on MTS buses. The contract would be completed in two phases and would also include three 1-year options for additional OBVSS.
 - *4.** MTS: Fiscal Year 2011 Revised Capital Improvement (CIP) Program (Larry Marinesi) Approve
Action would **forward a recommendation to the Board of Directors to:** (1) approve the adjusted fiscal year 2011 Capital Improvement Program (CIP) with the revised federal and nonfederal funding levels; and (2) forward a recommendation to the San Diego Association of Governments (SANDAG) Board of Directors to approve the amendment of the Regional Transportation Improvement Program (RTIP) in accordance with the fiscal year 2011 CIP recommendations.



- | | | |
|----|--|--------------------|
| 5. | MTS: CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Pursuant to California Government Code Section 54956.9(a)
<u>Metropolitan Transit System v. San Diego State University</u> (Case No. 37-2007-00083692-CU-WM-CTL) | Possible
Action |
| | | |
| D. | REVIEW OF DRAFT JULY 15, 2010, JOINT BOARD AGENDA | |
| | | |
| E. | <u>REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA</u>
Review of SANDAG Transportation Committee Agenda and discussion regarding any items pertaining to MTS, San Diego Transit Corporation, or San Diego Trolley, Inc. Relevant excerpts will be provided during the meeting. | Possible
Action |
| | | |
| F. | COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS | |
| | | |
| G. | PUBLIC COMMENTS | |
| | | |
| H. | NEXT MEETING DATE: August 12, 2010 | |
| | | |
| I. | ADJOURNMENT | |

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

DRAFT MINUTES

June 17, 2010

MTS
1255 Imperial Avenue, Suite 1000, San Diego

A. ROLL CALL

Chairman Mathis called the Executive Committee meeting to order at 9:48 a.m. A roll call sheet listing Executive Committee member attendance is attached.

B. APPROVAL OF MINUTES

Ms. Lightner moved for approval of the minutes of the May 20, 2010, MTS Executive Committee meeting. Mr. Roberts seconded the motion, and the vote was 5 to 0 in favor.

C. COMMITTEE DISCUSSION ITEMS

REQUEST TO ADD CLOSED SESSION AGENDA ITEM

Ms. Tiffany Lorenzen, MTS General Counsel, state that Government Code Section 54954.2 discusses the provisions under the Brown Act for discussing matters that are not on the agenda. Subsection b says that the legislative body may take action on an item of business not appearing on the posted agenda under any of the following conditions stated below. Prior to discussing any items pursuant to the subdivision, the legislative body shall publicly identify the item. Subsection 2 specifies upon a determination by a 2/3 vote of the members of the legislative body present at the meeting, or if less than 2/3 of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted as specified in Subdivision a.

Ms. Tiffany Lorenzen, MTS General Counsel, explained that she and the CEO, Mr. Jablonski, received critical information on Wednesday, June 16, 2010, regarding the following litigation:

Metropolitan Transit System v. San Diego State University (appeal of Case No. 37-2007-00083692-CU-WM-CTL)

Ms. Lorenzen recommended the Executive Committee take a vote in order to add this item to the discussion of Closed Session. Mr. Roberts made a motion to add the item to Closed Session discussion. Mr. Rindone seconded the motion, and the vote was 5 to 0 in favor.

The Executive Committee convened to Closed Session at 9:50 a.m.

1. MTS: CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to California Government Code Section 54956.8
Property: Palomar Street and Palm Avenue Transit Stations (Assessor Parcel Nos. 622-081-27 and 628-050-60)
Agency Negotiators: Tiffany Lorenzen, General Counsel; Tim Allison, Manager of Real Estate Assets
Negotiating Parties: BLT Family Housing, LLC
Under Negotiation: Price and Terms of Payment
2. MTS: CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to California Government Code Section 54956.8
Property: Assessor Parcel Nos. 547-200-51, 52, and 53, San Diego, California, 220 47th Street
Agency Negotiators: Tiffany Lorenzen, General Counsel; Tim Allison, Manager of Real Estate Assets; Gerald Trimble, Keyser-Marston Associates, Inc.
Negotiating Parties: Creekside Holdings, Ltd., a Utah Limited Partnership; Wasatch Advantage Group, LLC; San Diego Housing Commission
Under Negotiation: Price and Terms of Payment
3. MTS: CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
Pursuant to California Government Code Section 54956.9(a)
Metropolitan Transit System v. San Diego State University (Case No. 37-2007-00083692-CU-WM-CTL)

The Executive Committee reconvened to open session at 11:24 a.m.

Oral Report of Final Actions Taken in Closed Session

Ms. Tiffany Lorenzen, MTS General Counsel, reported the following:

1. The Committee received a report and gave direction to staff.
2. The Committee received a report and gave direction to staff.
3. The Committee received a report and gave direction to General Counsel and CEO.

D. REVIEW OF DRAFT JUNE 24, 2010, JOINT BOARD AGENDA

Recommended Consent Items

6. MTS: Proposed Revisions to MTS Policy No. 44 - Travel Expense Policy

Action would approve the proposed revisions to MTS Policy No. 44 - Travel Expense Policy.

7. MTS: Crane Truck Equipment Vehicle - Contract Award

Action would authorize the CEO to execute MTS Doc. No. L0969.0-10 with Altec Industries to purchase one crane truck vehicle.

8. MTS: Exercise Tire Run-Out with Michelin North America, Inc. for Leased Bus Tires - Contract Amendment

Action would authorize the CEO to execute MTS Doc. No. B05-001.2 with Michelin North America, Inc. to exercise the run-out option to cover payments for the remaining useful life of Michelin tires currently installed on buses at the Imperial Avenue and Kearny Mesa Divisions. The total duration of this run-out period would not exceed 36 months.

9. MTS: Assignment of Contract for San Diego Association of Governments' On-Call General Transportation Planning Services (Kimley-Horn and Associates, Inc.)

Action would authorize the CEO to execute MTS Doc. No. G1327.0-10 with Kimley-Horn and Associates (KHA) as part of the San Diego Association of Governments' (SANDAG's) On-Call General Transportation Planning Service Agreement, which was established as a jobs-order contract with MTS. The execution of this agreement would allow MTS to use KHA on an as-needed basis for all planning and engineering-related activities.

10. MTS: Assignment of Contract for San Diego Association of Governments' On-Call General Transportation Planning Services (PB America's Inc.)

Action would authorize the CEO to execute MTS Doc. No. G1328.0-10 with Parsons Brinckerhoff America's Inc. (PB) as part of the San Diego Association of Governments' (SANDAG's) On-Call General Transportation Planning Service Agreement, which was established as a jobs-order contract with MTS. The execution of this agreement would allow MTS to use PB on an as-needed basis for all planning and engineering-related activities.

11. MTS: Trolley Ticket Vending Machine (TVM) Procurement - Memorandum of Understanding

Action would authorize the CEO to: (1) execute a Memorandum of Understanding (MOU) with the San Diego Association of Governments (SANDAG) for procurement of additional Ticket Vending Machines (TVMs); and (2) transfer funds from Capital Improvement Project (CIP) 11276 (SDTI Ticket Vending Machines) to SANDAG.

Recommended Consent Items

There was no additional discussion of the recommended Consent Items.

Recommended Board Discussion Items

There was no discussion of recommended Discussion Items.

E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA

Ms. Sharon Cooney, Director of Government Affairs, reported that the Blue and Orange Trolley Line Corridor Update is on the June 18, 2010, agenda for the Transportation Committee.

F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS

There were no Committee Member communications.

G. PUBLIC COMMENTS

There were no public comments.

H. NEXT MEETING DATE

The next Executive Committee meeting is scheduled for Thursday, July 8, 2010, at 9:00 a.m. in the Executive Committee Conference Room.

I. ADJOURNMENT

Chairman Mathis adjourned the meeting at 11:27 a.m.

Chairman

Attachment: A. Roll Call Sheet

**EXECUTIVE COMMITTEE
METROPOLITAN TRANSIT SYSTEM**

ROLL CALL

MEETING OF (DATE) June 17, 2010

CALL TO ORDER (TIME) 9:48 AM

RECESS _____

RECONVENE _____

CLOSED SESSION 9:50 AM

RECONVENE 11:24 AM

ADJOURN 11:27 AM

BOARD MEMBER (Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
LIGHTNER <input checked="" type="checkbox"/> (Young) <input type="checkbox"/>		10:34 AM
MATHIS <input checked="" type="checkbox"/>		
Imperial Beach Rotated to Chula Vista		
RINDONE (VC) <input checked="" type="checkbox"/> (Young - CPT) <input type="checkbox"/>		
ROBERTS <input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>		10:30 AM
SELBY <input checked="" type="checkbox"/> (Ryan) <input type="checkbox"/>		
Transportation Committee Rep Slot (Mathis)		

SIGNED BY OFFICE OF THE CLERK OF THE BOARD:

Valerie Vizkeleti

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL:

[Signature]



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Agenda

Item No. C1

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

OPS 970.2

July 8, 2010

SUBJECT:

MTS: BLUE LINE REHABILITATION AND OUTREACH SCHEDULE (ROB SCHUPP)

RECOMMENDATION:

That the Executive Committee receive a report for information.

Budget Impact

None.

DISCUSSION:

Blue Line rehabilitation work is scheduled to begin in late August commencing the construction that will necessitate weekend closures of portions of Blue Line service on weekends for the next several years. This report will outline the tentative schedule of construction activity and the communication tactics that will be implemented prior to the construction start and throughout the project to ensure that as many MTS customers as possible are aware of the project in advance.

A handwritten signature in black ink, appearing to read 'Paul C. Jablonski', is written over a horizontal line.

Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Rob Schupp, 619.557.4511, rob.schupp@sdmts.com

JULY8-10.C1.BLUE LINE REHAB
& OUTREACH.RSCHUPP.doc



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Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc., San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations), and San Diego Vintage Trolley, Inc., a 501(c)(3) nonprofit corporation, in cooperation with Chula Vista Transit. MTS is the taxicab administrator for seven cities. MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego.



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Agenda

Item No. C2

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

OPS 970.2

July 8, 2010

SUBJECT:

MTS: TROLLEY REHABILITATION PROJECT UPDATE (WAYNE TERRY AND JOHN HAGGERTY OF SANDAG)

RECOMMENDATION:

That the Executive Committee receive a report for information and provide comments.

Budget Impact

None.

DISCUSSION:

The San Diego Association of Governments (SANDAG) is continuing to provide project management and design services for the program of projects to upgrade the Blue Line rail infrastructure and prepare the entire trolley system for low-floor vehicle operations. The design and construction is proceeding rapidly in stages.

The program will include reconstruction of stations from Washington Street to San Ysidro on the Blue Line and downtown to La Mesa on the Orange Line to provide the eight-inch-high platforms needed for the new low-floor vehicles. Design for the reconstruction of all of the Blue and Orange Line stations to accommodate low-floor vehicles is underway, and staff will provide an update on this work.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Wayne Terry, 619.595.4906, wayne.terry@sdmts.com

JULY8-10.C2.TROLLEY.SCOONEY.doc

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Agenda

Item No. **C3**

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

CIP 11184

July 8, 2010

SUBJECT:

MTS: PROCUREMENT, INTEGRATION, AND INSTALLATION OF ONBOARD
VIDEO SURVEILLANCE SYSTEMS FOR MTS BUSES (CLAIRE SPIELBERG
AND JOHN MILLER)

RECOMMENDATION:

That the Executive Committee forward a recommendation to the Board of Directors to authorize the Chief Executive Officer (CEO) to award MTS Doc. No. B0521.0-09 (in substantially the same format as Attachment A) to Apollo Video Technology to procure, integrate, and install onboard video surveillance systems (OBVSS) on MTS buses. The contract would be completed in two phases and would also include three 1-year options for additional OBVSS.

Budget Impact

The cost of the base contract for Phases I and II, including California sales tax, would not exceed \$1,841,275.37. The cost of the three option years, including California sales tax, would not exceed \$2,516,226.71. The total cost of the contract including the three 1-year options would be \$4,357,502.08.

Funding for this project is allocated under Capital Improvement Program (CIP) 11184.



DISCUSSION:

MTS recognizes that onboard safety for passengers and operators can be enhanced by digitally recorded video documentation of activities inside and outside of the vehicles. As an approach to risk management in investigating onboard accidents and injuries, MTS plans to purchase, install, and integrate an onboard video surveillance system on all of its fleets. All OBVSS will be capable of wireless downloading of video and health reports to a single garage management network. Only model year 2000 or newer transit buses will be outfitted with OBVSS.

To ensure proper installation and to accommodate the availability of funding, this project was divided into two phases with three 1-year options.

PHASES

Phase I

Phase I is considered the test phase. It would include the purchase and installation of four complete OBVSS to be installed on four 40-foot buses. Acceptance of Phase I would consist of 45 consecutive calendar days of continuous operations without any system failures.

Phase II

Phase II would not begin until acceptance of Phase I systems. Phase II would include the purchase and installation of up to 244 OBVSS on 35-foot, 40-foot, and 60-foot buses from the Imperial Avenue Division (IAD) and Kearny Mesa Division (KMD) fleets. Phase II would also include the installation and induction of a garage management network that would be capable of receiving automatic wireless downloading of video from the IAD and KMD fleets to a single server located at IAD.

OPTIONS

This project would include three 1-year options exercisable at MTS's discretion for additional OBVSS. The total options, if exercised, would be for up to 300 OBVSS.

1. Option year one would include the installation of up to 100 OBVSS on 40-foot buses from the South Bay Maintenance Facility (SBMF) fleet. Included in option year one would be the installation and induction of a garage management network that would be capable of receiving automatic wireless downloading of video from the SBFM, East County, and Chula Vista fleets to a single server located at SBFM.
2. Option year two would include the installation of up to 100 OBVSS on a combination of 29-, 30-, 32-, 35-, and 40-foot buses for the SBFM, East County, and Chula Vista fleets.

3. Option year three would include the installation of up to 100 OBVSS on a combination of 29-, 30-, 32-, 35-, 40-, 45-, and 60-foot buses. Option year three would accommodate the remaining buses within the MTS fleets needing OBVSS.

PROCUREMENT HISTORY

On October 8, 2009, MTS issued a Request for Proposals (RFP) for Mobile Onboard Video Surveillance Systems (OBVSS) to 44 companies determined by MTS staff capable of performing the requirements of the procurement.

On January 13, 2010, a total of six proposals were received in response to the RFP (MTS Doc. No. B0521.0-09) from the following proposers:

- Apollo Video Technology
- Transit Marketing Group
- March Networks
- System Development Integration
- Johnson Controls
- Henry Brothers Electronics

A compliant review of the proposals was conducted by the MTS Procurement Department to ensure that all required forms and submittals were included in the proposals. Based on this review, each proposal was determined to be in compliance with the submittal requirements of the RFP and would be considered for further evaluation.

On January 29, 2010, the Evaluation Panel convened to discuss specific strengths and weaknesses of the proposals received. Each Evaluation Panel member was given an opportunity to talk about each firm's proposal and provide supporting justification and rationale on their evaluation remarks and scoring decisions.

At the conclusion of this meeting, the Evaluation Panel determined that four of the proposers were within the competitive range. This determination was based on proposers that offered an approach that stood a reasonable chance of being selected for award (provided that clarifications to specific technical issues, costs, ambiguities, or minor weaknesses in their proposal could be rectified).

After the initial proposal evaluations, the following proposers were still considered to be within the competitive range and would be considered for further evaluation:

- Apollo Video Technology
- Transit Marketing Group
- March Networks
- System Development Integration

The four firms identified above were called in for oral presentations and interviews the week of March 22, 2010. The Evaluation Panel discussed specific topics related to each firm's proposal and their proposed approach. Some of the discussion topics included the following:

- GPS mapping capabilities
- System backend software functionality
- Proposed work plan and implementation of Phases I and II and option years
- Wireless downloading capabilities and functionality of centrally managed access points
- Video recording and vehicles ability to wake up after shutdown
- X, Y, and Z inertia access sensor
- Deviations to technical requirements
- Equipment and licensing/software costs

On April 1, 2010, the Evaluation Panel met to deliberate, discuss, and come to a consensus on which direction MTS would take with each proposer based on their proposed solutions and the knowledge gained from discussions with each firm. In order to make this determination, the Evaluation Panel went over each firm's technical proposal and the responses given during interview/discussions. At the conclusion of the meeting, the contracting officer issued each firm within the competitive range a letter requesting revised proposals and interim pricing.

On May, 7, 2010, revised proposals and interim pricing were received from all four firms prior to the deadline for submitting revised proposals. The following workday, the contracting officer issued copies of the revised proposals to members of the Evaluation Panel.

On May 19, 2010, the Evaluation Panel reconvened to discuss the specific strengths and weaknesses of the revised proposals received. Again, each Evaluation Panel member was given an opportunity to talk about each firm's revised proposal and provide supporting justification and rational on their interpretation of the revised proposals. The agenda at this meeting included the following topics of discussion.

- Strengths and weaknesses of each firms' revised proposal
- Identification and discussion of remaining areas of risk/issues
- Evaluation of cost and price proposals
- Elimination of proposers from the competitive range
- Determinations of dates and times for negotiations

The Evaluation Panel's findings from the revised proposals determined that Apollo Video Technology and Transit Marketing Group would remain in the

competitive range. The other two firms, March Networks and Systems Development Integration, would be eliminated from the competitive range and would no longer be considered for award. This determination was based on the following:

- March Networks' price proposal was substantially higher than the other proposed prices. The additional costs did not merit the benefit MTS would receive by paying a premium price. The chances of March Networks lowering its price to be in line with other price proposals was unrealistic.
- Systems Development Integration failed to meet the minimum technical requirements of the RFP.

The week of May 24, 2010, the Evaluation Panel held negotiations with Apollo Video Technology and Transit Marketing Group. Discussions with each firm included:

- Quality of equipment being proposed and related costs
- Direct labor support and related costs
- Warranty
- Software and licensing costs
- Proprietary equipment and software
- Built-in obsolescence of equipment and software

At the conclusion of the negotiations, each proposer was informed of the Evaluation Panel's pricing concerns and notified of areas where their proposed equipment or installation costs should be reduced.

On June 11, 2010, Apollo Video Technology and Transit Marketing Group submitted their Best and Final Offer (BAFO) prior to the deadline for submitting BAFOs.

Based on the Evaluation Panel's assessment of all evaluation factors, including revised technical proposals, discussions with proposers, and final negotiations, the following determinations were made:

Average Technical Score (50 points possible)

Apollo Video Technology	= 41.8 points
Transit Marketing Group	= 39.3 points

Best and Final Offer (50 points possible)

Apollo Video Technology	= 50 points	(\$4,357,502.08)
Transit Marketing Group	= 40.5 points	(\$5,380,502.52)

Revised Proposal Overall Score (100 points possible)

Apollo Video Technology	= 91.8 points
Transit Marketing Group	= 79.8 points

Based on the evaluations of each firm's technical proposal, past performance, discussions, negotiations, and evaluation of price, MTS staff has determined that Apollo Video Technology submitted a proposed approach that Evaluation Panel resents the most advantageous method of fulfilling MTS's need. Apollo Video Technology received the highest technical rating by the evaluation panel and submitted the lowest overall price.

Staff is recommending award of MTS Doc. No. B0521.0-09 (in substantially the same format as Attachment A) to Apollo Video Technology. MTS staff has determined that the offer received from Apollo Video Technology Evaluation Panel presented the most advantageous offer and is of the best value to MTS.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contacts: Claire Spielberg, (619) 238-0100, Ext. 6400, claire.spielberg@sdmts.com
Ray Thompson, (619) 238-0100, Ext. 6504, ray.thompson@sdmts.com
John Miller, (619) 557.4580, john.miller@sdmts.com

JULY8-10.C3.BUS VIDEO SYSTEMS.JMILLER.doc

Attachments: A. Draft MTS Doc. No. B0521.0-09
B. Apollo's BAFO Pricing Summary

STANDARD PROCUREMENT AGREEMENT

B0521.0-09
 CONTRACT NUMBER
 CIP 11184
 FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2010, 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: Apollo Video TechnologyAddress: 14148 NE 190th Street

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

Woodville, WA 97807-8437Telephone: 425-483-7100

Authorized person to sign contracts: Rodell Notbohm
 Name

General Manager
 Title

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

Provide mobile onboard video surveillance systems (video system) for MTS buses as stipulated in MTS's Request for Proposals (RFP) MTS Doc. No. B0521.0-09, including Addenda, Responses to Approved Equals/Clarifications; and in accordance with the Standard Procurement Agreement, including the Standard Conditions Procurement, Federal Requirements, MTS's Safety Program Standard Operating Procedures (SAF016-03), and Apollo Video Technology's proposal (hereinafter "Contract Document"). If there are any inconsistencies between the Contract Documents, the following order of precedence will govern the interpretation of this contract:

1. MTS's Mobile Onboard Video Surveillance System Request for Proposals (MTS Doc. No. B0521.0-09), Addenda, Responses to Approved Equals/Clarifications, MTS Safety Program, and Contractor's proposal.
2. Standard Procurement Agreement, including the Standard Conditions Procurement and Federal Requirements.

This contract shall remain in effect during successful performance/completion of Phases I and II, and the three 1-year options exercisable at MTS's discretion. Compensation will be per the negotiated fixed rates as stipulated in Apollo Video Technology's Best and Final Offer. The total expenditures under this contract to include Phases I and II, and all option years shall not exceed **\$4,357,502.08.**

SAN DIEGO METROPOLITAN TRANSIT SYSTEM**CONTRACTOR AUTHORIZATION**

By: _____
 Chief Executive Officer

Approved as to form:

By: _____
 Office of General Counsel

Firm: _____

By: _____
 Signature

Title: _____

AMOUNT ENCUMBERED

BUDGET ITEM

FISCAL YEAR

\$4,357,502.08CIP 11184FY 10

By: _____

Chief Financial Officer

Date

(____ total pages, each bearing contract number)

PA-SERVICES REVISED (REV 05-09)

REVISED BID SUMMARY
MOBILE ON-BOARD VIDEO SURVEILLANCE SYSTEM RFP

7/1/2010

Line #	Item Description - PHASE I "TESTING PHASE"	QTY*	Apollo Video Technology*	
			Unit Price	Total
1.1	EXISTING OBVSS MATERIALS: The contractor shall furnish all new materials, supplies and equipment required to upgrade and integrate the OBVSS in accordance with the requirements outlined in the RFP on two (2) 40' buses. (taxable)	2	\$ 4,140.00	\$ 8,280.00
1.2	EXISTING OBVSS LABOR, INSTALLATION AND WARRANTY: Labor, Installation and (24) Month Warranty for two (2) 40' buses with existing camera systems. The (24) month warranty shall only apply to contractor provided equipment and installation. (non-taxable)	2	\$ 1,017.00	\$ 2,034.00
2.1	NEW OBVSS MATERIALS: The contractor shall furnish all new materials, supplies and equipment needed to provide MTS a fully functional OBVSS in accordance with the requirements outlined in the RFP on two (2) 40' buses. (taxable)	2	\$ 6,050.50	\$ 12,101.00
2.2	NEW OBVSS LABOR, INSTALLATION AND WARRANTY: Labor, Installation 2% Performance Bond and (24) Month Warranty for two (2) 40' buses. (non-taxable)	2	\$ 1,540.97	\$ 3,081.94
	8.75% CA Sales Tax (Item #'s 1.1 and 2.1)			\$ 1,783.34
	Total Amount (PHASE I)			\$ 27,280.28
Line	Item Description - PHASE II	QTY*	Apollo Video Technology*	
			Unit Price	Total
3.1	EXISTING OBVSS MATERIALS 40' BUSES: All materials and supplies for up to (152) each 40' buses with existing camera system. (taxable)	150	\$ 4,140.00	\$ 621,000.00
3.2	EXISTING OBVSS LABOR, INSTALLATION AND WARRANTY 40' BUSES: Labor, Installation and (24) month warranty for up to (150) buses with existing camera systems. The (24) month warranty shall only apply to new contractor provided equipment and installation. (non-taxable)	150	\$ 1,017.00	\$ 152,550.00
3.3	**OPTIONAL (24) MONTH WARRANTY FOR EXISTING OBVSS 40' BUSES: (24) month warranty on the existing equipment and installation for up to (152) buses. (non-taxable)	152	\$ 299.00	\$ 45,448.00
3.4	**OPTIONAL (12) MONTH EXTENDED WARRANTY FOR NEW OBVSS EQUIPMENT AND INSTALLATION: Additional (12) month warranty period on contractor provided equipment and installation (line # 1.2, 2.2 and 3.2) for up to (154) buses after expiration of the (24) month warranty period. (non-taxable)	154	\$ 231.00	\$ 35,574.00
4.1	NEW OBVSS MATERIALS FOR 35' or 40' BUSES: The contractor shall furnish all new materials, supplies and equipment needed to provide MTS a fully functional OBVSS in accordance with the requirements outlined in the RFP for up to (53) buses. (taxable)	53	\$ 5,917.00	\$ 313,601.00
4.2	NEW OBVSS LABOR, INSTALLATION AND WARRANTY FOR 35' or 40' BUSES: Labor, Installation and (24) Month Warranty for up to (53) buses. (non-taxable)	53	\$ 1,238.00	\$ 65,614.00
4.3	**OPTIONAL (12) MONTH EXTENDED WARRANTY FOR 35' or 40' BUSES: Additional (12) month warranty period for up to (53) buses after expiration of (24) month base warranty period. (non-taxable)	53	\$ 231.00	\$ 12,243.00
5.1	NEW OBVSS MATERIALS 60' BUSES: The contractor shall furnish all new materials, supplies and equipment needed to provide MTS a fully functional OBVSS in accordance with requirements outlined in the RFP for up to (39) buses. (taxable)	39	\$ 7,286.00	\$ 284,154.00
5.2	NEW OBVSS LABOR, INSTALLATION AND WARRANTY 60' BUSES: Labor, Installation and (24) Month Warranty for up to (39) buses. (non-taxable)	39	\$ 1,386.00	\$ 54,054.00
5.3	**OPTIONAL (12) MONTH EXTENDED WARRANTY FOR 60' BUSES: Additional (12) month warranty period for up to (39) buses after expiration of (24) month base warranty period. (non-taxable)	39	\$ 231.00	\$ 9,009.00
6.1	GARAGE MANAGEMENT NETWORK (IAD): All materials and supplies. (taxable)	1	\$ 67,967.00	\$ 67,967.00
6.2	GARAGE MANAGEMENT NETWORK (IAD): Labor, Installation and (24) Month Warranty. (non-taxable)	1	\$ 5,400.00	\$ 5,400.00
6.3	**OPTIONAL (12) MONTH EXTENDED WARRANTY FOR GARAGE MANAGEMENT NETWORK (IAD): Additional (12) month warranty after expiration of (24) month base warranty period. (non-taxable)	1	\$ 1,432.00	\$ 1,432.00
7.1	TRAINING/BONDING: OBVSS Garage Management Network Onsite Training and 2% Performance Bond. (non-taxable)	1	\$ 33,360.92	\$ 33,360.92
	8.75% CA Sales Tax (Item #'s 3.1, 4.1, 5.1 and 6.1)			\$ 112,588.18
	Total Amount (PHASE II)			\$ 1,813,995.10

Att. B,
 AI C3,
 7/8/10

REVISED BID SUMMARY
MOBILE ON-BOARD VIDEO SURVEILLANCE SYSTEM RFP

6/29/2010

Item Description -- OPTION YEAR ONE					Apollo Video Technology	
Line #			QTY*	Unit Price	Total	
1.1	NEW OBVSS MATERIALS FOR 35' or 40' BUSES: The contractor shall furnish all new materials, supplies and equipment needed to provide MTS a fully functional OBVSS in accordance with the requirements outlined in the RFP for up to (100) buses. (taxable)		100	\$ 5,917.00	\$	591,700.00
1.2	NEW OBVSS LABOR FOR 35' or 40' BUSES: Labor, Installation and (24) Month Warranty for up to (100) buses. (non-taxable)		100	\$ 1,238.00	\$	123,800.00
1.3	**OPTIONAL (12) MONTH EXTENDED WARRANTY FOR 35' or 40' BUSES: Additional (12) month warranty period for up to (100) buses after expiration of (24) month base warranty period. (non-taxable)		100	\$ 231.00	\$	23,100.00
2.1	GARAGE MANAGEMENT NETWORK (SBMF): All materials and supplies. (taxable)		1	\$ 50,092.00	\$	50,092.00
2.2	GARAGE MANAGEMENT NETWORK (SBMF): Labor, Installation and (24) Month Warranty. (non-taxable)		1	\$ 5,400.00	\$	5,400.00
2.3	**OPTIONAL (12) MONTH EXTENDED WARRANTY FOR GARAGE MANAGEMENT NETWORK SBMF: Additional (12) month warranty period after expiration of (24) month base warranty period. (non-taxable)		1	\$ 1,432.00	\$	1,432.00
3.1	TRAINING/BONDING: OBVSS Garage Management Network Onsite Training and 2% Performance Bond. (non-taxable)		1	\$ 15,910.48	\$	15,910.48
				8.75% CA Sales Tax (Item #'s 1.1, and 2.1)	\$	56,156.80
				Total Amount (OPTION YEAR ONE)	\$	867,591.28

Item Description -- OPTION YEAR TWO					Apollo Video Technology	
Line #			QTY*	Unit Price	Total	
1.1	NEW OBVSS MATERIALS FOR 29' 30' or 32' BUSES: The contractor shall furnish all new materials, supplies and equipment needed to provide MTS a fully functional OBVSS in accordance with the requirements outlined in the RFP for up to (13) buses. (taxable)		13	\$ 5,917.00	\$	76,921.00
1.2	NEW OBVSS LABOR FOR 29' 30' or 32' BUSES: Labor, Installation and (24) Month Warranty for up to (13) buses. (non-taxable)		13	\$ 1,238.00	\$	16,094.00
1.3	**OPTIONAL (12) MONTH EXTENDED WARRANTY FOR 29' 30' or 32' BUSES: Additional (12) month warranty period for up to (13) buses after expiration of (24) month base warranty period. (non-taxable)		13	\$ 231.00	\$	3,003.00
2.1	NEW OBVSS MATERIALS FOR 35' or 40' BUSES: The contractor shall furnish all new materials, supplies and equipment needed to provide MTS a fully functional OBVSS in accordance with the requirements outlined in the RFP for up to (87) buses. (taxable)		87	\$ 5,917.00	\$	514,779.00
2.2	NEW OBVSS LABOR FOR 35' or 40' BUSES: Labor, Installation and (24) Month Warranty for up to (87) buses. (non-taxable)		87	\$ 1,238.00	\$	107,706.00
2.3	**OPTIONAL (12) MONTH EXTENDED WARRANTY FOR 35' or 40' BUSES: Additional (12) month warranty period for up to (87) buses after expiration of (24) month base warranty period. (non-taxable)		87	\$ 231.00	\$	20,097.00
				8.75% CA Sales Tax (Item #'s 1.1, and 2.1)	\$	51,773.75
				2% Performance Bond	\$	14,772.00
				Total Amount (OPTION YEAR TWO)	\$	805,145.75

REVISED BID SUMMARY
MOBILE ON-BOARD VIDEO SURVEILLANCE SYSTEM RFP

6/29/2010

Apollo Video Technology				
Line	Item Description – OPTION YEAR THREE	QTY*	Unit Price	Total
1.1	NEW OBVSS MATERIALS FOR 29' 30" or 32' BUSES: The contractor shall furnish all new materials, supplies and equipment needed to provide MTS a fully functional OBVSS in accordance with the requirements outlined in the RFP for up to (10) buses. (taxable)	10	\$ 5,917.00	\$ 59,170.00
1.2	NEW OBVSS LABOR FOR 29' 30" or 32' BUSES: Labor, Installation and (24) Month Warranty for up to (10) buses. (non-taxable)	10	\$ 1,238.00	\$ 12,380.00
1.3	**OPTIONAL (12) MONTH EXTENDED WARRANTY FOR 29' 30" or 32' BUSES: Additional (12) month warranty period for up to (10) buses after expiration of (24) month base warranty period. (non-taxable)	10	\$ 231.00	\$ 2,310.00
2.1	NEW OBVSS MATERIALS FOR 35' or 40' BUSES: The contractor shall furnish all new materials, supplies and equipment needed to provide MTS a fully functional OBVSS in accordance with the requirements outlined in the RFP for up to (41) buses. (taxable)	41	\$ 5,917.00	\$ 242,597.00
2.2	NEW OBVSS LABOR FOR 35' or 40' BUSES: Labor, Installation and (24) Month Warranty for up to (41) buses. (non-taxable)	41	\$ 1,238.00	\$ 50,758.00
2.3	**OPTIONAL (12) MONTH EXTENDED WARRANTY FOR 35' or 40' BUSES: Additional (12) month warranty period for up to (41) buses after expiration of (24) month base warranty period. (non-taxable)	41	\$ 231.00	\$ 9,471.00
3.1	NEW OBVSS MATERIALS FOR 45' BUSES: The contractor shall furnish all new materials, supplies and equipment needed to provide MTS a fully functional OBVSS in accordance with the requirements outlined in the RFP for up to (26) buses. (taxable)	26	\$ 5,917.00	\$ 153,842.00
3.2	NEW OBVSS LABOR FOR 45' BUSES: Labor, Installation and (24) Month Warranty for up to (26) buses. (non-taxable)	26	\$ 1,238.00	\$ 32,188.00
3.3	**OPTIONAL (12) MONTH EXTENDED WARRANTY FOR 45' BUSES: Additional (12) month warranty period for up to (26) buses after expiration of (24) month base warranty period. (non-taxable)	26	\$ 231.00	\$ 6,006.00
4.1	NEW OBVSS MATERIALS 60' BUSES: The contractor shall furnish all new materials, supplies and equipment needed to provide MTS a fully functional OBVSS in accordance with the requirements outlined in the RFP for up to (23) buses. (taxable)	23	\$ 7,286.00	\$ 167,578.00
4.2	NEW OBVSS LABOR 60' BUSES: Labor, Installation and (24) Month Warranty for up to (23) buses. (non-taxable)	23	\$ 1,386.00	\$ 31,878.00
4.3	**OPTIONAL (12) MONTH EXTENDED WARRANTY FOR 60' BUSES: Additional (12) month warranty period for up to (23) buses after expiration of (24) month base warranty period. (non-taxable)	23	\$ 231.00	\$ 5,313.00
8.75% CA Sales Tax (Item #'s 1.1, 2.1, 3.1, and 4.1)				\$ 54,528.86
2% Performance Bond				\$ 15,469.82
Total Amount (OPTION YEAR THREE)			\$ 843,489.68	

CONTRACT YEAR		Apollo Video Technology	
PHASE I TOTAL:		\$	27,280.28
PHASE II TOTAL		\$	1,813,995.10
CONTRACT BASE PERIOD SUBTOTAL:		\$	1,841,275.37
OPTION YEAR 1 TOTAL:		\$	867,591.28
OPTION YEAR 2 TOTAL:		\$	805,145.75
OPTION YEAR 3 TOTAL:		\$	843,489.68
GRAND TOTAL FOR 5 YEAR CONTRACT: (Base Period + 3 Option Years)		\$	4,357,502.09



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

***REVISED**

Agenda

Item No. C4

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

FIN 340

July 8, 2010

SUBJECT:

MTS: FISCAL YEAR 2011 REVISED CAPITAL IMPROVEMENT (CIP) PROGRAM
(LARRY MARINESI)

RECOMMENDATION:

That the *Executive Committee forward a recommendation to the Board of Directors to:

1. approve the adjusted fiscal year 2011 Capital Improvement Program (CIP) with the revised federal (Attachment A) and nonfederal funding levels (Attachment B); and
2. forward a recommendation to the San Diego Association of Governments (SANDAG) Board of Directors to approve the amendment of the Regional Transportation Improvement Program (RTIP) in accordance with the fiscal year 2011 CIP recommendations.

Budget Impact

Decreases in original funding combined with the addition of newly available funding will provide for a net increase of \$19.1 million to the CIP.

DISCUSSION:

On Friday, May 14, 2010, MTS received notification from the U.S. Department of Homeland Security that it would be providing additional funding for security-related projects. The federal fiscal year 2010 allocation would help to fund fiber-optics and closed-circuit televisions onboard buses to enhance MTS's emergency management. This development has resulted in a \$3.8 million addition to the FY 11 CIP. In addition,



on June 9, 2010, MTS received \$2.7 million from the California Emergency Management Agency for the LRV Onboard CCTV Project.

On May 17, SANDAG staff notified MTS of the decrease of \$2.4 million in federal fiscal year 2010 formula funds. The revised allocation for the MTS Section 5307 program is \$38.7 million, which would be matched with \$8.7 million in local funds. This program would provide an estimated \$47.4 rather than the \$50.1 million originally estimated. The revised Section 5309 funds allocation is now \$13.8 million and would be matched with \$3.4 million in local funds. This program would provide \$17.2 million rather than the \$17 million originally estimated.

The newly adjusted federal fiscal year 2010 Federal Register amounts also provided for the allocation of \$800,000 for bus and bus-related equipment, which will be matched with \$200,000 in local funds. This newly apportioned earmark is intended to fund capital related to the Regional Transportation Management System (RTMS). The RTMS is intended to support radio and dispatch equipment needs throughout the system.

Generally, the allocation of funds from the FTA requires that grantees provide a 20 percent local match for each project submitted. However, on May 26, 2010, MTS staff received notification that the Federal Highway Administration (FHWA) has implemented the use of Transportation Development Credits (TDC) as a form of local match for some FTA projects. Because the TDC provides a credit toward a project's local share, it allows grantees to fund these capital projects with 100% federal funds within the current year's formula funds allocation. Although this program does not increase the amount of funding received, it does provide for greater funding flexibility within the CIP.

In an effort to locate additional funding for the previously approved FY 11 capital, staff submitted a proposal to the California Energy Commission. On May 17, MTS received confirmation that \$186,148 of the requested amount had been granted as part of the California Energy Commission's Alternative and Renewable Fuel and Vehicle Technology Program. This grant award will be matched with local funds of \$47,000 for a total of \$233,150 to be used for the CNG Station Improvements Project.

During the May 28, 2010 SANDAG Board of Directors meeting, SANDAG approved the allocation of the remaining \$10.1 million in TransNet 1 funds to MTS for items related to the Mission Valley East Light Rail Transit Project and MTS operations. The allocation provides \$2.2 million to fund remaining capital expenses related to the Mission Valley East Light Rail Transit Project and \$7.9 million to fund operations. As a result of the remaining amount of TransNet 1 funds being allocated to operations, the MTS Board of Directors approved the shift of \$7.9 million of Transportation Development Act (TDA) funding into the CIP on June 10, 2010.

In addition, staff has identified \$3,387,020 from previously budgeted capital projects to offset the decrease in federal formula funds and meet newly identified FY 11 capital needs.

Under the newly revised budget and newly identified capital needs, the allocation of capital projects has been adjusted. The capital projects list (Attachment B) represents the revised five-year, unconstrained needs for MTS operators. The federal and nonfederal funding adjustments resulted in a total of \$55.6 million available (after preventative maintenance and SANDAG planning studies) to be used for the CIP. Forty-five percent or \$23 million of that amount has been dedicated to previously approved land and facility projects. The remaining amount of funding is allocated based on need.

The table below is a summary of the revised funding recommendations, the major categories that are proposed to be funded, and the percentage of total available funding based on FY 11 capital needs.

FY 11 Capital Project Categories	Funding	% of Total
Land & Facility Projects	\$ 23,883	43%
LRV Components (Tires, Body Rehab, Other)	\$ 7,160	13%
Major Facility & Construction Projects	\$ 6,682	12%
Other Equipment & Installations (LRV & Bus)	\$ 5,657	10%
Security Projects	\$ 7,715	14%
Rail Infrastructure	\$ 2,667	5%
CNG Revenue Vehicles	\$ 1,351	2%
Miscellaneous Operating Capital	\$ 500	1%
Total Project Funding Available	\$ 55,615	100.0%



Paul C. Jablonski
Chief Executive Officer

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

JULY8-10.C4.FY 11 CIP.LFOWLER.doc

Attachments: A. Fiscal Year 2011 Detailed Federal CIP
B. Fiscal Year 2011 Detailed Nonfederal CIP

Fiscal Year 2011 Detailed CIP Funding

Funding Description	Grant	FY11	FY12	FY13	FY14	FY15
FFY10-5307 Funding Estimate		38,697	40,245	41,855	43,529	45,270
TDA Local Match (5307) 20%	TDA	8,707	9,055	9,417	9,794	10,186
FFY10-5309 Rail Mod Funding Estimate		13,792	14,343	14,917	15,514	16,134
TDA Local Match (5309) 20%	TDA	3,448	3,586	3,729	3,878	4,034
FFY09- 5307 Carry forward		3,441				
TDA Local Match (5307) 20%	TDA	860				
FFY09- 5309 Carry forward		1,598				
TDA Local Match (5309) 20%	TDA	400				
FFY10 RTMS Earmark	BUSP-029	800				
TDA Local Match (Earmark) 20%		200				
FFY09 TSGP (LRV Station CCTV)		398				
FFY09 TSGP (Bus On Board CCTV)		498				
FFY10 TSGP (Fiber optics)		3,382				
FFY10 TSGP (Bus On Board CCTV)		500				
FFY10 CEC award for CNG upgrades	PON-09-006	186				
TDA Local Match (CEC grant) 20%		47				
Transnet 1		2,200				
TDA		7,900				
FY09 CNG Rebate Overage		238				
Project Transfer- MTS #11199 (2007)	CA-90-Y474	51				
Project Transfer- MTS #11199 (2008)	CA-05-0220	107				
Project Transfer- MTS #11199 (2009)	CA-05-0233	21				
Project Transfer- MTS #11199 (2009)	CA-05-Y677	392				
Project Transfer- MTS #11199	TDA	143				
Project Transfer- MTS #11192	CA-90-Y474	280				
Project Transfer- MTS #11192	TDA	70				
Project Transfer- MTS #11163	CA-90-Y474	9				
Project Transfer- MTS #11163	TDA	2				
Project Transfer- SANDAG #11147	CA-90-Y350	66				
Project Transfer- MTS #11239- no match	CA-90-Y677	931				
Project Transfer- MTS #11237	Earmarks (2)	778				
Project Transfer- MTS #11237	Y677	113				
Project Transfer- MTS #11237	Y748	200				
Project Transfer- MTS #11237	TDA	279				
Project Transfer- MTS #11272	Y748	800				
Project Transfer- MTS #11272	TDA	200				
Project Transfer- MTS #11219	STA	168				
Project Transfer- MTS #11200	TDA	476				
Project Transfer- MTS #11272	Y748	2,194				
Project Transfer- MTS #11272	TDA	549				
Prop 1B (FY09-10 California TSGP)		2,700				
Prop1B		-	16,400	16,400	16,400	16,400
TDA swap for ADA federal funds		3,870	4,024	4,185	4,353	4,527
SANDAG Planning Study		(705)	(733)	(763)	(793)	(825)
Preventive Maintenance- Federal, no match req		(3,870)	(4,024)	(4,185)	(4,353)	(4,527)
Preventive Maintenance- Fed+Match		(41,500)	(41,500)	(41,500)	(41,500)	(41,500)
Available Funding for FY 11 Capital Program		55,615	41,395	44,055	46,821	49,698

Fiscal Year 2011 Detailed CIP

Project Number	Project Description	Thru FY10	FY11 funded	FY11 Unfunded	FY12	FY13	FY14	FY15	BUDGET FY11 -FY15
11303	ADA Land & Facility Purchase	-	19,200	-	-	-	-	-	19,200
11288	Security Fiber optics (orange & green line)	-	3,382	-	-	-	-	-	3,382
11280	MTS CNG Station Improvements- IAD, KMD, SB	575	3,233	2,100	-	-	-	-	5,333
11271	LRV On Board CCTV	-	2,700	-	-	-	-	-	2,700
10426	Mission Valley East	503,931	2,200	-	-	-	-	-	2,200
1048500	SBMF Acquisition & Expansion	11,037	1,817	3,050	32,000	1,000	-	-	37,867
11309	New Wheel Truing Machine/ Wheel scan	-	1,800	-	-	-	-	-	1,800
1142100	Substation Rehabilitation (Substation Standardization)	3,618	1,600	-	-	-	-	-	1,600
11276	SDTI Ticket Vending Equipment- multi yr contract	500	1,375	-	869	-	-	-	2,244
11306	Para-Transit Vehicles	7,811	1,351	-	7,482	-	7,482	-	16,315
11184	Bus Video Cameras & Back office	4,128	1,236	-	-	-	-	-	1,236
11214	LRV HVAC Overhaul- multi yr contract	2,229	1,200	-	-	-	-	-	1,200
11290	South Bay Radio, Dispatch equipmnt,AVL, & APC's	-	1,000	3,500	-	-	-	-	4,500
11307	NEW IT System	102	1,000	-	901	-	-	-	1,901
NEW	Substation SCADA design CTC integration (MVW/Orange)	-	1,000	-	-	-	-	-	1,000
1129200	Overhead Catenary System Standardization (Head spans)	400	975	-	-	-	-	-	975
1049600	East County Facility Redevelopment (Constr)	1,428	972	-	12,198	20,948	17,948	-	52,065
11304	Buffer/ Coupler Overhaul (SD-100)	-	960	-	520	520	-	-	2,000
1128600	LRV Carwash -Construction	150	850	-	-	-	-	-	850
11167	LRV Tires- multi yr contract	2,117	750	-	750	750	750	750	3,750
11224	Bucket/Crane/Platform	1	665	-	-	-	-	-	665
11302	SD-100 Main Breaker Replacement	-	650	-	-	-	-	-	650
11200	Misc. Capital Non Federal	1,730	500	-	500	500	500	500	2,500
11251	Gearbox Overhaul- multi yr. contract	2,000	500	-	500	-	-	-	1,000
11254	LRV Brake Overhaul	975	450	-	800	800	800	800	3,650
11286	IAD Bus Wash Replacement- Design	-	450	-	-	-	-	-	450
11287	Body Hoist Overhaul (C4&C5)	-	400	-	-	-	-	-	400
11223	LRV Station CCTV Components (Phase 2)	2,094	398	-	-	-	-	-	398
1128000	High Voltage Breaker Replacement	320	350	-	-	-	-	-	350
11289	SDTC Service Trucks (3-F450's)	-	335	-	-	650	-	-	985
11206	Rail Profile grinding (continued)- multi yr contract	1,323	325	-	325	325	325	325	1,625
11275	SD100 Traction Motor Disconnects	275	275	-	-	-	-	-	275
11216	LRV Electronic Components- multi yr contract	730	250	-	-	-	-	-	250
11183	System Cross Ties & Ballast- multi yr contract	990	225	-	280	280	280	280	1,345

Project Number	Project Description	Thru FY10	FY11 funded	FY11 Unfunded	FY12	FY13	FY14	FY15	BUDGET FY11 -FY15
NEW	IAD HVAC and Roof Repairs- Design	-	209	-	-	-	-	-	209
NEW	Direct fixation track repair on Fletcher bridge	-	200	-	-	-	-	-	200
1128100	Mainline drainage- Palm to Hill in El Cajon	260	143	-	-	-	-	-	143
NEW	Spring Street Transit Center- retaining wall and platform repair	-	128	-	-	-	-	-	128
11299	Escalator and Elevator Capital expenses	-	125	-	128	130	133	135	651
11301	Building A- A/C and heating replacement	-	125	-	500	-	-	-	625
11300	Transit Center Signage Project	-	100	-	100	100	-	-	300
1128300	ADA Station Improvement- Old Town handrail / fence repair	589	98	-	-	-	-	-	98
11294	Building A- roll up door replacement	-	50	-	-	-	-	-	50
11295	Fiber Optic Test Equipment	-	25	-	-	-	-	-	25
11296	Radio Communications Recorder	-	19	-	-	-	-	-	19
11297	Multifunction Color Copier	-	13	-	-	-	-	-	13
11298	Multifunction Welder	-	7	-	-	-	-	-	7
	MTS Solar Panel Installations	-	-	4,175	-	-	-	-	4,175
	Para-Transit Automatic Vehicle Locator, Mobile Data Terminal & Camera	-	-	1,863	-	-	-	-	1,863
	Blue line bridge repairs- Chollas Creek, 8th St., Beyer.	-	-	950	-	-	-	-	950
	Rio Vista station- Retaining wall and platform repair	-	-	510	-	-	-	-	510
	Bus Replacement	-	-	-	22,500	22,500	22,500	22,500	90,000
	Blue Line	43,442	-	-	33,179	37,179	39,179	32,179	141,717
	CVT 40-Foot Full-size Buses (15,10)	5,102	-	-	6,375	4,250	-	-	10,625
	Electronic Message Board Replacement	-	-	-	3,200	-	-	-	3,200
	Destination Sign, Comm., GPS(SD-100)	-	-	-	1,900	-	-	-	1,900
	Regional Communication System Radio Replacement (178)	-	-	-	1,355	-	-	-	1,355
	Inverters	-	-	-	1,300	1,300	-	-	2,600
	Chopper (propulsion container) Overhaul	-	-	-	1,250	1,250	1,250	1,250	5,000
	Grade crossing replacement	-	-	-	1,200	1,200	1,200	1,200	4,800
	Crane Truck	-	-	-	750	-	-	-	750
	Back Hoe & Trailer	-	-	-	700	-	-	-	700
	Signal drawing update	-	-	-	500	-	-	-	500
	Yard switch Mods	-	-	-	400	1,500	-	-	1,900
	Power Yard Switch automation/ replacement design	-	-	-	400	-	-	-	400
	New Train Operator Seats	-	-	-	370	-	-	-	370
	Sanding/Shop	-	-	-	350	-	-	-	350
	Office Space	-	-	-	200	-	-	-	200
	Parking lot pavement	-	-	-	150	150	150	-	450
	Switch Frog procurement	-	-	-	120	-	-	-	120
	Station cleaning equipment	-	-	-	80	80	-	-	160
	Wood Chipper	-	-	-	80	-	-	-	80

Project Number	Project Description	Thru FY10	FY11 funded	FY11 Unfunded	FY12	FY13	FY14	FY15	BUDGET FY11 -FY15
	Gas lamp permanent ticket booth	-	-	-	25	-	-	-	25
	Old Town Permanent Ticket Booth	-	-	-	25	-	-	-	25
	Ticket Trailer Rehab	-	-	-	15	-	-	-	15
TOTAL		597,856	55,615	16,148	134,276	95,412	92,496	59,920	453,867



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

***REVISED DRAFT**

Agenda

JOINT MEETING OF THE BOARD OF DIRECTORS

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

July 15, 2010

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 - June 24, 2010 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.

Please turn off cell phones and pagers
during the meeting

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Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc., San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations), and San Diego Vintage Trolley, Inc., a 501(c)(3) nonprofit corporation, in cooperation with Chula Vista Transit. MTS is the taxicab administrator for seven cities. MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego.



CONSENT ITEMS

- | | | |
|-----|---|---------|
| 6. | <u>MTS: Investment Report - April 2010</u>
Action would receive a report for information. | Receive |
| 7. | <u>MTS: State Transit Assistance (STA) Claims</u>
Action would adopt Resolution No. 10-20 approving fiscal year (FY) 2010 STA claims. | Approve |
| 8. | <u>MTS: Proposed 2010/2011 Internal Audit Plan</u>
Action would approve the proposed 2010/2011 Internal Audit Plan. | Approve |
| 9. | <u>MTS: Resolution of Designated Individual/Position Authorized to Act on Behalf of Metropolitan Transit System</u>
Action would adopt Resolution 10-16 to approve the Manager of Risk and Loss Prevention to act on matters relating to California State Association of Counties (CSAC) Excess Insurance Authority. | Adopt |
| 10. | <u>MTS: Investment Report - May 2010</u>
Action would receive a report for information. | Receive |
| 11. | <u>MTS: Internal Audit Report - Contract Services</u>
Action would receive a report for information. | Receive |
| 12. | <u>MTS: Internal Audit Report - Human Resources</u>
Action would receive a report for information. | Receive |
| 13. | <u>MTS: Fiscal Year 2011 Revised Transportation Development Act (TDA) 4.0 Capital Claim</u>
Action would adopt Resolution No. 10-19 approving the revised fiscal year (FY) 2011 Transportation Development Act (TDA) Article 4.0 claim. | Adopt |
| 14. | <u>MTS: Transit System Safety, Security, and Disaster Response Account Program</u>
Action would approve Resolution No. 10-17 authorizing the CEO to submit applications for funds provided by the Transit System Safety, Security, and Disaster Response Account (TSSSDRA) Program. | Approve |
| 15. | <u>MTS: Amendments to the Joint Exercise of Powers Agreement and the Bylaws of the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor Member Agency</u>
Action would approve the proposed amendments to the LOSSAN Joint Exercise of Powers Agreement and Bylaws. | Approve |

CLOSED SESSION

- | | | |
|-----|--|--------------------|
| 24. | a. SDTI: CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS Pursuant to California Government Code Section 54957.6
Agency-Designated Representative - Jeff Stumbo
Employee Organization - International Brotherhood of Electrical Workers Local 465 | Possible
Action |
| | b. MTS: CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant To California Government Code Section 54956.8;
<u>Properties:</u> 7490 and 7550 Copley Park Place, San Diego, California (Assessor Parcel Nos. 356-410-08 and 356-410-09);
<u>Agency Negotiators:</u> Tiffany Lorenzen, General Counsel; and Tim Allison, Manager of Real Estate Assets;
<u>Negotiating Parties:</u> RV Investment CA, LLC, RV Investment CA, LLC II;
<u>Under Negotiation:</u> Price and Terms of Payment | Possible
Action |
| | c. MTS: CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Pursuant to California Government Code Section 54956.9(a) <u>Metropolitan Transit System v. San Diego State University</u> (Case No. 37-2007-00083692-CU-WM-CTL) | Possible
Action |

Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

- | | | |
|-----|---|---------|
| 30. | <u>MTS: Credit Agreement (Tom Lynch)</u>
Action would approve Resolution No. 10-18 authorizing the CEO to execute a credit agreement with Bank of America for \$20 million and any other ancillary documents necessary to complete the transaction. | Approve |
| 31. | <u>MTS: Procurement, Integration, and Installation of Onboard Video Surveillance Systems for MTS Buses (Claire Spielberg)</u>
Action would authorize the CEO to award MTS Doc. No. B0521.0-09 to Apollo Video Technology to procure, integrate, and install onboard video surveillance systems (video systems) on MTS buses. The contract would be completed in two phases and would also include three 1-year options for additional video systems. | Approve |

- | | | |
|-----|--|---------|
| 32. | <u>SDTI: Closed-Circuit Video System for San Diego Trolley Stations - Contract Award (Russ Desai and Marco Yniguez)</u>
Action would authorize the CEO to execute MTS Doc. No. PWL125.0-10 with Electro Specialty Systems, Inc. for the procurement and installation of a closed-circuit video system for San Diego Trolley, Inc. (SDTI) stations. | Approve |
| 33. | <u>MTS: Siemens Light Rail Vehicle (LRV) Procurement - Contract Amendment (Tiffany Lorenzen and Wayne Terry)</u>
Action would: (1) authorize the CEO to execute MTS Doc. No. L0914.2-10 Revised identifying the list of spare parts, special tools, and training to be provided by Siemens; (2) authorize the CEO to execute MTS Doc. No. L0914.4-10 (train-to-wayside communications); and (3) increase the total budget for the procurement of low-floor vehicles from \$228,168,000 to \$232,000,000 and amend the SANDAG LRV procurement MOU. | Approve |
| 34. | <u>MTS: Salary Range Adjustments (Jeff Stumbo)</u>
Action would approve the revised salary ranges for management employees. | Approve |
| 35. | <u>*MTS: Fiscal Year 2011 Revised Capital Improvement (CIP) Program (Larry Marinesi)</u>
Action would: (1) approve the adjusted fiscal year 2011 Capital Improvement Program (CIP) with the revised federal and nonfederal funding levels; and (2) forward a recommendation to the San Diego Association of Governments (SANDAG) Board of Directors to approve the amendment of the Regional Transportation Improvement Program (RTIP) in accordance with the fiscal year 2011 CIP recommendations. | Approve |

REPORT ITEMS

- | | | |
|-----|---|-------------|
| 45. | <u>MTS: Operations Budget Status Report for May 2010 (Mike Thompson)</u>
Action would receive a report for information. | Receive |
| 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 |
| 63. | <u>Board Member Communications</u> | |
| 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. | |
| 65. | <u>Next Meeting Date:</u> August 19, 2010 | |
| 66. | <u>Adjournment</u> | |



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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.

FIN 305

**Draft for
Executive Committee
Review Date: 7/8/10**

July 15, 2010

SUBJECT:

MTS: INVESTMENT REPORT – APRIL 2010

RECOMMENDATION:

That the Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

Attachment A comprises the report of MTS investments as of April 2010. The first column provides details about investments restricted for capital improvement projects and debt service, the majority of which are related to the 1995 lease and leaseback transactions. The balance in restricted cash and investments has increased by \$45 million due to receipt of TransNet funding related to future capital asset acquisitions. The funds restricted for debt service are structured investments with fixed returns that will not vary with market fluctuations if held to maturity. These investments are held in trust and will not be liquidated in advance of the scheduled maturities.

The second column (unrestricted investments) reports the working capital for MTS operations for employee payroll and vendors' goods and services. The balance in unrestricted cash and equivalents has increased by \$3.6 million in April due to normal variability in the timing of grant receipts and vendor payments.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Linda Musengo, 619.557.4531, linda.musengo@sdmts.com

JULY15-10.6.APRIL INVESTMT RPT.LMUSENGO.doc

Attachment: A. April Investment Report

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Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc., San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations), and San Diego Vintage Trolley, Inc., a 501(c)(3) nonprofit corporation, in cooperation with Chula Vista Transit. MTS is the taxicab administrator for seven cities. MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego.



**San Diego Metropolitan Transit System
Investment Report
April 30, 2010**

	Restricted	Unrestricted	Total	Average rate of return
Cash and Cash Equivalents				
Bank of America - concentration sweep account	\$ 1,209,485	\$ 36,436,126	\$ 37,645,611	0.00%
Total Cash and Cash Equivalents	1,209,485	36,436,126	37,645,611	
Cash - Restricted for Capital Support				
US Bank - retention trust account	205,200		205,200	N/A *
Local Agency Investment Fund (LAIF) Proposition 1B TSGP grant funds	2,687,156		2,687,156	59.00%
Total Cash - Restricted for Capital Support	2,892,356	-	2,892,356	
Investments - Working Capital				
Local Agency Investment Fund (LAIF)	44,631,000	3,457,314	48,088,314	0.55%
Bank of New York				
Total Investments - Working Capital	44,631,000	3,457,314	48,088,314	
Investments - Restricted for Debt Service				
US Bank - Treasury Strips - market value (Par value \$39,474,000)	34,601,020	-	34,601,020	
Rabobank - Payment Undertaking Agreement	84,951,545	-	84,951,545	7.69%
Total Investments Restricted for Debt Service	119,552,565	-	119,552,565	
Total cash and investments	\$ 168,285,406	\$ 39,893,440	\$ 208,178,846	

N/A* - Per trust agreements, interest earned on retention account is allocated to trust beneficiary (contractor)



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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.

FIN 340.2

July 15, 2010

**Draft for
Executive Committee
Review Date: 7/8/10**

SUBJECT:

MTS: STATE TRANSIT ASSISTANCE (STA) CLAIMS

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 10-20 (Attachment A) approving fiscal year (FY) 2010 STA claims.

Budget Impact

None.

DISCUSSION:

Attachment A reflects the detailed breakdown of the claim.

STA Claims \$18,806,783

Discretionary STA funds are distributed to MTS on the basis of population. Formula STA funds are distributed to San Diego Transit Corporation (SDTC), San Diego Trolley, Inc. (SDTI), MTS Contract Services, and other operators on the basis of revenue generated.

State law and MTS Policy No. 20 "Allocation of State Transit Assistance Funds" require that priority consideration be given to STA claims for the following purposes:

- to enhance existing public transportation services;
- to meet priority regional, county, or areawide public transportation needs; and



- to offset reductions in federal operating assistance and unanticipated increases in fuel costs.

Periodic Review of Expenditures

The San Diego Association of Governments (SANDAG) requires each operator to submit at least quarterly operating reports to SANDAG staff for review. These reports allow SANDAG, local jurisdictions, and operators to track STA expenditures during the course of the fiscal year with appropriate budget and operational adjustments made as necessary. In certain instances, it may be necessary to revise the original STA claims.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Nancy Dall, 619.557.4537, nancy.dall@sdmts.com

JULY15-10.7.STA CLAIMS.NDALL.doc

Attachment: A. MTS Resolution No. 10-20

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 10-20

Resolution Approving the MTS Area Revised FY 2010 STA Claim

WHEREAS, California Public Utilities Code Sections 99313.3 and 99313.6 established a State Transit Assistance (STA) fund and grants the Metropolitan Transit System (MTS) authority to allocate monies from this fund; and

WHEREAS, MTS Policy No. 20 established procedures for allocating these STA funds;
and

WHEREAS, MTS, San Diego Transit Corporation (SDTC), San Diego Trolley, Inc. (SDTI), MTS Contracted Services, and Chula Vista, (claimants), qualify for STA monies under the provision of Public Utilities Code Section 99260 et seq.; and

WHEREAS, the sum of the claimants' allocations of STA and Transportation Development Act (TDA) funds do not exceed the amounts they are eligible to receive during the fiscal year; and

WHEREAS, the claimants are receiving the maximum of allowable amounts from the local transportation fund; and

WHEREAS, the San Diego Association of Governments (SANDAG) has determined the claimants have participated in efforts to define transit productivity recommendations and have made a reasonable effort toward implementing these recommendations in FY 2010; and

WHEREAS, the claimants are operating in conformance with MTS Policy No. 17, "Transportation Development Act Rules and Regulations;" and

WHEREAS, the claimants' proposed expenditures of STA monies are in conformance with the *Regional Transportation Plan* and *Transportation Improvement Program*; and

WHEREAS, priority consideration has been given to claims to offset reductions in federal operating assistance and the unanticipated increase in the cost of fuel, to enhance existing public transportation services and to meet high-priority, areawide public transportation needs; and

WHEREAS, the claims are consistent with the requirements of Public Utilities Code Section 99314.5, California Administrative Code Section 6754, and MTS Policy No. 20; and

WHEREAS, the claimants are not precluded by any contract or administrative code entered into on or after June 28, 1979, from employing part-time drivers or from contracting with common carriers or persons operating under a franchise or license; and

WHEREAS, no full-time employee of the claimants on June 28, 1979, has had his or her employment terminated or regular hours of employment reduced, excluding drivers or contracting with common carriers; NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that the MTS Board does hereby direct and empower MTS staff to prepare and transmit allocation instructions

to the County Auditor to disburse to MTS the FY 2010 STA amount totaling \$18,806,783 as shown in the FY 10 STA Claims Summary (attached) to this resolution.

PASSED AND ADOPTED by the Board this _____ day of _____ 2010, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

Chairman
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: MTS FY 2010 STA Claim Summary

JULY15-10.7.AttA.RESO 10-20.
STA CLAIMS.NDALL.doc

**San Diego Metropolitan Transit System
FY 2010 STA Claim Summary**

FY 2010 Allocation from the State Controller	\$18,806,783
Requested Payment - July 2010	\$18,806,783
Remaining Balance due to MTS	\$ -



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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.

LEG 492

**Draft for
Executive Committee
Review Date: 7/8/10**

July 15, 2010

SUBJECT:

MTS: PROPOSED 2010/2011 INTERNAL AUDIT PLAN

RECOMMENDATION:

That the Board approve the proposed 2010/2011 Internal Audit Plan (Attachment A).

Budget Impact

None.

Audit Oversight Committee Recommendation

At its meeting on June 17, 2010, the Audit Oversight Committee recommended forwarding this item to the Board of Directors for approval.

DISCUSSION:

The MTS Internal Auditor has proposed a 2010/2011 work plan consisting of 9 internal audit projects plus an allowance of 400 hours for completion of various management and Board requests. The estimated time required to complete each project is shown on the attached audit plan (Attachment A). Each agency process to be reviewed is listed as well as the estimated business risks associated with each process.


Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Mark Abbey, 619.557.4573, mark.abbey@sdmts.com

JULY15-10.8.PROSED INTERNAL AUDIT PLAN.MABBEY.doc

Attachment: A. Proposed 2010/2011 Internal Audit Plan Summary

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Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc., San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations), and San Diego Vintage Trolley, Inc., a 501(c)(3) nonprofit corporation, in cooperation with Chula Vista Transit. MTS is the taxicab administrator for seven cities. MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego.



Proposed 2010/2011 Internal Audit Plan Summary

GOALS, OBJECTIVES, AND ACTIVITIES

GOAL 1: Strengthen the Board's and its subsidiaries' performance and accountability to the public in managing resources and achieving outcomes

Objective 1: Improve performance levels and outcomes for the Board and its subsidiaries

Risk:

Misappropriation, waste, or loss (evaluate controls)

Misappropriation, waste, or loss (evaluate controls)

Bodily harm to customers or employees

Regulatory noncompliance and possible loss of funding.

Misappropriation, waste, or loss (evaluate controls)

Misappropriation, waste, or loss (evaluate controls)

Misappropriation, waste or loss of collected revenue (evaluate controls)

Misappropriation, waste or loss of collected revenue (evaluate controls)

Misappropriation, waste, or loss (evaluate controls)

Objective 2: Improve the public's ability to hold the Board and its subsidiaries accountable

Follow-up on all MTS and subsidiary audit and audit-related projects conducted in FY 10 and evaluate the quality and timeliness of action

GOAL 2: Improve the auditing and consulting capabilities of the internal audit function

Objective 1: Improve staff knowledge and skills

Identify opportunities for improvement and obtain appropriate training

Objective 2: Improve customer satisfaction and internal audit reputation through delivering high-quality and timely services

Prioritize special requests and conduct special projects

AGENCY - PROCESS	GROSS RISK ASSESSMENT	NUMBER TASK HOURS
---------------------	--------------------------	----------------------

Risk Management - TPA Disbursements	Medium	80
SDTI - Storeroom	High	160
SDTC - Training	Medium	120
California Air Resources Board Follow-up Review	Medium	40
Compass Card Controls	High	240
Transit Store Controls	High	120
SDTI - Revenue Collection	Extreme	160
SDTC - Revenue Collection	Extreme	160
Absenteeism-Sick Leave Review	High	120

Total: 1,200

160

Total: 160

80

400

TOTAL AUDIT HOURS: 1,840

Att. A, Al 8, 7/15/10



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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.

LEG 491

**Draft for
Executive Committee
Review Date: 7/8/10**

July 15, 2010

SUBJECT:

MTS: RESOLUTION OF DESIGNATED INDIVIDUAL/POSITION AUTHORIZED TO
ACT ON BEHALF OF METROPOLITAN TRANSIT SYSTEM

RECOMMENDATION:

That the Board of Directors adopt Resolution 10-16 (Attachment A) to approve the
Manager of Risk and Loss Prevention to act on matters relating to California State
Association of Counties (CSAC) Excess Insurance Authority.

Budget Impact

None at this time. Any purchase of insurance shall follow MTS's policy on procurement
of goods and services. The proposed resolution would not change or alter MTS's policy
on signature authority.

DISCUSSION:

MTS's property insurance policies are obtained through CSAC, which is a joint purchase
group of all but a handful of California counties created for the purpose of obtaining
insurance at a reduced cost. MTS has participated in this group purchase program
since 1993. Primary contact has been within the MTS Risk Department.

In order for CSAC Excess Insurance Authority to update its records, the governing board
for each public entity member needs to designate an individual or position that is
authorized to officially act on behalf and enter into agreements with the authority.



Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. Resolution No. 10-16

JULY15-10.9.RESO 10-16.DESIGNATE RISK MATTERS.JDOW.doc

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SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 10-16

Resolution Delegating Authority to Act on Behalf of San Diego Metropolitan Transit System

WHEREAS, the California State Association of Counties (CSAC) Excess Insurance Authority (Authority) has determined that it is necessary for each member of the Authority to delegate to a person[s] or position[s] authority to act on the member's behalf in matters relating to the member and the Authority; and

WHEREAS, except as to those actions that must be approved by the San Diego Metropolitan Transit System, such delegation of authority is necessary in order to carry out the purposes and functions of the Authority with its members; and

WHEREAS, in order to ensure a person[s] or position[s] is delegated with authority to act on the member's behalf in matters relating to the member and the Authority, action by the member's governing body is necessary;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that MTS does hereby authorize and appoint the Manager of Risk and Loss Prevention to act in all matters relating to the member (MTS) and the Authority.

PASSED AND ADOPTED, by the Board of Directors this _____ day of _____ 2010 by the following vote:

AYES:

NAYS:

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



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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.

FIN 305

**Draft for
Executive Committee
Review Date: 7/8/10**

July 15, 2010

SUBJECT:

MTS: INVESTMENT REPORT – MAY 2010

RECOMMENDATION:

That the Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

Attachment A comprises the report of MTS investments as of May 31, 2010. The first column provides details about investments restricted for capital improvement projects and debt service—the majority of which are related to the 1995 lease and leaseback transactions. The balance in restricted cash and investments has decreased by \$42,000,000 due to expenditures related to acquisition of trolley cars. The funds restricted for debt service are structured investments with fixed returns that will not vary with market fluctuations if held to maturity. These investments are held in trust and will not be liquidated in advance of the scheduled maturities.

The second column (unrestricted investments) reports the working capital for MTS operations for employee payroll and vendors' goods and services. The balance in unrestricted cash and equivalents has increased by \$1.7 million in May due to variability in the timing of grant receipts and vendor payments.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Linda Musengo, 619.557.4531, linda.musengo@sdmts.com

JULY15-10.10.MAY INVESTMT RPT.LMUSENGO.doc

Attachment: A. May Investment Report

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**San Diego Metropolitan Transit System
Investment Report
May 31, 2010**

	Restricted	Unrestricted	Total	Average rate of return
Cash and Cash Equivalents				
Bank of America - concentration sweep account	<u>\$ 1,209,485</u>	<u>\$ 17,536,553</u>	<u>\$ 18,746,038</u>	0.00%
Total Cash and Cash Equivalents	<u>1,209,485</u>	<u>17,536,553</u>	<u>18,746,038</u>	
Cash - Restricted for Capital Support				
US Bank - retention trust account	2,257,200		2,257,200	N/A *
Local Agency Investment Fund (LAIF) Proposition 1B TSGP grant funds	<u>2,544,156</u>		<u>2,544,156</u>	0.56%
Total Cash - Restricted for Capital Support	<u>4,801,356</u>	<u>-</u>	<u>4,801,356</u>	
Investments - Working Capital				
Local Agency Investment Fund (LAIF)		24,088,314	24,088,314	0.56%
Bank of New York				
Total Investments - Working Capital	<u>-</u>	<u>24,088,314</u>	<u>24,088,314</u>	
Investments - Restricted for Debt Service				
US Bank - Treasury Strips - market value (Par value \$39,474,000)	35,247,675	-	35,247,675	
Rabobank - Payment Undertaking Agreement	<u>84,951,545</u>	<u>-</u>	<u>84,951,545</u>	7.69%
Total Investments Restricted for Debt Service	<u>120,199,220</u>	<u>-</u>	<u>120,199,220</u>	
Total cash and investments	<u>\$ 126,210,061</u>	<u>\$ 41,624,867</u>	<u>\$ 167,834,928</u>	

N/A* - Per trust agreements, interest earned on retention account is allocated to trust beneficiary (contractor)



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Agenda

Item No. 11

JOINT MEETING OF THE BOARD OF DIRECTORS
for the

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

July 15, 2010

LEG 492

**Draft for
Executive Committee
Review Date: 7/8/10**

SUBJECT:

MTS: INTERNAL AUDIT REPORT - CONTRACT SERVICES

RECOMMENDATION:

That the Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

During May 2010, the MTS Internal Auditor performed a review of the internal controls over the contract services management process. As a result of this review, eight recommendations were made for management's consideration. Management has reviewed the recommendations and is taking action to address the issues noted.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Mark Abbey, 619.557.4573, mark.abbey@sdmts.com

JULY15-10.11.AUDIT RPT CONTRACT SVCS.MABBEY.doc

Attachment: A. Audit Report – Contract Services





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

Memorandum

DATE: June 23, 2010
TO: Claire Spielberg
FROM: Mark Abbey
SUBJECT: AUDIT REPORT – CONTRACT SERVICES

LEG 492

EXECUTIVE SUMMARY

I have completed a review of Contract Services operations. The audit was performed in accordance with the approved audit plan.

Audit Objectives and Scope

The objective of this audit was to review the adequacy of the contract management process at MTS. During my audit, I reviewed the contract management process over the following major contracts:

- East County and South Bay fixed-route service (Veolia Transportation Services, Inc.)
- ADA Paratransit (First Transit Services)
- Southland Transit operations

Observations and Recommendations

Overall, the management of the major contracts is controlled effectively by the Contract Services staff. To further improve contract management processes, the following recommendations are offered for management's consideration.

VEOLIA CONTRACT

- 1.0 Ensure security camera coverage over vaulting area at East County facility, and ensure that the probe stick is locked up at East County facility when not in use.
- 1.1 Veolia should utilize cash handling and vaulting written procedures similar to San Diego Transit Corporation's (SDTC's).
- 1.2 Cash collected from Commuter Express buses should be deposited to bank a minimum of twice each month.



FIRST TRANSIT PARATRANSIT CONTRACT

- 2.0 Match bank deposit slips to First Transit bank deposits reported on monthly statements.
- 2.1 Paratransit buses should be subject to maintenance spot checks by SDTC's Quality Assurance Department.

SOUTHLAND TRANSIT CONTRACT

- 3.0 Two employees should make bank deposits.
- 3.1 Ensure valid insurance certificate is on file for Southland operation on an ongoing basis.

GENERAL

- 4.0 Contract Services position descriptions should be updated.

A detailed explanation of these recommendations is provided under the following section entitled *Detailed Observations*.

I wish to thank Contract Services personnel for their cooperation and assistance during the course of this review.

BACKGROUND

The following is a summary of the contracts administered by Contract Services managers:

CONTRACT COMPANY	SUBJECT	FY 10 BUDGET	NO. OF VEHICLES
Veolia Transportation Services	East Co. & South Bay Fixed-Route Bus Svc.	\$42,700,267	243
First Transit Services	ADA Paratransit	\$11,420,147	120
Southland Transit	Mini-fixed and Sorrento Valley Service	\$3,831,381	29

It is obvious from the statistics above that these are major operations. There are more public transit vehicles contracted out by the Contract Services Department than the total number of buses operated by SDTC. Each contract above is for a five-year term and is administered by a contract manager. Contract managers work closely with contractor management. A number of benchmarks are established within the contracts to ensure that contractor performance is effectively monitored.

Contractors invoice MTS on a monthly basis for their management fees and other expenses. A credit is given on invoices for cash fares collected during the month. Invoices are thoroughly reviewed by contract managers to ensure compliance with contractual terms.

All of the buses operated by Veolia (with the exception of 26 commuter express buses) now have new GFI Odyssey registering fare boxes, and cash is vaulted daily.

Capital upgrades are planned for both the East County and South Bay fixed-route facilities. Plans are also in place to relocate paratransit operations from the current El Cajon location to a more central location within the county.

DETAILED OBSERVATIONS

Veolia Contract

1.0 Security

During my site visit, I noted that the East County fixed-route facility does not have security camera coverage of the vaulting area. In addition, during my tour, I noted that the probe stick is left unlocked when not in use.

Improved security and camera coverage would provide better control over fare collections and improved safety for equipment and contract employees.

Recommendations

- Ensure security camera coverage over vaulting area at East County facility.
- Ensure probe stick is locked up at East County facility when not in use.

Management Response

MTS Contract Services management will work with Veolia to ensure a security camera monitoring system is installed and working at all times in the vaulting area at the East County facility. MTS Contract Services management will also work with Veolia project management to develop or adhere to MTS policy at all Veolia sites, including East County.

1.1 Revenue Collection Written Procedures

During my site visits, I noted that Veolia does not utilize any written procedures for its revenue collection and vaulting processes. The SDTC Revenue Manager has developed written revenue collection and vaulting procedures, which would prove valuable for Veolia's contract operations revenue staff.

Recommendation

Veolia should utilize cash-handling and vaulting written procedures similar to SDTC's.

Management Response

MTS Contract Services management will distribute the written revenue collection and vaulting procedures to all MTS Contract Services operating locations as they are received from the MTS Bus (SDTC) Revenue Manager to help ensure a seamless revenue collection process throughout MTS Bus.

1.2 Commuter Express Bank Deposits

Most of the cash received is vaulted and picked up by Sectran daily for delivery to the bank. However, the 26 Commuter Express buses operating out of the East County facility do not have new GFI Odyssey registering fareboxes that directly interface with the automated fare revenue

reporting system. The cash is counted daily by Veolia staff and picked up for deposit just once each month; \$6,000 to \$7,000 is received in cash from the Commuter Express buses monthly. This cash should be banked more frequently to minimize the risk of loss.

Recommendation

Cash collected from Commuter Express buses should be deposited to the bank a minimum of twice each month.

Management Response

MTS Contract Services management agrees with the recommendation and will work with Veolia East County project management to implement the new deposit process immediately.

First Transit ADA Paratransit Contract

2.0 Cash Revenues

The MTS ADA Manager reviews the monthly statement received from First Transit for various charges and credits for cash fares received. A valuable additional check would be to require First Transit to forward copies of validated bank deposit slips with the monthly reports. These deposit slips should be matched up with reported cash revenues.

Recommendation

Match bank deposit slips to First Transit bank deposits reported on monthly statements.

Management Response

MTS Contract Services management agrees with the recommendation and will implement a procedure to obtain validated bank deposit receipts from First transit to match up with reported cash revenues.

2.1 Maintenance Inspections

SDTC Quality Assurance staff inspects buses for Veolia on a random basis to ensure that buses are adequately maintained; however, the paratransit buses are not subject to the same inspections. If maintenance is not checked, the risk exists that bus maintenance will not be carried out in a satisfactory manner.

Recommendation

Paratransit buses should be subject to maintenance spot checks by SDTC's Quality Assurance Department.

Management Response

MTS Contract Services management agrees and will explore other methods for obtaining quarterly inspections. The in-house quality assurance inspection team is too small to take on another 120 vehicle fleet that is so dissimilar to other vehicles in the fleet.

Southland Transit Contract

3.0 Bank Deposits

During my site visit to Southland Transit, I noted that bank deposits are being made by one Southland employee twice each week. Bank deposits should either be made by an armored car service or at least two employees together. This would reduce the risk of loss and possible harm to Southland employees.

Recommendation

Two employees should make bank deposits.

Management Response

MTS Contract Services management agrees with the recommendation and will work with Southland Transit project management to implement the new bank deposit process immediately.

3.1 Insurance Certificates

I reviewed the insurance coverage of the various contractors and noticed that the insurance certificate for Southland was not on file, and the MTS insurance consultant did not have a copy of a valid certificate. MTS contract services staff contacted Southland and were able to obtain a valid certificate that showed that adequate insurance coverage was in fact in place.

If MTS and insurance consultant procedures were functioning correctly, MTS Contract Services staff should have been alerted that the certificate had not been received; however, this did not happen.

Recommendation

Ensure that a valid insurance certificate is on file for Southland operations on an ongoing basis.

Management Response

MTS Contract Services management will assist the MTS Loss Prevention Manager and the MTS Insurance Consultant in reviewing the existing notification procedure in place to help ensure a valid insurance certificate is on file for all MTS Contract Services contracts. A current insurance certificate was with the MTS Contract Services project manager at the time of the audit.

General

4.0 Position Descriptions

I reviewed the position descriptions for Contract Services staff. The position descriptions were all outdated and need to be reviewed and updated to match the current duties of the positions. This will provide existing and new staff with a clear description of the duties and objectives expected in their positions.

Recommendation

Contract Services position descriptions should be updated.

Management Response

MTS Contract Services management agrees with the recommendation and stands ready to assist Human Resources in updating the MTS Contract Services position descriptions.

JULY15-10.11.AttA.AUDIT RPT CONTRACT SVCS.MABBEY.doc

cc: Paul Jablonski, Tiffany Lorenzen, Cliff Telfer - MTS
John Davenport, Jeff Codling, Elliot Hurwitz - SDTC



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San Diego, CA 92101-7490
(619) 231-1466 • FAX (619) 234-3407

Agenda

Item No. 12

JOINT MEETING OF THE BOARD OF DIRECTORS
for the

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

July 15, 2010

LEG 492

**Draft for
Executive Committee
Review Date: 7/8/10**

SUBJECT:

MTS: INTERNAL AUDIT REPORT - HUMAN RESOURCES

RECOMMENDATION:

That the Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

During April 2010, the MTS Internal Auditor performed a review of the MTS Human Resources process. As a result of this review, three recommendations were made for management's consideration. Management has reviewed the recommendations and is taking action to address the issues noted.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Mark Abbey, 619.557.4573, mark.abbey@sdmts.com

JULY15-10.12.AUDIT RPT HR.MABBEY.doc

Attachment: A. Audit Report – Human Resources





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

Memorandum

DATE: June 24, 2010
TO: Jeff Stumbo
FROM: Mark Abbey
SUBJECT: AUDIT REPORT - HUMAN RESOURCES

LEG 492 (PC 50121)

EXECUTIVE SUMMARY

I have completed a review of controls over the Human Resources process at MTS. The audit was performed in accordance with the approved audit plan.

Audit Objectives and Scope

The objective of the audit was to assess the adequacy of controls in place over the Human Resources process in order to determine the following:

- Personnel files are complete and properly maintained.
- MTS is in compliance with all relevant legal requirements.
- Adequate controls are in place over the new-hire process.
- Adequate controls are in place over the employee-termination process.
- Employee benefit plans are properly administered.

BACKGROUND

The Human Resources Department consists of 12 staff members. The Department is responsible for recruiting, hiring, administering employee files, employee terminations, management training, labor relations, and employee benefits administration. Human Resources Department employees also perform administrative work related to employee retirements. Personnel and medical files are maintained by the Human Resources Department. Some employee benefits plans are outsourced to third parties. Dental, 125, and 132 plans are administered by Employee Benefits Administrators (EBA). Prudential is the carrier for the life insurance and disability insurance plans. ICMA Retirement Corporation administers MTS's, San Diego Trolley, Inc.'s (SDTI's), and San Diego Transit Corporation's (SDTC's) IRS 457(b) and 401(a) plans. Pension plans for SDTI and MTS are administered by CalPERS. SDTC has its own pension plan.



Effective January 1, 2010, MTS began contracting directly with health insurance providers for the nonunion staff. SDTI union staff receives health insurance through CalPERS. SDTC union staff receives health insurance through a joint labor/management health and welfare trust. Below is a summary of FY 09 personnel costs (including fringe benefits) and personnel head counts.

	*FY 2009 PERSONNEL COSTS	HEAD COUNT**
SDTC	\$54,479,820	824
SDTI	\$33,712,024	530
MTS (includes Taxicab/Contract Services)	\$12,165,995	114

*Includes fringe benefits. **Source: MTS Payroll Record

Personnel costs represent a very large cost element to the MTS system and, therefore, having a strong system of internal controls over these costs is essential.

OBSERVATIONS AND RECOMMENDATIONS

The MTS Human Resources process is generally well controlled. Some areas that could be improved were noted during my review, and the following are my recommendations that should improve the process:

1. Review cases where employee salaries exceed their approved salary ranges to determine whether adjustment to ranges or some other action is required.
2. Consider additional training of Supervisors or other methods of communication to stress the importance of timely annual performance reviews.
3. Evaluate the feasibility of having an audit of employee dependents on medical plans.

A detailed explanation of these recommendations is provided under Detailed Observations below. I wish to thank all Human Resources personnel for their cooperation and assistance during the course of this review.

DETAILED OBSERVATIONS

1. Salary Administration

There have been instances where employee salary increases have placed their salaries above the approved range for their positions. This appears to be inconsistent with the MTS Management Handbook policies and procedures.

Section 4.4 of the Handbook mentions that employees receiving an increase that “*exceeds the top of their range*” will receive a lump-sum payment for the amount exceeding the salary range.

I also noted that one employee hired during late 2009 received a salary that exceeded the approved range for the position.

Recommendation

Review cases where employee salaries exceed their approved salary ranges to determine whether adjustments to ranges or some other action is required.

Management Response

We have proposed new salary ranges to the CEO, who is evaluating our recommendation. We hope to have a recommendation to present to the Board of Directors by August 2010.

2. Annual Performance Reviews

In my review of a random sample of employee files, I noted 8 instances where the annual performance reviews were considerably overdue. All 8 of the reviews were at least 6 months overdue. The Management Handbook in section 4.4 requires annual performance reviews be conducted on or close to the employees' anniversary date,

The risk exists that employees will not be made aware of performance concerns that could be corrected with proper communication.

Human Resources Department does an excellent job of notifying and reminding supervisors of the need to perform these reviews and later follows up on overdue reviews; however, it appears that some MTS supervisors may require additional training and/or education on the importance of the reviews.

Recommendation

Consider additional training of supervisors or other methods of communication to stress the importance of timely annual performance reviews.

Management Response

We will add a category to our Performance Appraisal form to rate the supervisor's timeliness conducting reviews of their staff. This should incentivize supervisors to conduct them in a timely manner.

3. Medical Dependent Coverage

MTS Human Resources Department now requests documentation from new hires to support dependents on employee medical coverage. Another U.S. transit agency has recently performed a comprehensive audit of ALL employee medical coverages and found some instances where dependents on employee medical plans have actually been ineligible. This audit has saved the agency significant dollars in employee benefits costs. It may be beneficial to do the same comprehensive review of ALL MTS employee dependents to ensure that MTS is only covering legitimate dependents.

Recommendation

Evaluate the feasibility of having an audit of employee dependents on medical plans.

Management Response

As I mentioned during the audit, the Human Resources Department was already considering such an audit and is in the process of determining if it is feasible for the open enrollment for the 2011 plan year.



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San Diego, CA 92101-7490
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Agenda

Item No. 13

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

FIN 340

**Draft for
Executive Committee
Review Date: 7/8/10**

July 15, 2010

SUBJECT:

MTS: FISCAL YEAR 2011 REVISED TRANSPORTATION DEVELOPMENT ACT (TDA) 4.0
CAPITAL CLAIM

RECOMMENDATION:

That the MTS Board of Directors adopt Resolution No. 10-19 (Attachment A) approving the revised fiscal year (FY) 2011 Transportation Development Act (TDA) Article 4.0 claim.

Budget Impact

The FY 2011 revised TDA Article 4.0 claim would result in an additional \$3,192,571 in funds from the June 10, 2010-approved FY 10 TDA claim.

DISCUSSION:

On June 25, 2010, MTS staff elected to fund SANDAG-related capital projects with 100% federal funding as permitted by the Federal Highway Administration's Transportation Development Credit Program. Although this program does not increase the amount of funding received, it does provide for greater funding flexibility for use within the capital improvement program.

As a result, MTS has an unclaimed amount of \$3,192,571 in TDA to be allocated to MTS capital projects from the reduction in capital project transfer functions to SANDAG. Therefore, MTS is eligible to receive a net amount of \$59,509,312 in Article 4.0 TDA funds for fiscal year 2011; \$49,897,106 of the claim amount would be utilized for operating activities, and \$9,612,206 would be used to fund the capital improvement program.


Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Lisa Fowler, 619.557.4510, lisa.fowler@sdmts.com

JULY15-10.13.FY 11 REVISED TDA 4.0 CLAIM.LFOWLER.doc

Attachment: A. Resolution No. 10-19

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Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc., San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations), and San Diego Vintage Trolley, Inc., a 501(c)(3) nonprofit corporation, in cooperation with Chula Vista Transit. MTS is the taxicab administrator for seven cities. MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego.



SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 10-19

Resolution Approving Fiscal Year 2011 Revised Transportation Development Act

WHEREAS, effective August 10, 2000, the MTS-area consolidated Transportation Development Act (TDA) claim process provides that MTS will be responsible for submitting a single claim for each article of the TDA for all MTS operators; and

WHEREAS, consistent with the intent of consolidating all transit funding for MTS-area operators, the San Diego Association of Governments (SANDAG) approved MTS's FY 2011 TDA claim, and

WHEREAS, MTS and SANDAG Boards must approve any alternate use of said balances differing from that for which they were originally claimed; and

WHEREAS, MTS and SANDAG staffs have analyzed this amendment and found it to be warranted pursuant to Section 6659 of Title 21 of the California Code of Regulations (CCR); NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that the MTS Board of Directors does hereby approve the FY 2011 TDA Article 4.0 MTS TDA claim of \$59,509,312. \$49,897,106 of the 4.0 TDA claim will be used for operating activities, and the remaining \$9,612,206 will be used to fund capital.

PASSED AND ADOPTED by the Board of Directors this _____ day of _____ 2010 by the following vote:

AYES:

NAYS:

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

JULY15-10.13.AttA.RES 10-19.
TDA 4.0.LFOWLER.doc



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San Diego, CA 92101-7490
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Agenda

Item No. 14

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

AG 220

**Draft for
Executive Committee
Review Date: 7/8/10**

July 15, 2010

SUBJECT:

MTS: TRANSIT SYSTEM SAFETY, SECURITY, AND DISASTER RESPONSE
ACCOUNT PROGRAM

RECOMMENDATION:


That the Board of Directors approve Resolution No. 10-17 (Attachment A) authorizing the Chief Executive Officer (CEO) to submit applications for funds provided by the Transit System Safety, Security, and Disaster Response Account (TSSSDRA) Program.

Budget Impact

None.

DISCUSSION:

Resolution No. 10-17 would authorize filing applications with and requesting reimbursements from the California Emergency Management Agency and would satisfy requirements of the fiscal year 2009-2010 TSSSDRA. MTS's allocation is for closed-circuit television onboard systems for light rail vehicles and buses in the amount of \$2,700,000.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Nancy Dall, 619.557.4537, nancy.dall@sdmts.com

JULY15-10.14.TSSSDRA.NDALL.doc

Attachment: A. Resolution No. 10-17

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Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc., San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations), and San Diego Vintage Trolley, Inc., a 501(c)(3) nonprofit corporation, in cooperation with Chula Vista Transit. MTS is the taxicab administrator for seven cities. MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego.



SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 10-17

Resolution Approving the Submittal of Applications and
Requests for Reimbursements
for Fiscal Year 2009-2010 Transit System Safety, Security, and
Disaster Response Account Program

WHEREAS, the San Diego Metropolitan Transit System (MTS) is a public entity established under the laws of the State of California for the purpose of providing transportation services in the County of San Diego that desires to apply for and obtain funding for transit security purposes.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that MTS does hereby authorize the Chief Executive Officer, or designated representative, to file and execute any actions necessary on behalf of MTS for the purpose of obtaining state financial assistance provided by the Transit System Safety, Security, and Disaster Response Account (TSSSDRA) Program and subgranted through the California Emergency Management Agency.

1. General Counsel, or designated representative, is authorized to file and execute any actions necessary on behalf of MTS or any other documents required by the California Emergency Management Agency.
2. The Chief Financial Officer, or designated representative, is authorized to file and execute any actions necessary on behalf of MTS or any other documents required by the California Emergency Management Agency.

PASSED AND ADOPTED, by the Board of Directors this _____ day of _____ 2010,
by the following vote:

AYES:

NAYS:

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

JULY15-10.14.AttA.RESO 10-17.TSSSDRA.NDALL.doc



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Agenda

Item No. 15

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

AG 220.4

**Draft for
Executive Committee
Review Date: 7/8/10**

July 15, 2010

SUBJECT:

MTS: AMENDMENTS TO THE JOINT EXERCISE OF POWERS AGREEMENT AND
THE BYLAWS OF THE LOS ANGELES-SAN DIEGO-SAN LUIS OBISPO (LOSSAN)
RAIL CORRIDOR MEMBER AGENCY

RECOMMENDATION:

That the Board of Directors approve the proposed amendments to the LOSSAN Joint Exercise of Powers Agreement (Attachment A) and Bylaws (Attachment B).

Budget Impact

None with this action. MTS's fee for voting participation on the LOSSAN Board is \$7,200. Since 2004, the San Diego Association of Governments' (SANDAG's) has contributed annual dues for the San Diego members. This amount would not increase with this action. SANDAG, MTS, and North County Transit District (NCTD) plan to work on the FY 2012 funding strategy in conjunction with the FY 2012 budget process.

In addition to these administrative costs, LOSSAN plans to complete a number of planning and implementation projects over the next 18 months totaling \$1,251,500. Once a number of in-kind and funding commitments are applied, the amount needed from LOSSAN member agencies is \$486,501. San Diego's member agency share is \$136,601 for FY 2011. There are sufficient funds in SANDAG's FY 2011 Budget and Overall Work Program to cover San Diego's member agency share for FY 2011.



DISCUSSION:

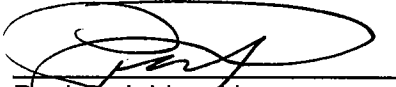
The LOSSAN Rail Corridor Agency is a joint powers authority that seeks to increase ridership, revenue, capacity, reliability, and safety on the coastal rail line from San Diego to Los Angeles to San Luis Obispo. Known as Amtrak's Pacific Surfliner corridor, it is the second busiest intercity passenger rail corridor nationwide and Amtrak's fastest growing. NCTD COASTER and Southern California Regional Rail Authority's Metrolink commuter trains and Burlington Northern Santa Fe (BNSF) Railway freight trains also share the 351-mile corridor. LOSSAN is governed by a Board of Directors whose voting members are MTS, NCTD, SANDAG, the California Department of Transportation (Caltrans), Los Angeles County Metropolitan Transportation Authority (LACMTA), Orange County Transportation Authority (OCTA), San Luis Obispo Council of Governments (SLOCOG), Santa Barbara County Association of Governments (SBCAG), and Ventura County Transportation Commission (VCTC). The Southern California Association of Governments (SCAG) is an ex-officio member. The agency's Technical Advisory Committee (TAC) includes these member agencies and Amtrak, Burlington Northern Santa Fe (BNSF) Railway, Union Pacific, Southern California Regional Rail Authority, and the California Public Utilities Commission as advisory members.

Since August 2008, LOSSAN member agencies have been working on ways to better integrate the corridor's three passenger rail services. Surveys were completed of riders onboard Amtrak, COASTER, and Metrolink trains and nonriders to learn more about their travel patterns and opinions as to why they use or don't use the corridor's passenger rail services. An analysis of the corridor's strengths, weaknesses, opportunities, and threats, combined with the public opinion research and input from the LOSSAN member agencies, assisted the LOSSAN Board of Directors to develop a shared corridor vision that outlines a corridorwide approach to planning and implementing service improvements for current and underserved markets.

At its September 9, 2009, meeting, the LOSSAN Board of Directors approved this corridor vision and instructed the member agency chief executive officers to develop an interagency memorandum of understanding (MOU) that outlines the roles and responsibilities for implementation, including short- and long-term actions. The LOSSAN Board of Directors approved this MOU in substantially the same form at its October 28, 2009, meeting, and the MTS Board of Directors authorized the Chief Executive Officer to execute the MOU on behalf of this agency on January 21, 2010.

The LOSSAN Board of Directors also requested that a project manager be hired to oversee this implementation over the next 18 months. SANDAG has agreed to handle the procurement for this limited-term position with funding from each LOSSAN member agency. A business plan, including detailed operations modeling and ridership forecasts, will be completed in order to test the key service changes proposed as part of the corridorwide vision. Funding for this position, business plan, and other short-term actions will be provided by each LOSSAN member agency. At its December 9, 2009, meeting, the LOSSAN Board of Directors approved a funding distribution formula based on the proportion of intercity and commuter passenger rail ridership by county. For San Diego, 28 percent of Amtrak, COASTER, or Metrolink riders use a station in San Diego County.

The LOSSAN Board approved amendments to the existing Joint Exercise of Powers Agreement (Attachment A) and the LOSSAN Bylaws (Attachment B), and each member agency Board is asked to approve these changes. The Joint Exercise of Powers Agreement includes a provision that any agency may unilaterally withdraw from the agreement with 90-day advance notice.


Paul C. Jablonski
Chief Executive Officer

Key Staff Contacts: Linda Culp, 619.699.6957, lcu@sandag.org
Sharon Cooney, 619.557.4513, sharon.cooney@sdmts.com

JULY15-10.15.LOSSAN BYLAWS.LCULP.doc

Attachments: A. Amended Joint Exercise of Powers Agreement
B. Amended LOSSAN Bylaws

JOINT EXERCISE OF POWERS AGREEMENT

CONCERNING THE LOS ANGELES-SAN DIEGO-SAN LUIS OBISPO RAIL CORRIDOR AGENCY

INTRODUCTION

This Agreement is made and entered into in the State of California by and among the following public agencies that are parties of this Agreement:

Los Angeles County Metropolitan Transportation Authority;

Orange County Transportation Authority;

North County Transit ~~Development Board~~District;

San Diego Metropolitan Transit ~~Development Board~~System;

California Department of Transportation;

Southern California Association of Governments;

San Diego Association of Governments;

Ventura County Transportation Commission;

Santa Barbara County Association of Governments;

San Luis Obispo Council of Governments.

RECITALS

WHEREAS, some, but not all of the parties to this Agreement had entered into that certain joint exercise of powers agreement to establish the Los Angeles-San Diego Rail Corridor Agency, effective February 6, 1989, but desire to amend and restate such existing joint exercise of powers agreement as provided herein; and

WHEREAS, the parties to this Joint Exercise of Powers Agreement recognize the need for a public agency to oversee increases in the level of intercity passenger rail service in the travel corridor between San Diego, Los Angeles and San Luis Obispo, and improvements to the facilities that will ensure reduced travel times and that will aid the joint operation of freight and passenger service in the Corridor; and

WHEREAS, the Los Angeles-San Diego State Rail Corridor Study Group created pursuant to Senate Bill 1095 (Chapter 1313, Statutes of 1985) analyzed the feasibility of increasing the level of intercity passenger service in the corridor and instituting commuter rail service from San Clemente to Union Station in Los Angeles and from Oceanside to San Diego; identified and recommended improvements to track and right-of-way to accommodate the higher levels of service; and recommended the creation of a joint exercise of powers agency to oversee the implementation of additional intercity rail passenger service and the necessary track improvements; and

WHEREAS, the parties to this Agreement believe that the joint exercise of their powers will provide an organization capable of implementing the recommendations contained in the State Rail Corridor Study Group's June 1987 report entitled, *Los Angeles-San Diego State Rail Corridor Study*, and undertaking related efforts to improve corridor services and facilities and coordinate sub-corridor commuter rail services with corridor services; and

WHEREAS, each party to this Agreement is authorized to contract with each other for the joint exercise of any common power under Article I, Chapter 5, Division 7, Title 1 of the Government Code of the State of California;

WHEREAS, rail service on the coast corridor has been extended to Ventura, Santa Barbara, and San Luis Obispo Counties;

NOW THEREFORE, in consideration of the recitals, the parties to this Agreement agree to the following:

1.0 DEFINITIONS

- 1.1 "Agency" means the Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency.
- 1.2 "Governing Board" or "Board" means the Board of Directors of the Agency.
- 1.3 "~~Fiscal year~~" means ~~from July 1 to and including the following June 30.~~
- 1.4 "~~LOSSAN~~" is ~~an~~ the acronym for Los Angeles-San Diego-San Luis Obispo.
- 1.5 "~~4~~ **Voting member agencies**" ~~means:—~~ mean Los Angeles County Metropolitan Transportation Authority, Orange County Transportation Authority, San Diego Metropolitan Transit Development Board System, ~~North San Diego County Transit Development Board District~~, San Diego Association of Governments, Ventura County Transportation Commission, Santa Barbara County Association of Governments, San Luis Obispo Council of Governments and ~~California~~ California Department of Transportation.

- 1.6—“5 Ex-officio non-voting member agency” means the Southern California Association of Governments, the National Railroad Passenger Corporation (Amtrak) and California High-Speed Rail Authority.
- 1.7—“6 Regional Transportation Planning Agency” means an entity authorized to ~~prepare~~prepare a regional transportation plan pursuant to Government Code Section 65080.
- 1.8—“7 Corridor City” means a city adjacent to the LOSSAN right-of-way.
- 1.8 Southern California Regional Rail Authority means the institutional structure developed under Article 10 of Chapter 4 of Division 12 of the Public Utilities Code, Sections 130450-130455, for coordination of Southern California commuter rail passenger services in the counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura.
- 1.9 LOSSAN North is defined as Ventura, Santa Barbara, and San Luis Obispo Counties.
- 1.10 LOSSAN South is defined as Los Angeles, Orange, and San Diego Counties.
- 1.11 Fiscal Year means from July 1 to and including the following June 30.

2.0 CREATION OF AGENCY

There is hereby created an organization to be known as the Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency, hereafter “Agency”, which shall be a public entity separate and apart from any member agency. The Agency shall be governed by the terms of this Joint Exercise of Powers Agreement and any Bylaws passed and adopted by its Governing Board.

3.0 PURPOSES

The specific purposes for the creation of the Agency and the exercise of common powers are as follows:

- 3.1 Plan, program, and fund improvements for intercity rail passenger services and facilities in the LOSSAN corridor, including the acquisition or leasing of right-of-way, stations and station sites; the leasing or acquisition of equipment; and related activities.
- 3.2 Negotiate for and accept funds to be expended for the purpose of providing and improving intercity rail passenger services and activities.

- 3.3 Review and comment on facility, service, and operational plans and programs of the agency or agencies operating sub-corridor commuter rail service in the LOSSAN Corridor.
- 3.4 Coordinate facility, service, and operational plans and programs with other organizations providing rail passenger service in the Southern California Region or with whom the Agency may share common facilities, including the agency or agencies operating sub-corridor commuter rail service in the LOSSAN Corridor, the ~~Burlington Northern Santa Fe Corporation~~ BNSF Railway and Union Pacific or their successor corporations, and the National Railroad Passenger Corporation (Amtrak).
- 3.5 Advocate before local, regional, state, and federal officials and agencies for improvements to services and facilities for the corridor.

4.0 POWERS OF THE LOS ANGELES-SAN DIEGO-SAN LUIS OBISPO RAIL CORRIDOR AGENCY

As may be necessary for the accomplishment of the purposes of this Agreement, the Agency shall have the power in its own name to undertake the following:

- 4.1 To exercise in the manner provided by this Agreement the powers common to each of the voting members and necessary to the accomplishment of the ~~pur-~~poses of this Agreement.
- 4.2 To make and enter into contracts.
- 4.3 To employ agents and employees.
- 4.4 To contract for the services deemed necessary to meet the purposes of the Agency.
- 4.5 To acquire, by lease, purchase, or lease-purchase, and to hold and dispose of real and personal property necessary to carry out the purposes of this Agreement.
- 4.6 To construct, manage, and maintain facilities and services.
- 4.7 To sue and be sued in its own name.
- 4.8 To incur debts, liabilities, or obligations. However, the debts, liabilities, and obligations of the Agency shall not constitute any debt, liability, or obligation of any of the agencies that are parties to this Agreement.
- 4.9 To apply for and accept grants for financial aid pursuant to any applicable state or federal statutes.

- 4.10 To exercise any of the powers set forth in Section 6508 of the Government Code. In exercising these powers, the Agency is subject to the restrictions upon the manner of exercising the powers of the Los Angeles County Metropolitan Transportation Authority or its successor agency.
- 4.11 To exercise such other powers and to engage in such other activities as are authorized by law (except bonding powers) and approved by the Board.

5.0 GOVERNING BOARD OF THE LOS ANGELES-SAN DIEGO-SAN LUIS OBISPO RAIL CORRIDOR AGENCY

The composition of the membership of the Governing Board shall be set forth in the Agency's Bylaws. All powers of the Agency shall be exercised by the Governing Board.

6.0 RELATIONSHIP OF THE LOS ANGELES-SAN DIEGO-SAN LUIS OBISPO RAIL CORRIDOR AGENCY TO EXISTING AND FUTURE SUB-CORRIDOR COMMUTER RAIL AGENCIES

The Agency will endeavor to ensure that there is coordination between itself and any sub-corridor commuter rail agency which uses the same facilities to provide commuter rail services as are used by the intercity passenger rail corridor service.

7.0 OFFICERS AND APPOINTEES OF THE GOVERNING BOARD AND THE AGENCY

- 7.1 The officers of the Governing Board, selected from among its voting ~~member-~~membership, shall be a Chair and Vice-Chair. The term of office shall be one year.
- 7.2 The officers of the Agency shall be:
 - 7.2.1 The Treasurer of one of the voting member agencies, designated by a majority of a quorum of the Governing Board, may serve as the Treasurer of the Agency. The Treasurer shall be the depository of funds and have custody of all funds of the Agency from whatever source.
 - 7.2.2 The Auditor of one of the voting member agencies, designated by a majority of a quorum of the Governing Board, may serve as the Auditor-Controller of the Agency. The Auditor-Controller shall draw warrants or check-warrants against the funds of the Agency in the Treasury when the demands are approved by the Board of Directors or such other persons as may be specifically designated for the purpose in the Bylaws.

7.3 The Auditor-Controller and the Treasurer shall comply with all duties imposed under Article 1, Chapter 5, Division 7, Title I, of the California Government Code commencing with Section 6500.

7.4 The Executive Director shall serve at the pleasure of the Board:

7.4.1 The Governing Board may appoint such an Executive Director. The Agency shall obtain an official bond in an amount determined by the Board guaranteeing faithful performance of the Executive Director's duties.

7.4.2 At the discretion of the Governing Board, duties of the Executive Director may be assigned to a voting member agency's staff person.

8.0 ANNUAL BUDGET

The Governing Board shall approve a preliminary administrative budget and a capital improvement program for the succeeding fiscal year no later than April 1 of each year. The Board shall adopt a final budget no later than June 30 of each year. No funding or financial obligations are created against any member agency solely as a consequence of executing this Agreement.

9.0 FUNDING FOR THE AGENCY

In addition to any funds derived from grants provided for in Section 4.9 of this Agreement, the voting member agencies (except California Department of Transportation) shall consider, through their agency's budgetary process, contribution of funds necessary to carry out the purposes and powers of the Agency, consistent with the Agency's adopted budget and any cost sharing formula adopted by the voting member agencies.

10.0 QUORUM

At least five of the voting member agencies of the Governing Board, including at least one ~~member agency member~~ from each county of Orange, San Diego, and Los Angeles Counties, and at least one voting member from LOSSAN North shall constitute a quorum for the transaction of business and all official acts of the Agency.

11.0 RALPH M. BROWN ACT

All meetings of the Agency shall be called, noticed, held, and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the California Government Code).

12.0 BYLAWS

The Board may adopt from time to time Bylaws as may be required for the conduct of its meetings and the orderly operation of the Agency.

13.0 COMMITTEES

The Board shall create the following committees:

13.1 The Board shall form a Technical Advisory Committee (TAC) to review on behalf of the Board technical issues associated with the improvements in passenger rail service and related facilities in the LOSSAN Corridor, including stations and rights-of-way, the coordination of public mass transit services and facilities, the coordination of passenger and freight services in the Corridor and other technical matters. The membership of the Committee shall include representatives from is authorized in the agencies that are parties to this Agreement as well as representatives from the California Public Utilities Commission, Burlington Northern Santa Fe Railroad, Union Pacific Railroad, Southern California Regional Rail Authority/Metrolink, and the National Railroad Passenger Corporation (Amtrak). Agendas will be provided to other agencies as requested Bylaws.

13.2 The Board shall form other committees as are necessary.

14.0 COOPERATION WITH OTHER AGENCIES

14.1 In order to conserve fiscal resources, the Board shall take actions to ensure that the technical expertise, results of previous analysis related to passenger rail service in the LOSSAN Corridor, information bases, and other ~~relevant~~ data available from member and other relevant agencies shall, to the extent feasible, be fully utilized.

14.2 In order to ensure that improvements to intercity rail passenger services and facilities are consistent with the ~~regional transportation plan~~ California State Rail Plan, the Agency shall submit an annual plan or program for expenditures in the Corridor prior to the beginning of each fiscal year to the California Department of Transportation. In order to coordinate improvements with the corridor's Regional Transportation Planning Agencies (RTPAs), this annual plan or program for expenditures shall be submitted to the Southern California Association of Governments and San Governments, San Diego Association of Governments, Santa Barbara County Association of Governments and San Luis Obispo Council of Governments. Each Regional Planning Agency RTPA shall determine whether or not the annual plan or program is consistent with the Regional Transportation Plan for its area of jurisdiction. This determination may be made by the Regional Transportation Planning Agencies as part of their

~~annual approval of the Regional Transportation Improvement Program for those expenditures required by federal or state law to be included therein~~The Agency shall submit an annual plan or program for expenditures in the Corridor to Amtrak, for its review when developing its Strategic Guidance and Five-Year Financial Plan.

15.0 DURATION OF AGREEMENT

This Agreement shall continue in full force and effect until such time that a majority of the voting member agencies determine it is in the public interest to dissolve the Agency. This does not preclude member agencies from exercising their right to withdraw their membership in the Agency. Ninety day written notice shall be given.

16.0 DISPOSITION OF ASSETS

Upon termination of this Agreement, any money in possession of the Agency after the payment of all liabilities, costs, expenses, and charges validly incurred under this Agreement shall be returned to the member agencies in proportion to their contributions determined as of the time of termination. Land and fixed facilities shall revert to the voting member agencies in which they are located. Rolling stocks shall become the property of California Department of Transportation for use in the Corridor.

17.0 NOTICE

Addresses of the parties to the Agreement for the purpose of formal communications among the signatories.

Los Angeles County Metropolitan Transportation Authority
1 Gateway Plaza
Los Angeles, CA 90012-2952
(213) 922-3041

Orange County Transportation Authority
550 S. Main St.
P.O. Box 14184
~~Santa Ana~~
Orange, CA -92863-1584
(714) 560-6282

~~North San Diego County Transit Development Board~~District
810 Mission Avenue
Oceanside, CA 92054
(760) 967-2828

San Diego Metropolitan Transit Development Board ~~System~~
1255 Imperial Avenue, Suite 1000
San Diego, CA 92101
(619) 231-1466

California Department of Transportation
P.O. Box 942874
Sacramento, CA 94274-0001
(916) 323-0742

Southern California Association of Governments
818 W 7th Street, 12 Floor
Los Angeles, CA 90017-3435
(213) 236-1800

San Diego Association of Governments
401 B Street, Suite 800
San Diego, CA 92101
(619) 595-5300

Ventura County Transportation Commission
950 County Square Avenue, Suite 207
Ventura CA 93003
(805) 642-1591

Santa Barbara County Association of Governments
~~P.O. Box 8208~~
~~Goleta CA 93118-8208~~
260 North San Antonio Road, Suite B
Santa Barbara CA 93110
(805) 961-8900

San Luis Obispo Council of Governments
~~1150 Osos 1114 Marsh Street, Suite 202~~
San Luis Obispo, CA 93401
(805) 781-4219

18.0 AUDIT

The Agency shall provide for the accountability of all funds and shall provide for an annual audit pursuant to Section 6506 of the Government Code.

19.0 AMENDMENTS TO THE AGREEMENT

This Agreement may be amended at any time by the unanimous Agreement of the voting member agencies.

20.0 AGREEMENT, COMPLETE

This Agreement constitutes the full and complete Agreement of the parties. This Agreement shall be effective when all member agencies have approved and signed this Agreement. This Agreement shall supercede the Joint Powers Agreement to establish the Los Angeles – San Diego Rail Corridor Agency dated February 6, 1989.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by authorized officials on the dates indicated below.

21.0 COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.

(Signature Pages for Each Member Agency Follow)

North County Transit District

Date:

By:

{ name, title }

BYLAWS

THE LOS ANGELES-SAN DIEGO-SAN LUIS OBISPO RAIL CORRIDOR AGENCY

PREAMBLE

The Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency is a Joint Powers Agency created at the recommendation of the Los Angeles-San Diego State Rail Corridor Study Group which recognized the need for a public agency to oversee increases in the level of intercity passenger rail service in the travel corridor between San Diego and Los Angeles. This agency has evolved as rail service has been extended to Ventura, Santa Barbara, and San Luis Obispo Counties and now includes all counties along the Pacific Surfliner Corridor from San Diego to San Luis Obispo County.

ARTICLE I - FUNCTIONS

The functions of the Agency to be accomplished in coordination with the Southern California Regional Rail Authority called for in Article 10 of Chapter 4 of Division 12 of the Public Utilities Code, Sections 130450-130455, are:

- Section A. Plan, recommend programs, promote and identify funding sources for improvements to intercity and commuter passenger rail services and facilities in the LOSSAN corridor, including the acquisition or leasing of rights-of-way, stations and station sites; the leasing or acquisition of equipment; and related activities.
- Section B. Negotiate for and accept funds to be expended for the purpose of providing and improving intercity and commuter passenger rail services and activities.
- Section C. Review and comment on facility, service, and operational plans and programs of the agency or agencies operating sub-corridor commuter rail service in the LOSSAN corridor.
- Section D. Coordinate facility, service, and operational plans and programs with other organizations providing passenger rail service in the Southern California Region, adjacent regions or with whom the agency may share common facilities, including the agency or agencies operating sub-corridor commuter rail service in the LOSSAN corridor, the ~~Burlington Northern Santa Fe~~ BNSF Railway Corporation and Union Pacific or their successor corporations, and the National Railroad Passenger Corporation (Amtrak).
- Section E. Advocate improvements to services and facilities for the corridor before local, regional, state, and federal officials and agencies.

ARTICLE II – DEFINITIONS

- Section A. **Agency** means the Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency.
- Section B. **Governing Board or Board** means the Board of Directors of the ~~Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency~~.
- Section C. **LOSSAN** is the acronym for Los Angeles-San Diego-San Luis Obispo.
- Section D. **Voting member agencies** mean Los Angeles County Metropolitan Transportation Authority, Orange County Transportation Authority, San Diego Metropolitan Transit Development Board~~System~~, North County Transit Development Board~~District~~, San Diego Association of Governments, Ventura County Transportation Commission, Santa Barbara County Association of Governments, San Luis Obispo Council of Governments and California Department of Transportation.
- Section E. **Ex-officio non-voting member agency** means the Southern California Association of Governments, the National Railroad Passenger Corporation (Amtrak), and California High-Speed Rail Authority.
- Section F. **Regional Transportation Planning Agency** means an entity authorized to prepare a regional transportation plan pursuant to Government Code Section 65080.
- Section G. **Corridor City** means a city adjacent to the LOSSAN right-of-way.
- Section H. **Southern California Regional Rail Authority** means the institutional structure ~~being developed under Article 10 of Chapter 4 of Division 12 of the Public Utilities Code, Sections 130450-130455, for coordination of Southern California commuter rail passenger services in the counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura.~~
- Section I. **LOSSAN North** is defined as Ventura, Santa Barbara, and San Luis Obispo Counties.
- Section J. **LOSSAN South** is defined as Los Angeles, Orange, and San Diego Counties.
- Section K. **Fiscal Year** means from July 1 to and including the following June 30.

ARTICLE III - MEMBERSHIP

- Section A. Voting Members of the Governing Board

All powers of the Agency shall be exercised by the Governing Board. The Governing Board shall be selected and composed as follows and each member agency's appointee(s) shall have one vote unless otherwise noted:

- 3.1 Two members appointed by the Los Angeles County Metropolitan Transportation Authority; one from its own membership or former membership, and one from its own membership, former membership or selected by the Authority from a corridor city.
- 3.2 Two members appointed by the Orange County Transportation Authority selected from its own membership or former membership.
- 3.3 A member appointed by the San Diego Metropolitan Transit Development Board~~System~~ selected from its own membership or former membership.
- 3.4 A member appointed by the North County Transit Development Board~~District~~ selected from its own membership or former membership.
- 3.5 A member appointed by the San Diego Association of Governments selected from its own membership or former membership.
- 3.6 While three members of the Governing Board shall represent San Diego County (San Diego Metropolitan Transit Development Board~~System~~, North County Transit Development Board~~District~~, and San Diego Association of Governments), these three members shall have a total of two votes. This voting procedure shall be specified by separate agreement among the three San Diego County member agencies.
- 3.7 A member appointed by the Ventura County Transportation Commission selected from its own membership or former membership.
- 3.8 A member appointed by the Santa Barbara County Association of Governments selected from its own membership or former membership.
- 3.9 A member appointed by the San Luis Obispo Council of Governments selected from its own membership or former membership.
- 3.10 The Caltrans Director or designee.
- 3.11 Each voting member agency may appoint alternates to serve in the absence of the regular appointee.

Section B. Ex-Officio Member of the Governing Board

1. The Southern California Association of Governments shall be a non-voting, ex-officio member of the Governing Board and shall designate a representative to the Board. The ex-officio member may appoint alternates to serve in the absence of the regular appointee.

2. The National Railroad Passenger Corporation (Amtrak) shall be a non-voting, ex-officio member of the Governing Board and shall designate a representative to the board, preferably from its Board of Directors. The ex-officio member may appoint alternatives to serve in the absence of the regular appointee.

3. California High-Speed Rail Authority shall be a non-voting, ex-officio member of the Governing Board and shall designate a representative to the board, preferably from its Board of Directors. The ex-officio member may appoint alternatives to serve in the absence of the regular appointee.

ARTICLE IV – ADMINISTRATION

Section A. **In General** - The Officers shall consist of the Chair and a Vice-Chair, both of whom shall represent a voting member of the Governing Board, a Treasurer, Auditor, and other officers as the Agency deems necessary and as set out in these By Laws.

Section B. **Term of Office** - The Chair and Vice-Chair shall serve one-year terms of office.

Section C. **Election of Officers** - The Agency at its first meeting and at its first quarterly meeting every year thereafter, and at such other times as there may be a vacancy in either office, shall elect a Chair who shall preside at meetings and a Vice-Chair who shall preside in the Chair's absence.

Section D. ~~**Rotation of Officers** – Each of the voting members shall succeed to the position of Chair and Vice Chair on an annual rotating basis, unless the Governing Board votes otherwise~~**Executive Committee** – There shall be a maximum of 4 voting members including the Chair, Vice-Chair and Past Chair if available or one person appointed by the Board with the Executive Director serving as a non-voting member. Among these members, there shall be at least one member from LOSSAN North and LOSSAN South. The Executive Committee will meet as needed.

1. The Executive Committee shall have the authority and duty to:

- a. Review and approve the agendas for the meetings of the Board as needed;
- b. Provide direction to the Executive Director;

- c. Make recommendations as needed to the Board regarding the work program, budget, positions to be taken on issues, contracts, and all other matters within the jurisdiction of the agency;
- d. Evaluate Executive Director in conjunction with the Board;
- e. Monitor the function of all agency committees.
- f. Minutes of Executive Committee shall be circulated to the Board of Directors.
- g. Executive Committee is authorized to act in emergency situations but all actions must be reported to the Board.

Section E. **Appointment of Executive Director** - The Executive Director and such other officers as the Agency may deem necessary shall be appointed by a majority vote of the Governing Board.

1. The Executive Director will serve at the pleasure of the Governing Board, which shall determine conditions of employment, including compensation.
2. At the discretion of the Governing Board, duties of the Executive Director may be assigned to a voting member agency's staff person.
3. Contested personnel decisions of the Executive Director may be appealed to the Board of Directors by any affected person with a statement of cause or purpose. The Board may make a determination to hear or not hear the matter solely at the Board's discretion by majority vote.

Section F. **Removal of Officers** - Officers may be removed from office by a majority vote of the member agencies. Voting on removal shall take place no sooner than at the next regular meeting following the meeting at which a motion to remove officers was introduced. The motion should include the reasons for removal.

Section G. **Duties of Various Officers**

1. **Duties of the Chair** - The Chair shall, if present, preside at all meetings of the Agency and exercise and perform such other powers and duties as may from time to time be assigned to the Chair by the Agency or provided herein. In any case in which the execution of a document or the performance of an act is directed, the Chair, unless an act of the Agency otherwise provides, is empowered and directed to execute such document or perform such act.

2. **Duties of the Vice-Chair** - The Vice-Chair shall perform, in order, the duties of the Chair in his or her absence and, when so acting, shall have all the powers of and be subject to all the restrictions upon the Chair.
3. **Chair Pro Tempore** - In the event of the absence of or inability to act of the Chair and Vice-Chair, the voting members present at any meeting of the Agency, by order entered in the minutes, shall select one of their voting members to act as Chair Pro Tempore, who, while so acting, shall have all the authority of the Chair.
4. **Duties of the Treasurer** - The Treasurer of one of the voting member agencies, designated by a majority of a quorum of the Governing Board, may serve as the Treasurer of the Agency. The Treasurer shall be the depository of funds and have custody of all funds of the Agency from whatever source. If staff from one member agency is performing the Executive Director functions, the Treasurer duties will be performed by another member agency.
 - a. The Treasurer shall comply with all duties imposed under California Government Code, Section 6500 et.seq.
5. **Duties of the Auditor** - The Auditor of one of the voting member agencies, designated by a majority of a quorum of the Governing Board, may serve as the Auditor-Controller of the Agency. The Auditor-Controller shall draw warrants or check warrants against the funds of the Agency in the Treasury when demands are approved by the Governing Board or such other persons as may be specifically designated in the Bylaws.
 - a. The Auditor shall comply with all duties imposed under California Government Code, Section 6500 et.seq.
6. **Duties of the Executive Director** - The Executive Director shall be an officer of the Agency. The powers and duties of the Executive Director are:
 - a. To administer the personnel system, including contract and non-contract employees, of the Agency.
 - b. To administer all contracts.
 - c. To cause to be prepared by a Certified Public Accountant and submitted to the Agency as soon as practical after the end of each fiscal year, a post audit of the financial transactions and records of the Agency for the preceding year.
 - d. To keep the Agency advised as to the needs of the Agency.
 - e. To have full charge of the administration of the business affairs of the Agency.

- f. To see that all ordinances, rules, and regulations, motions, or resolutions are implemented and enforced.
- g. To prepare and submit to the Agency on or before the last meeting of March of each year a proposed budget for the succeeding fiscal year.
- h. The Executive Director is authorized to take any or all of the following actions in relation to non-contract employees of the Agency.
 - (1) To hire employees at the appropriate salary range, as determined by the Board.
 - (2) To promote, transfer, suspend with or without pay, or discharge any employee.
- i. The Executive Director is authorized to make disbursements of funds of the Agency not to exceed \$5,000 each for the business of the Agency, provided that this limitation shall not apply to salary or to other disbursements that are necessary to meet contractual obligations that have been approved by the Agency per the authorized budget.
- j. The Executive Director is authorized to contract for and execute, on behalf of the Agency, supplies, equipment and materials, and personnel service contracts not to exceed \$5,000 without prior Agency approval.
- k. The Executive Director shall keep or cause to be kept a book of minutes of all meetings of the Agency.
- l. The Executive Director shall give or cause to be given notice of all meetings as may be required by law, by these By Laws, or by motion or resolution of the Agency.
- m. The Executive Director shall:
 - (1) Oversee the functions of the Treasurer and Auditor.
 - (2) Execute a bond with one or more corporate sureties approved by the Agency in the sum of \$250,000 payable to the Agency, conditioned upon the faithful performance of the duties of the office, and the payment of all money received by him according to law and the orders of the Agency.
 - (3) Prepare or cause to be prepared a written report filed with the Agency quarterly (July, October, January, and April) and circulated to the Board of each year reporting the amount of

money held, the amount and source of receipts since the last report, and the amount and recipient of the amounts paid out since the last report, prior to the meeting.

- (4) Keep a full and complete record of all financial transactions and records of the Agency.
- n. The Executive Director shall define an annual work program and report annually to the Board on progress.
- o. The Executive Director shall have such other duties, powers, and responsibilities as may from time to time be assigned by the Agency.
- p. At the discretion of the Board, duties of the Executive Director may be assigned to a voting member agency' staff person.

Section H. Committees

- 1. **Technical Advisory Committee** - The Board shall form a Technical Advisory Committee (TAC) to review, on behalf of the Board, technical issues associated with the improvements in passenger rail service and related facilities in the LOSSAN corridor.
 - a. The membership of the Committee shall include representatives from the voting member agencies and Ex-Officio non-voting agencies as well as representatives from the California Public Utilities Commission, ~~Burlington Northern Santa Fe Railroad~~ BNSF Railway, Union Pacific Railroad, Southern California Regional Rail Authority/Metrolink, and the ~~National Railroad Passenger Corporation (Amtrak)~~ Federal Railroad Administration.
 - b. Quorum – At least 5 members of the TAC, including at least one member from each county of Orange, San Diego, and Los Angeles and at least one member from LOSSAN North shall constitute a quorum.
 - c. All actions of the TAC require a majority vote of the voting members present.
- 2. The Board shall form other committees as necessary.
- 3. The Chair shall name all members of Board committees with consent of a majority of the Board.

ARTICLE V - MEETINGS

- Section A. **Agenda** - Matters to be placed on the agenda for any regular meeting may be filed with the Executive Director or the Chair of the Agency. The agenda for each regular meeting shall be prepared by the Executive Director. Copies of the agenda shall be mailed or delivered to each member three working days prior to the regular meeting date. Formal action, other than appointment of the committee or subcommittee, will not ordinarily be taken with respect to any matter not included on the agenda unless a majority of the voting members of the Agency present at the meeting consent to such consideration.
- Section B. **Regular Meetings** - Regular meetings of the Agency shall be held at least quarterly, on the date determined by the Chair. The meetings of the Agency will be held at a location at the discretion of the Board.
1. The meeting place may rotate among the member agencies.
 2. The Chair shall announce the date and place of the next meeting.
- Section C. **Special Meetings** - A special meeting may be called at any time by the Chair or, in the Chair's absence, by the Vice-Chair, in order, or by any six members by delivering personally or by mail written notice to the Executive Director and to each member. Such notice shall be delivered at least 24 hours before the time of such meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business transacted at such meeting. Such written notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the Secretary a written waiver of notice. Such waiver may be given by telegram or facsimile. Such written notice shall be deemed waived as to any member who is actually present at the meeting at the time it convenes.
- Section D. **Quorum** —At least five of the voting member agencies of the Governing Board, including at least one member from each county of Orange, San Diego, and Los Angeles ~~Counties~~, and at least one voting member from LOSSAN North shall constitute a quorum for the transaction of business and all official acts of the Agency.
- Section E. **Ralph M. Brown Act** - All meetings of the Agency shall be called, noticed, and conducted in the manner prescribed in the California Government Code, Section 54950, et.seq.
- Section F. **Committee of the Whole** - At any regular meeting not held because of a lack of a quorum, members present, if less than a quorum of the Agency, may constitute themselves a "Committee of the Whole" for purposes of discussing agenda matters or any other matter of interest to the members present. The committee shall automatically cease to exist if a quorum of the Agency is present at the meeting.

Section G. **Motions** - Only voting members may make and second motions.

Section H. **Actions of the Board** - All actions of the Board shall pass by a majority vote of the quorum.

ARTICLE VI - PROCUREMENT OF GOODS AND SERVICES

Section A. **In General** - The Agency may enter into contracts of any nature including, but not limited to, contracts to indemnify and hold harmless, to employ labor, and to do acts necessary and convenient for the full exercise of its powers. The Agency may contract with any public agency or with any other person or organization upon such terms and conditions as the approving authority finds are in the best interests of the Agency.

1. The Agency shall develop administrative procedures establishing proper procurement practices and authority to award contracts.
2. The Executive Director may authorize the purchase of goods or services for the Agency through the procurement department of any of the member agencies, counties, or other public agency if this would be advantageous to the Agency and if the purchase is conducted using acceptable contracting procedures. Approval of such purchases is restricted to the same level of approval authority as would be required were the Agency to conduct the procurement itself.

ARTICLE VII – BUDGET, DUES AND FINANCIAL RECORDS

Section A. **Budget Adoption** - Each year no later than the Agency's last meeting in March, the Executive Director shall submit for the Board's adoption the Annual Budget for the succeeding fiscal year. Approval of a majority of a quorum of the Board shall be required for adoption of the Budget and any amendments thereto.

Section B. **Board Approval of Expenditures**

1. The Board's approval of an Annual Budget shall be deemed approval of ~~any~~ expenditures made in accordance with the approved Budget. All expenditures in excess of the designations and limitations of the approved Annual Budget and in excess of \$5,000 shall be made only upon the approval of a majority of a quorum of the Board.
2. The Board shall receive a quarterly report on expenditures of \$5,000 and less.

3. With respect to procurements of goods and services, approvals of contract awards shall be made in accordance with the Agency's administrative procedures, but payment of a contractor or consultant in accordance with the terms of an approved contract is authorized without further Board approval.
4. Approvals of expenditures for travel, conference and business-related activities and reimbursement of Board Members and Agency employees for such expenditures shall be governed by the Travel, Conference and Business Expense procedures to be adopted by the Agency.

Section C. **Dues.** The Member agencies shall be responsible for the payment annually, of dues and the amounts periodically budgeted by the Board, as and for the operating costs of the organization ("Dues"). Sixty (60) days notice shall be provided to Members of the date of the meeting at which any increase in the Dues is to be determined for the following year. If an increase in dues is proposed from the previous year, a majority affirmative vote of the total voting membership of the Board is required to set the new dues.

Section D. **Books and Accounts** - A full and complete record of all financial transactions of the Agency shall be maintained by the Executive Director, with the support of the Auditor and Treasurer in accordance with practices established by, or consistent with those utilized by the Controller of the State of California for like public agencies. In particular, the Executive Director or designee, with the support of the Auditor and Treasurer, shall comply with the requirements of the statute governing joint power agencies, Chapter 5, Division 7, Title 1 of the Government Code commencing at Section 6500.

Section E. **Audit Reports** - The Executive Director or designee and the Auditor shall cause to be prepared by an independent Certified Public Accountant an audit of the financial transactions and records of the Agency for the preceding year. The audit shall be presented as soon as practical after the close of each fiscal year. In addition, the Executive Director or designee shall prepare and file with the Agency quarterly reports as stated in Article IV, Section 6m(4).

Section F. **Investment of Funds** - All funds of the Agency from whatever source shall be deposited with the Treasurer who shall have custody of the funds. All funds of the Agency will be invested in the manner and upon the conditions set forth in Government Code Section 53601. In the event that receipt of funds from a particular source shall be conditioned upon investment requirements for those funds, and furthermore, that those requirements do not conflict with Government Code Section 53601, the Treasurer shall invest such funds in compliance with the requirements of the funding source.

ARTICLE VIII - AMENDMENTS

Amendments to these Bylaws may be proposed by a Board Representative. The Amendment shall be submitted to the Board at a meeting at least one month prior to the meeting at which the Amendment is voted upon. A vote of two-thirds (2/3) of the total voting membership of the Board is required to adopt an Amendment.