

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

May 3, 2007

MTS
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

A. ROLL CALL

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

B. APPROVAL OF MINUTES

Mr. Roberts moved approval of the minutes of the April 5, 2007, Executive Committee meeting. Chairman Mathis seconded the motion, and the vote was 3 to 0 in favor.

C. COMMITTEE DISCUSSION ITEMS

1. MTS: Budget Transfers and Construction Contract Award for the MTS 9th and 10th Floor Improvements Project (CIP 11153)

Chairman Mathis reported that this agenda item had been revised and placed at each Committee member's place. Mr. Paul Jablonski, MTS CEO, provided the Committee with details on this item and stated that the current offices are not really structured for the kind of organization that MTS is becoming. He also stated that the existing space is 20 years old, still has the original carpeting, and has never been repainted. He stated that the proposed remodeling project includes removing walls to create more open space to accommodate cubicles, replacing the carpet, and repainting the walls. He stated that taking these steps would allow MTS to bring the Procurement and Risk Departments over from the Imperial Avenue Division and provide a small amount of space for expansion for real estate staffing and support staff as large projects are undertaken, e.g. I-15 bus rapid transit.

He reported that eight bids for similar amounts were received for this project. He reviewed the elements of the cost for this project and the funding that has been programmed as outlined in the agenda item. He also reported that, after the agenda item had been distributed to Committee members, San Diego Association of Governments (SANDAG) engineers recommended that a contingency fund be established. He identified where funding would be obtained for that purpose and stated that having a contingency fund is standard practice for construction projects. Mr. Jablonski stated that the estimate for this project is conservative. He reported that MTS plans on doing its own construction management with its own people and should realize a savings of about 20 percent as a result.

In response to a question from Mr. Roberts, Mr. Jablonski reported that Randall Construction handled the Operations Control Center for MTS, and SANDAG stated that they were a good contractor to work with. In response to a question from Mr. Allan, Mr. Jablonski stated that Randall Construction is a local firm. Mr. Roberts pointed out that the modular furniture included in the project will be provided by a firm outside of San Diego.

Mr. Jablonski briefly discussed the possibility of cost increases in Randall Construction's contract. He stated that the funding for this increase will come from the contingency fund. In response to a question from Mr. Roberts, Mr. Jablonski reported that the next lowest bid was approximately \$29,000 higher than Randall Construction's bid. He reviewed the categories in which the bids differed. Mr. Roberts stated that any adjustments should be brought back to the Committee.

Action Taken

Mr. Roberts moved to (a) approve transferring funds from available balances into existing grants (State Transit Assistance, Transportation Development Act, and the Federal Transit Administration as shown in Attachment A of the agenda item) to fully fund the MTS 9th and 10th Floor Improvements Project (CIP 11153) in the amount of \$1,050,023; (b) transfer funds to the budget line items in project budget CIP 11153 (as shown in Attachment B of the agenda item); (3) approve Schedules A, C, and D of the proposed construction contract for the MTS 9th and 10th Floor Improvements Project and eliminate Schedule B from the award of the proposed construction contract; and (d) award a construction contract to Randall Construction Inc. (Attachment C of the agenda item) for the construction of the MTS 9th and 10th Floor Improvements Project, as described in the scope of work (within Attachment C), for an amount not to exceed \$842,783.00. Mr. Rindone seconded the motion, and the vote was 4 to 0 in favor.

2. MTS: Update on Regional Fare Study (S RTP 875)

Mr. Dan Levy, SANDAG Senior Transit Planner, reported that, although there is now a single fare ordinance under the new consolidated structure, there are still more than 200 possible fares within San Diego County. He added that SANDAG has contracted with TranSystems Corporation to develop a proposal for a new regional transit fare structure (Phase I) and complete a revenue-sharing study (Phase II). He stated that TranSystems is to propose a structure that would simplify the current MTS and North County Transit fare systems, recommend new fare products that would take advantage of smart card technology and are either revenue-neutral or generate revenue, and develop a new regional transit fare revenue-sharing methodology. He reported that the current fare-sharing methodology is based on current fare products and should be revised as fare products are changed. Mr. Levy stated that TranSystems is currently in the process of developing a model that can be used to assess the impact of various alternatives. He also reported that the consultant has interviewed stakeholders at the various agencies and has also conducted a peer review. He reminded the Committee that any fare changes require a public hearing and SANDAG

Transportation Committee approval. He stated that this project should be completed by the end of July.

Mr. Roberts stated that the new fare structure should not impose a disproportionate cost on one fare category (e.g. local/urban) to cover the higher subsidy of another fare category (rural and commuter express). Mr. Roberts stated that he would like to see a detailed breakdown on this issue.

Mr. Jablonski stated that the consultant should be providing a financial analysis for each recommendation. He also stated that a simpler structure should not result in a fare that is the same regardless of the length of the trip. Mr. Levy stated that the consultant was asked to look at general options, including fare by distance, by level of service, by type of vehicle, and by cost of providing service. He added that the consultant developed four general recommendations, which have been forwarded to staff members at each of the agencies for review and response. He stated that each agency can also add options for TranSystems to test using their model, which determines impact on ridership and revenue. Mr. Mark Thomsen, MTS Senior Transportation Planner, reported that staff is in the process of completing this task and should be able to respond to SANDAG in the next couple of weeks. Mr. Mathis stated that the Committee should be kept informed regarding what is being tested and the results of those tests. Mr. Emery suggested that the Committee be kept informed as the project progresses. Mr. Mathis requested that this item be presented to the Executive Committee before it goes before the Transportation Committee. Mr. Levy reported, in response to a question from Mr. Emery, that it should be possible to blend MTS and North County Transit fares into one fare system.

Mr. Jablonski stated that MTS has been having difficulties with abuse of its elderly and disabled fare structure and briefly discussed the various ways this fare category is being abused. He also pointed out that people paying elderly and disabled fare rates do not like to be asked for identification. He stated that the fare structure should be easy to administer and easy for the operators to work with. Mr. Levy stated that some of this abuse will be solved through the use of smart card technology. He stated that this technology should also simplify the fare and transfer process as well.

Mr. Jablonski questioned how the agencies would make the transition, in particular with regard to the revenue split, from a manual counting system to the new fare structure when smart card technology is not yet in place. Mr. Levy stated that the project has not yet reached this stage, but that TranSystems has gone through these types of transition periods with many other transit systems.

Action Taken

No action was taken on this item.

D. REVIEW OF DRAFT MAY 10, 2007 BOARD AGENDA

Recommended Consent Items

6. MTS: Investment Report (FIN 300, PC 50601)

Recommend that the Board of Directors receive this report for information.

Recommended Consent Items

There was no discussion of the recommended Consent Item.

Recommended Board Discussion Items

There was no discussion of the recommended Discussion Item.

E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA

Ms. Sharon Cooney, Director of Governmental Affairs and Community Relations, reported on the following SANDAG agenda items:

Agenda Item No. 5: Urban Partnership Agreement and Federal Transit Administration (FTA) Section 5309 Application: Ms. Cooney reviewed the projects that MTS has submitted for each of these two programs. She also reported that there is some indication from legislative offices in Washington, D.C. that they are not happy that the Department of Transportation is using the Urban Partnership Program to do an end run around congressional offices and the usual process for allocating bus funds. Ms. Cooney stated that funding from the Urban Partnership Program may be at risk as a result. In response to a question from Mr. Emery, she stated that MTS has programs in each category and should therefore, at a minimum, get funding for traditional bus facility projects under Section 5309.

Agenda Item No. 7: Transportation Development Act (TDA) Triennial Performance Audit: Ms. Cooney advised the Committee that the recent TDA Triennial Audit report was positive for MTS. She stated that the audit made recommendations on items that MTS had already been working on. She distributed a table showing TDA Performance Indicators for MTS.

Agenda Item No. 8: White Paper: Aviation and Ground Access Issues: Ms. Cooney reported that this White Paper includes discussions of an express shuttle service from Old Town to the airport but doesn't address the concept of moving terminals to make access to the trolley more easy.

F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS

La Mesa Police Department: In response to a question from Mr. Allan, Mr. Peter Tereschuck, President-General Manager of SDTI, clarified the facts surrounding recent thefts of catalytic converters. He stated that Mr. Bill Burke, Transit Security Administrator, is working on improving the flow of information between the La Mesa Police Department

and SDTI security personnel. Mr. Allan stated that he would be happy to facilitate this process.

G. PUBLIC COMMENTS

There were no comments from the public.

H. NEXT MEETING DATE:

The next meeting is scheduled for Thursday, May 17, 2007, in the Executive Conference Room.

I. ADJOURNMENT

Chairman Mathis adjourned the meeting at 9:50 a.m.

Chairman

Attachment: A. Roll Call Sheet

[gail.williams/minutes](#)