

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM  
BOARD OF DIRECTORS  
1255 Imperial Avenue, Suite 1000  
San Diego, CA 92101

MINUTES

July 16, 2015

1. Roll Call

Chairman Mathis called the Board meeting to order at 9:02 a.m. A roll call sheet listing Board member attendance is attached.

Chairman Mathis and Paul Jablonski recognized four security officers for their heroic actions during a violent confrontation on June 24, 2015. The security officers, Alberto Perezdeleon, Angel Garcia, James Scherer and Matthew Martin, were presented with plaques which recognized their actions in assisting to apprehend a violent suspect who attacked two paramedics near the Park & Market Trolley Station.

2. Approval of Minutes

Mr. McClellan moved to approve the minutes of the June 18, 2015, MTS Board of Directors meeting. Mr. Cunningham seconded the motion, and the vote was 13 to 0 in favor with Mr. Minto and Mr. Roberts absent.

3. Public Comments

*Mike Werner* – Mr. Werner said that the only place to see MTS Board meeting announcements is posted on the MTS website. He also commented that there should be more cameras installed at transit stations.

*Lorraine Leighton* – Ms. Leighton asked when cameras would be installed on the Route 833 buses. She also commented that she was sad to hear about the passing of Bill Burke.

CONSENT ITEMS

6. Increased Authorization for Legal Service Contracts to Pay Projected Expenses in Fiscal Year 2016

Action would approve increasing the dollar amount of nine (9) legal services contracts to cover anticipated fiscal year 16 (FY16) expenses.

7. Investment Report – May 2015

8. San Diego Metropolitan Transit System (MTS) Task Order Contract Approval for Old Town Transit Center (OTTC) West Improvements

Action would authorize the Chief Executive Officer (CEO) to execute Work Order 13.18 for MTS Doc. No. G1493.0-13 with Kimley-Horn & Associates Inc. to perform Design-Engineering Services for Old Town Transit Center West (OTTC West) Improvements.

9. San Ysidro Radio Tower Installation – Contract Award  
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc No. PWB174.0-15 with Day Wireless Systems, Inc., for the installation of the San Ysidro Radio Tower, as an expansion site of the Regional Transit Management System (RTMS) radio system.
10. Disadvantaged Business Enterprise (DBE) Overall Goal  
Action would adopt a 3.75% goal for DBE-participation in federally funded contracts over the Federal Fiscal Year (FFY) 2016 to FFY 2018 triennial period.
11. Revisions to Board Policy No. 26, Disadvantaged Business Enterprise Program  
Action would approve revisions to Board Policy No. 26, Disadvantaged Business Enterprise Program.
12. Variable Message Signs for Green Line Communications System Upgrade Project – Sole Source Purchase Order  
Action would authorize the Chief Executive Officer (CEO) to issue a purchase order to Daktronics, on a sole-source basis, for the procurement of eighty three (83) Variable Message Signs (VMS) for the Green Line Communications System Upgrade Project.
13. Radio Communications Support Services – Contract Award  
Action would authorize the Chief Executive Officer (CEO) to execute MTS Document No. L1246.0-15 with Day Wireless Systems for the provisions of radio communication support services for five years beginning on August 1, 2015 and ending July 31, 2020.
14. September 2015 Service Changes
15. MTS Taxicab Administration Administrative Penalty Guidelines  
Action would approve the proposed revisions to the MTS Taxicab Administrative Penalty Guidelines.
16. SD-100 Light Rail Vehicle Gate Turn Off Firing Boards – Sole Source Purchase Order  
Action would authorize the Chief Executive Officer (CEO) to issue a purchase order to Siemens Transportation Systems Corporation (Siemens), on a sole source basis, for the purchase of thirty (30) Gate Turn-Off (GTO) Firing Board for MTS's fleet of SD-100 Light Rail Vehicles (LRVs).

Action on Recommended Consent Items

Ms. Emerald moved to approve Consent Agenda Item Nos. 6 -16. Ms. Rios seconded the motion, and the vote was 14 to 0 in favor with Mr. Minto absent.

Public Comment – Consent Item 14

*Michael Horgan* – Mr. Horgan recommended for staff to look into having the route 270 bus subsidized by Qualcomm. He also inquired if bus routes 2, 11 and 1 could have expanded service up to the San Diego State University campus.

CLOSED SESSION

24. Closed Session Items

The Board convened to Closed Session at 9:12 a.m.

- a. CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to California Government Code Section 54956.8  
Property: APN 451-590-79-00 (Northeast side of Pacific Highway frontage road, north of Washington Street)  
Agency Negotiators: Paul Jablonski, Chief Executive Officer; Karen Landers, General Counsel; and Tim Allison, Manager of Real Estate Assets  
Negotiating Parties: Kennebec Properties II LLC  
Under Negotiation: Price and Terms of Payment
- b. CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS Pursuant To California Government Code Section 54957.6  
Agency: San Diego Trolley, Inc. (SDTI)  
Employee Organization: International Brotherhood of Electrical Workers, Local 465 (Representing SDTI Train Operators, Electromechanics, Servicers and Clerical)  
Agency-Designated Representative: Jeff Stumbo
- c. CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Pursuant to California Government Code Section 54956.9 (U.S. Department of Labor)

The Board reconvened to Open Session at 9:54 a.m.

Oral Report of Final Actions Taken in Closed Session

Karen Landers, General Counsel, reported the following:

- a. The Board accepted an offer to sell property located at APN 451-590-79-00 to Kennebec Properties II LLC on a vote of 14 to 0 in favor, with Mr. Minto absent.
- b. The Board received a report from staff.
- c. The Board received a report from counsel.

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS:

30. MTS Blue Line Naming Rights (Rob Schupp)

Rob Schupp, Director of Marketing and Communications, provided a presentation on the MTS Blue Line Naming Rights. He provided a brief background on the naming rights and the sales

strategy. Mr. Schupp presented a map showing the Blue Line and the areas of San Diego which it will run through after the Mid-Coast extension. He stated that UC San Diego and UC San Diego Health System are partners in the naming rights, with the UC San Diego Health System being the primary partner. He noted that if the contract is approved, the Blue Line will be named the UC San Diego Blue Line. He presented sample pictures of what the trolley bridges could possibly look like after the Mid-Coast extension. Mr. Schupp stated that there would be six trolley wraps and six station actions per year to promote the UC San Diego Health System. Mr. Schupp commented that there would also be station signage, on-board signage, and printed, web and digital images. He reviewed MTS's compensation for the contract. The contract is for a 30 year term, with compensation to MTS of \$675,000 per year in the beginning of the contract, and then \$945,000 per year upon the completion of Mid-Coast. He also noted that these costs will increase annually per local Consumer Price Index (CPI).

#### PUBLIC COMMENTS\*

*Robin Madaffer* – Ms. Madaffer represents Scripps Health. She stated that Scripps Health learned about this deal Tuesday morning through a newspaper article. They feel that this deal should have had extensive public outreach and community input. She presented pictures of the trolley line that goes by the Scripps Health Center. Ms. Madaffer noted that their number one issue is that UC San Diego will have exclusive naming rights.

*Janay Kruger* – Chairman of the University City Planning Group (UCPG). Ms. Kruger said that they feel that UC San Diego is only one portion of their community and the community should not be for sale. The UCPG feels that the naming rights proposal should be put back on the street so other companies have an opportunity to compete for the contract.

*Alice Buck* – Ms. Buck is a member of the UCPG. She said that there was a meeting conducted a couple years ago where the planning group was told there would be more community input meetings regarding the Mid-Coast extension. She asked if this item could be set aside in order to further discuss input and ideas with the UCPG on this decision.

*Alison Barton* – Ms. Barton is a member of the UCPG. She noted that she was against this contract proposal. Ms. Barton said that the UCPG would have liked to be involved in the decision making process. She believes there is an opportunity for more money to be made and would like the Board to postpone the contract, consider other companies and involve the UCPG in the decision process.

*Joe La Cava* – Mr. La Cava commented that the item should be removed from the agenda. He said that this matter should be brought to the communities and the transit riders. Mr. La Cava asked for more transparency.

*Jennifer Kearns* – Ms. Kearns is the Director of Communications for Councilmember Lightner. Ms. Kearns read a letter from Councilmember Lightner. She stated that their offices heard about this deal with UC San Diego through a newspaper article. She said their concern is that there should have been public and community outreach before this item was taken to the Board. Ms. Kearns noted that the UC community has always put a lot of input into the design of their community, especially signage. She asked for a continuance on this item to allow a public process to take place. At a minimum, they would like to see an amendment to this contract to allow for public input in the areas that impact the community the most.

#### BOARD MEMBER COMMENTS\*

Ms. Emerald commented that she was not aware that there was no community outreach on this matter. She believes that community outreach is very important. Ms. Emerald said that she would like to see this item sent back for a continuance. She said that the community outreach is important and there could be many other companies that could possibly bring in more money.

Mr. Jablonski provided a background on the naming rights process. He commented that this process began in 2010 and it was brought to the Executive Committee and Board. It was then approved by the Board for a consultant to look into the naming rights process and to move forward. He said that the consultants approached a number of private companies and other entities. Scripps Health was the first company that was approached for the naming rights contract and they declined the offer after three meetings regarding the agreement. He also said that other companies were also approached but were not able to commit to this type of agreement. The UC San Diego Health System was able to find a benefit to the agreement and was able to commit to the financial requirements. Mr. Jablonski said that they have been working for this naming rights agreement for four to five years and have found a very good deal.

Ms. Salas seconded Ms. Emerald's motion to send back this item for a continuance to further discuss this agreement. Ms. Salas said that she would like more information as to how UC San Diego was selected and what public input was provided.

Mr. Gloria asked what deadlines or expectations there were with the partners if there were to be a continuance. Mr. Jablonski said that he does not know the deadlines that would be put in place if a continuance occurs. He did say that UC San Diego has already signed this agreement and they are very eager to start. He said that UC San Diego also wants the community to start getting used to this branding. Mr. Gloria commented on the Convention Center naming rights and noted that it has been a very difficult time to get a naming rights agreement with the Convention Center. Mr. Gloria commented that he is concerned with losing the Blue Line naming rights deal.

Mr. Roberts commented that he is opposed to postponing this deal because there is a large chance of losing the deal. He said that this is a very large deal and would benefit MTS immensely, which is the main mission of the MTS Board. Mr. Roberts commented that this is not the type of negotiation where you can talk to every community member and transit rider. This is a very sensitive subject to negotiate. He said that losing this deal would be a bad thing to throw out after so much work. Mr. Roberts stated that this is a way to provide a higher level of service.

Ms. Emerald commented that she does think the naming rights idea is a great idea, however she asked if there is something that can be added to the motion to include community outreach.

Ms. Zapf commented that there seems to be a few concerns about the placement of signage. She said that she is willing to move forward with the contract with assurances that the community will have input regarding the signage.

Mr. Roberts made a motion to approve the contract and move forward to direct staff to work with the community to get input and direction, especially on signage around the community. Ms. Zapf seconded the motion.

Ms. Cole commented that the outreach to the public is very important and she appreciates the motion.

Mr. Gastil said that he wants to make sure the public is involved and their interests are considered. He stated that he thinks it is important that UC San Diego is seen as a regional asset and supports that aspect. He commented that he believes the community planning groups are very important in making these types of decisions and agrees that they should have a large part in this decision making process.

Ms. Salas commented that there seems to be two parts to this agreement. She stated that there is a business negotiation side and a community planning side. She said that there should be a time for public input on the community planning issues. Ms. Salas also said that there was a lack of information that was provided to the Board in terms of background and history as to how this deal came to fruition.

Mr. Gloria asked about the Old Town Trolley Station and the desire to have this station be rebranded. Mr. Schupp replied that this change was desirable to UC San Diego because of the amount of people that get off at that station and take their shuttle to the facility up the road. He noted that Old Town Transit Center will still be the primary name; however there would be a second part of the name given by UC San Diego. Mr. Gloria commented on the possibility of other stations and trolley lines being renamed. Mr. Jablonski replied that there currently are other active negotiations going on for the other lines. Mr. Gloria asked where the funds are coming from for UC San Diego to fund this contract. Mr. Schupp replied that none of the funds are coming from the state. The funds are fully paid for by the UC San Diego Health System and will not be taken from the students' tuitions. Mr. Gloria reiterated that the ability to come to a deal with a company is extremely hard. He noted that the contract does not specifically say anything about size of the signage and believes that this can be negotiable with the community input.

\*CLERK'S NOTE: Public comments and Board member discussion was extensive. Minutes reflect the substantive comments made. Refer to audio recording for complete unedited discussion.

#### Action Taken

Mr. Roberts moved to authorize the Chief Executive Officer (CEO) to execute an agreement with the University of California San Diego for the exclusive naming rights of the Blue Line for a period of 30 years; and to direct staff to work with the community to get input and direction, regarding the signage around the community. Ms. Zapf seconded the motion, and the vote was 13 to 0 in favor with Mr. Minot and Ms. Rios absent.

#### 31. Pacific Imperial Railroad (PIR) Desert Line Agreement (Karen Landers)

Karen Landers, General Counsel, provided a presentation regarding the PIR Desert Line Agreement. She provided a brief background and history of the Desert Line; reviewed the current milestones and other aspects of the PIR agreement; and also reviewed the milestones achieved by PIR to date. Ms. Landers noted that there have delays with this project caused mostly by Mexico negotiations with Baja California Railroad (BJRR). There have been ongoing

negotiations with BJRR since January 2013. Ms. Landers reviewed the recent turning points with BJRR, including the Memorandum of Understanding (MOU) between PIR and BJRR, which was signed on June 22, 2015, stating their commitment to work together to reach a definitive agreement on outstanding issues within six months.

Ms. Landers reviewed the proposals to modify the milestones in the agreement. She noted that the modified milestones will still meet the original 5 year Full Scale Repairs and Operations milestones. The proposed milestones have been divided into two phases. Phase 1, Coyote Wells to Plaster City, will include repairs to Class III standards instead of Class II standards; providing a six month extension to complete work by March 1, 2016; providing a twelve month extension for Limited Operations by December 31, 2016; and confirming that the Full Scale Repairs will be completed by the original completion date of December 21, 2017. Phase II, Division to Coyote Wells, will include repairs to Class I standard instead of Class II standards; providing a 19.5 month extension, and confirming that the Full Scale Repairs will be completed by the original milestone date of December 21, 2017.

Ms. Landers stated that the revenue owed to MTS will not change. She said that the goal is to use trucking operations as an interim measure until full repairs are complete. Ms. Landers reviewed the recommendation and asked if there were any questions.

#### PUBLIC COMMENTS

*Don Stoecklein* – Mr. Stoecklein is part of the PIR Executive team. He stated that they are in the process of trying to finish negotiations with BJRR. He said that they have been working with investors out of New York to help fund this rail line. They have had discussions with Caltrans regarding moving and redirecting trucks off of the main highways while they are still finishing the construction of the Desert Line. He asked for the Board to approve this item with the proposed modifications to the milestones and thanked the Board and Executive Committee for their continued support.

*Arturo Alemany* – Mr. Alemany is an Executive Board Member of PIR. He commented that they have spent the last six months working diligently with the New York investors for the rail line. He stated that not only PIR, but BJRR and the Mexico region realize the great potential that can come from this rail line.

#### BOARD MEMBER COMMENTS

Ms. Salas inquired what the primary issues are between PIR and BJRR. Mr. Stoecklein replied that there are a number of issues, including regulatory issues and economic issues. Ms. Salas asked if the construction will be postponed if those issues are not resolved. Mr. Stoecklein said that the construction will not be delayed.

Mr. Roberts commented that there has been an enormous amount of work that has been done on both sides of this agreement. He said that there is still work to be done, but the original end dates will not be changed.

Mr. Gastil commented that he is glad to see the progress that has been made and said it is really encouraging. He stated that he believes that the Desert Line has incredible potential.

Action Taken

Mr. Roberts moved to: (1) authorize the Chief Executive Officer (CEO) to execute an Amendment to the Desert Line Lease and Operating Agreement (MTS Doc. No. S200-13-560.1) substantially in conformance with Attachment A; and (2) authorize the CEO, at his discretion, to monitor and oversee the Initial Repairs and Test Train Operations milestones (sections 1.2.3 and 1.2.4 of the amended agreement). Mr. Gastil seconded the motion, and the vote was 12 to 0 in favor with Mr. Cunningham, Mr. Minto and Ms. Rios absent.

REPORT ITEMS

45. Trolley Renewal Project Update (Wayne Terry)

This item was deferred to the next Board meeting.

46. Annual Security Report (January 1, 2014 through December 31, 2014) (Manny Guaderrama)

Manny Guaderrama began his presentation by thanking the security officers that were recognized earlier in the meeting. Mr. Guaderrama provided an introduction regarding Code Compliance and Contract Security. He reviewed the training that Code Compliance Inspectors (CCIs) go through, the Part I incidents on the Rail side, Part II arrests on the Rail side, Part I incidents on the Bus side, and Part II arrests on the Bus side. Mr. Guaderrama discussed cell phone and electronic thefts, metal thefts, electronic citations, officer body cameras, "If You See Something Say Something" campaign, K9 activities, Comic-Con 2014, Rock n' Roll Marathon 2014, Special Enforcement Unit (SEU), felony vandalism and arrests, and transient camps.

Ms. Zapf reported on an incident that one of her staff members saw which occurred on a trolley. She commented that there needs to be more signs installed on the trolleys and buses displaying contact information for passengers to report illegal activity. Mr. Schupp stated there are currently more signs being printed for installation. Ms. Zapf asked if a phone application could be created to use for this purpose. Mr. Schupp replied that he would look into the phone application recommendation. Ms. Zapf inquired about the money that is being expended on the Joint Agency Task Force (JATF) grant. Mr. Guaderrama replied that the JATF started in February 2015 and those grant monies are specifically expended for that task force to pay the salaries of the officers.

Ms. Emerald inquired about the status of cameras on buses. Bill Spraul, Chief Operating Officer for Transit Services, replied that the entire articulated bus fleet and 40 foot buses have cameras. He said about 90% of the remainder of the fleet has cameras and in the next six months, the rest of the fleet will have cameras. Ms. Emerald asked if this information could be brought back to the Board once all of the cameras have been installed. She also asked if there were automated external defibrillators (AEDs) installed on the trolleys or buses. Mr. Guaderrama replied that there are not AEDs installed on trolleys or buses. Ms. Emerald suggested that the installation of AEDs be considered at a future time. She also stated that there is a phone application that notifies if there is an AED in a specific radius.

Ms. Cole asked for clarification about the driving under the influence statistic in the security report. Mr. Guaderrama replied that those statistics are people from the public driving under the influence on to MTS's right of way.



Mr. Roberts commented that he agrees that AEDs should be installed, at least at the major trolley stations. He said that installing the AEDs as well as advertising the location of the AED could help save a person's life.

60. Chairman's Report

There was no Chairman's Report.

61. Chief Executive Officer's Report

Mr. Jablonski reported that he went to Salt Lake City for the APTA Rail Conference, and he went to Sacramento to testify on the Bus Axle Weight issue.

63. Board Member Communications

Ms. Emerald commented that the first taxi permit was issued this week.

Ms. Cole commented on a request that was granted for extended bus service in her jurisdiction. She thanked Mr. Jablonski and MTS staff for helping on that request.

64. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

65. Next Meeting Date

The next regularly scheduled Board meeting is August 27, 2015.

66. Adjournment

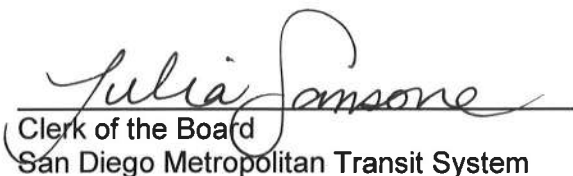
Chairman Mathis adjourned the meeting at 12:02 p.m.



Chairperson  
San Diego Metropolitan Transit System

Filed by:

Approved as to form:



Clerk of the Board  
San Diego Metropolitan Transit System



General Counsel  
San Diego Metropolitan Transit System

Attachment: Roll Call Sheet

SAN DIEGO METROPOLITAN TRANSIT SYSTEM  
BOARD OF DIRECTORS  
ROLL CALL

MEETING OF (DATE): July 16, 2015

CALL TO ORDER (TIME): 9:02 a.m.

RECESS: \_\_\_\_\_

RECONVENE: \_\_\_\_\_

CLOSED SESSION: 9:12 a.m.

RECONVENE: 9:54 a.m.

PUBLIC HEARING: \_\_\_\_\_

RECONVENE: \_\_\_\_\_

ORDINANCES ADOPTED: \_\_\_\_\_

ADJOURN: 12:02 p.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
BRAGG	<input checked="" type="checkbox"/> (Bilbray) <input type="checkbox"/>	9:02 a.m.	12:02 p.m.
COLE	<input checked="" type="checkbox"/> (Alvarez) <input type="checkbox"/>	9:02 a.m.	12:02 p.m.
CUNNINGHAM	<input checked="" type="checkbox"/> (Mullin) <input type="checkbox"/>	9:02 a.m.	11:05 a.m.
EMERALD	<input checked="" type="checkbox"/> (Alvarez) <input type="checkbox"/>	9:02 a.m.	12:02 p.m.
GASTIL	<input checked="" type="checkbox"/> (Jones) <input type="checkbox"/>	9:02 a.m.	12:02 p.m.
GLORIA	<input checked="" type="checkbox"/> (Alvarez) <input type="checkbox"/>	9:02 a.m.	12:02 p.m.
MATHIS	<input checked="" type="checkbox"/>	9:02 a.m.	12:02 p.m.
MCCLELLAN	<input checked="" type="checkbox"/> (Ambrose) <input type="checkbox"/>	9:02 a.m.	12:02 p.m.
MCWHIRTER	<input checked="" type="checkbox"/> (Arapostathis) <input type="checkbox"/>	9:02 a.m.	12:02 p.m.
MINTO	<input type="checkbox"/> (McNelis) <input type="checkbox"/>		
RIOS	<input checked="" type="checkbox"/> (Sotelo-Solis) <input type="checkbox"/>	9:02 a.m.	10:00 a.m.
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:10 a.m.	12:02 p.m.
SALAS	<input checked="" type="checkbox"/> (Miesen) <input type="checkbox"/>	9:02 a.m.	11:39 a.m.
WOIWODE	<input checked="" type="checkbox"/> (Sandke) <input type="checkbox"/>	9:02 a.m.	12:02 p.m.
ZAPF	<input checked="" type="checkbox"/> (Alvarez) <input type="checkbox"/>	9:02 a.m.	12:02 p.m.

SIGNED BY THE CLERK OF THE BOARD:

*Julia Jansone*

CONFIRMED BY THE GENERAL COUNSEL:

*Karl*