

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

January 10, 2019

## MINUTES

### A. ROLL CALL

Chair Gomez called the Executive Committee meeting to order at 9:02 a.m. A roll call sheet listing Executive Committee member attendance is attached.

### B. APPROVAL OF MINUTES

Ms. Rios moved for approval of the minutes of the December 6, 2018, MTS Executive Committee meeting. Chair Gomez seconded the motion, and the vote was 4 to 0 in favor with Mr. Arambula, Mr. Arapostathis, and Mr. Fletcher absent.

### C. COMMITTEE DISCUSSION ITEMS

1. San Diego Transit Corporation (SDTC) Pension Investment Status (Jeremy Miller, Representative from RVK and Larry Marinesi)

Larry Marinesi, Chief Financial Officer, introduced this item and Jeremy Miller with RVK. Mr. Marinesi noted that the SDTC Pension Plan is a closed plan, which means that no new non-management employees are included in the plan. He noted that all new non-management employees are part of a defined contribution pension plan. He stated that Mr. Miller will be presenting on the fiscal year 2018 investment results. Mr. Miller continued the presentation and reviewed the investment structure; investment details; fiscal year 2018 performance; and performance details as of June 30, 2018. He noted that the fiscal year 2018 performance was just under 6%.

Chair Gomez asked what the return percentage was for fiscal year 2017. Mr. Miller stated that the fiscal year 2017 return was just above 8%. He noted that the combination of the fiscal year 2017 and 2018 returns are in line with the recommended actuarial rate of return of 7%.

#### Action Taken

No action taken. Informational item only.

2. San Diego Transit Corporation (SDTC) Employee Retirement Plan's Actuarial Valuation as of July 1, 2018 (Anne Harper and Alice Alsberghe of Cheiron, Inc. and Larry Marinesi)

Mr. Marinesi introduced Anne Harper and Alice Alsberghe with Cheiron, Inc. Ms. Harper continued the presentation and discussed the plan cost changes; plan cost by source; plan history contributions; plan history funding; plan history membership; and plan composition. Ms. Alsberghe discussed the plan projections for the future. She reviewed the projected total contributions and the projected funded ratio. Ms. Alsberghe noted that the plan is projected to be fully funded by 2037.

Action Taken

Ms. Rios moved to forward a recommendation to the Board of Directors to receive the SDTC Employee Retirement Plan's (Plan) actuarial valuation as of July 1, 2018, and adopt the pension contribution amount of \$15,919,058 for fiscal year 2020. Ms. Salas seconded the motion, and the vote was 5 to 0 in favor with Mr. Arambula and Mr. Arapostathis absent.

3. 12th & Imperial Transit Center (Denis Desmond)

Paul Jablonski, Chief Executive Officer, introduced this item and stated that MTS owns two pieces of land adjacent to the 12<sup>th</sup> & Imperial Transit Center site. He commented that staff has been researching and discussing potential options to develop those two properties to expand transit service and possibly build extra office space as well as a transit oriented development.

Denis Desmond, Director of Planning, continued the presentation and discussed the current status of the 12<sup>th</sup> & Imperial site. He presented pictures of the site and the adjacent properties next to 12<sup>th</sup> & Imperial. Mr. Desmond discussed the newly updated Policy 18, which discusses the joint development guidelines of MTS properties. He stated that MTS hired Kimley Horn and Associates to develop concepts for an improved transit center at 12<sup>th</sup> & Imperial. Peter Ritchey with Kimley Horn stated that they developed potential concepts for development at the site. He stated that they worked with Stantec to develop these concepts. Mr. Ritchey presented pictures of various concepts and designs for the combined properties at 12<sup>th</sup> & Imperial. Patrick McKelvey with Stantec discussed different potential configurations for the 12<sup>th</sup> & Imperial site. He presented various pictures of potential development opportunity layouts at the site.

Mr. Jablonski noted that this will be an affordable transit oriented development with minimal parking requirements. He stated that they will also be encouraging developers to include transit passes in the proposals as well as alternatives to leased and shared parking options. Mr. Jablonski noted that the next steps in this process will be to prepare a presentation for the City of San Diego regarding the street vacations and zoning adjustments, and then to develop a Request for Qualifications (RFQ) to release to the development community. Chair Gomez recommended bringing this item back to the Executive Committee and then to the Board after the RFQ process.

Action Taken

No action taken.

4. Implementation Procedures for Board Policy 18 (Sharon Cooney)

Sharon Cooney, Chief of Staff, provided a presentation on the implementation procedures for Board Policy 18. Ms. Cooney discussed the purpose of the Policy 18 Procedural Manual. She introduced Deborah Ruane with Norwood Development Strategies. Ms. Ruane was hired to help develop the Procedural Manual for MTS. Ms. Ruane stated that she conducted peer agency and stakeholder outreach in order to receive feedback for the Procedural Manual. She discussed the identification of best practices for a Procedural Manual and reviewed the opportunities for innovation. Ms.

Cooney reviewed the next steps including receiving comments from the Executive Committee, updating the inventory and the MTS website, continuing to pursue development opportunities, and presenting a draft Procedural Manual for the Executive Committee to review in February.

Mr. Fletcher asked about alternative creating funding and financing options for affordable housing to be included in future developments. Ms. Ruane stated that the developers she has had conversations with are happy to try to seek creative financing methods and options that will help the affordable housing portion of the developments.

Ms. Rios inquired about parking requirements for future developments. Ms. Ruane stated that the parking requirements would be based on a site-by-site basis.

#### PUBLIC COMMENT

*Maya Rosas* – Ms. Rosas commented on behalf of Circulate San Diego. She stated that Circulate San Diego released a report, Real Opportunity, which emphasized points they wanted to see included in Policy 18 and the Procedural Manual. Ms. Rosas said their report focused on reducing or eliminating replacement parking requirements; proactively seeking proposals from developers; and requiring affordable housing. She commented that the updates to Policy 18 were adopted a couple months ago and incorporated these points. Ms. Rosas thanked staff and the Board for moving this process along quickly.

#### Action Taken

No action taken.

5. E Street Trolley Station Joint Development and Reimbursement Agreement with the City of Chula Vista (Tim Allison)

Tim Allison, Manager of Real Estate Assets, provided a presentation on the E Street Trolley Station joint development and reimbursement agreement with the City of Chula Vista. He introduced Kevin Pointer with the City of Chula Vista's Economic Development Department. Mr. Allison provided pictures of the E Street Trolley Station and City of Chula Vista F Street Yard properties. He reviewed the site details of both properties. Mr. Allison discussed the adopted City of Chula Vista Urban Core Specific Plan for this area. He reviewed the proposed strategy for pursuing this joint development and noted that the City of Chula Vista is hiring Keyser Marston and Associates, Inc. for the purposes of market and financial analysis; RFQ/RFP development; and to evaluate developers.

Ms. Salas commented that this property and proposed project has a lot of potential to transform and enhance Chula Vista. She stated that this project will create many jobs, which is great for the region. Ms. Salas also said she is envisioning this development to have a very high density.

Chair Gomez requested this item to be brought to the Board next week as an informational item. It was noted that Mr. Jablonski has the authority to execute this joint agreement with the City of Chula Vista. The Executive Committee agreed that the Board should have this item presented as an informational item.

D. REVIEW OF DRAFT January 17, 2019 BOARD AGENDA

Recommended Consent Items

6. Security for South Bay Bus Rapid Transit  
Action would authorize the Chief Executive Officer (CEO) to execute Amendment Number 5 to MTS Doc. No G1828.0-15 with Allied/Universal dba Transit Systems Security, to provide additional security services for coverage of the new South Bay Rapid (Route 225) through June 30, 2019.
7. Lease Agreement with Brick by Brick, LLC at 675 West G Street, San Diego  
Action would authorize the Chief Executive Officer (CEO) to execute a Lease Agreement with Brick By Brick, LLC for a lease at 675 West G Street, San Diego.
8. Mills Building Retail Lease: Extension of A-Mart Lease  
Action would authorize the Chief Executive Officer (CEO) to execute an amended and restated Lease Agreement with Ramzi and Anwar Murad dba A-Mart, MTS Doc. No. G0202.2-93, including an extension of up to ten (10) years.
9. Imperial Avenue Division (IAD) Maintenance Floor Project – Award Work Order Under a Job Order Contract (JOC)  
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. MTSJOC7503-13 to MTS Doc. No. PWL234.0-17 with ABC Construction Company, Inc. (ABC) for the epoxy floor installation in the maintenance building at IAD.
10. Fashion Valley Stair Repair – Award Work Order Under a Job Order Contract (JOC)  
Action would authorize the Chief Executive Officer (CEO) to execute Work Order MTSJOC7504-24 for MTS Doc. No. PWL204.0-16 with ABC Construction Company, Inc. (ABC) for the Fashion Valley Stair Repair located at Fashion Valley Transit Center.
11. Design Services for Zero Emission Bus (ZEB) Pilot Program, Chargers Phase II – Work Order  
Action would authorize the Chief Executive Officer (CEO) to execute Work Order WOA1947-AE-34 for MTS Doc. No. G1947.1-17 with HDR Engineering, Inc. (HDR) in the amount of \$245,460.38 for design services for ZEB Chargers Phase II.
12. Kearny Mesa Division (KMD) Concrete Replacement – Award Work Order Under a Job Order Contract (JOC)  
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. MTSJOC7504-50 for MTS Doc. No. PWL204.0-16 with ABC Construction Company, Inc. (ABC) for the partial replacement of concrete at KMD.
13. Paint Booth Blower Upgrades and Repair – Award Work Order Under a Job Order Contract (JOC)  
Action would authorize the Chief Executive Officer (CEO) to execute Work Order MTSJOC7503-47 for MTS Doc. No. PWL234.0-17 with ABC Construction Company, Inc. (ABC) for Paint Booth Blower upgrades and repair at the Trolley Paint Booth.
14. South Bay Maintenance Facility Flooring – Contract Award  
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWB265.0-19 with Stoncor Group, Inc. dba Stonhard (Stonhard) for the installation of a multi component epoxy mortar floor system (flooring) in the maintenance bays at the South Bay Bus Maintenance Facility.

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E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA

There was no SANDAG Transportation Committee agenda discussion.

F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS

There was no Committee Member Communications and Other Business discussion.

G. PUBLIC COMMENTS

There were no Public Comments.

H. NEXT MEETING DATE

The next Executive Committee meeting is scheduled for February 7, 2019, at 9:00 a.m. in the Executive Committee Conference Room.

I. ADJOURNMENT

Chair Gomez adjourned the meeting at 10:46 a.m.

/s/ Georgette Gómez \_\_\_\_\_  
Chairperson

Attachment: Roll Call Sheet

**EXECUTIVE COMMITTEE  
SAN DIEGO METROPOLITAN TRANSIT SYSTEM**

ROLL CALL

MEETING OF (DATE) January 10, 2019

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

RECESS \_\_\_\_\_

RECONVENE \_\_\_\_\_

CLOSED SESSION \_\_\_\_\_

RECONVENE \_\_\_\_\_

ADJOURN 10:46 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ARAMBULA	<input type="checkbox"/>		
Transportation Committee Rep.			
ARAPOSTATHIS	<input type="checkbox"/> (Arambula) <input type="checkbox"/>		
FLETCHER	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:30 a.m.	10:46 a.m.
GOMEZ (Chair)	<input checked="" type="checkbox"/>	9:00 a.m.	10:46 a.m.
MONTGOMERY	<input checked="" type="checkbox"/> (Ward) <input type="checkbox"/>	9:00 a.m.	10:46 a.m.
RIOS (Vice-Chair)	<input checked="" type="checkbox"/>	9:00 a.m.	10:46 a.m.
SALAS	<input checked="" type="checkbox"/> (Sandke) <input type="checkbox"/>	9:00 a.m.	10:46 a.m.

SIGNED BY THE CLERK OF THE BOARD:

*Julia Turner*

CONFIRMED BY THE GENERAL COUNSEL:

*[Signature]*