

MINUTES

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM

EXECUTIVE COMMITTEE

February 1, 2024

[Clerk's note: Except where noted, public, staff and board member comments are paraphrased. The full comment can be heard by reviewing the recording at the [MTS website](#).]

1. **Roll Call**

Chair Whitburn called the Executive Committee meeting to order at 9:29 a.m. A roll call sheet listing Executive Committee member attendance is attached.

2. **Public Comment**

John & Lenora Porcella – Residents of Imperial Beach made a written statement to the Committee prior to the meeting. Lenora expressed opposition with Route 227. The full written comment is provided in the February 1, 2024, Final Meeting Packet.

William Mike Harris – A resident of Imperial Beach made a written statement to the Committee prior to the meeting. William expressed opposition with Route 227. The full written comment is provided in the February 1, 2024, Final Meeting Packet.

3. **Approval of Minutes**

Vice Chair Goble moved to approve the minutes of the December 7, 2023, MTS Executive Committee meeting. Board Member Bush seconded the motion, and the vote was 5 to 0 in favor with Board Member Elo-Rivera, and Board Member Montgomery Steppe absent.

DISCUSSION ITEMS

4. **San Diego Transit Corporation (SDTC) Pension Investment Status (Jeremy Miller, with RVK Inc., and Mike Thompson)**

Jeremy Miller, with RVK Inc., and Mike Thompson, MTS Director of Financial Planning and Analysis, presented on SDTC Pension Investment Status. They outlined: the investment structure as of 6/30/23, investment details, FY 2023 performance, long term performance details and investment structure summary.

Action Taken

No action taken. Informational item only.

5. **San Diego Transit Corporation (SDTC) Employee Retirement Plan's Actuarial Valuation as of July 1, 2023 (Anne Harper and Alice Alsberghe with Cheiron Inc., and Mike Thompson)**

Anne Harper and Alice Alsberghe with Cheiron Inc., along with Mr. Thompson, presented on SDTC Employee Retirement Plan's Actuarial Valuation as of July 1, 2023. They outlined the following information: background, Revised Actuarial Standard of Practice (ASOP) No. 4, plan contributions for Fiscal Year 2024-2025 (based on 2023 Actuarial Valuation), PEPRM Member Contributions July 1, 2024 (based on 2023 Actuarial Valuation), plan history, and plan projections.

Action Taken

Chair Whitburn 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, 2023 and adopt the pension contribution amount of \$20,174,660 for fiscal year 2025. Vice Chair Goble seconded the motion, and the vote was 6 to 0 in favor with Board Member Montgomery Steppe absent.

6. Equity Policy Update (Julia Tuer and Samantha Leslie)

Julia Tuer, MTS Manager of Government Affairs, and Samantha Leslie, MTS Deputy General Counsel, presented on the equity policy update. They discussed: the background, Diversity, Equity and Inclusion (DEI) Committee & MTS workforce, Social Equity Listening Tour, Importance of Equity Policy, peer review staff research, internal review staff research, results, proposed consultant scope of work, and staff next steps.

Public Comment

Manny Rodriguez – Representing the San Diego Transportation Equity Working Group, made a verbal statement to the Board during the meeting. Manny expressed support to formalizing an equity policy but was concerned about the two-year implementation timeline.

Committee Comment

Board Member Elo-Rivera acknowledged timeline concerns; however, he was satisfied to know that an industry expert would develop the policy. He asked if the scope had been finalized. Ms. Tuer replied that the document was still under a review process. Board Member Elo-Rivera hoped to see how equity could be institutionalized into MTS practices.

Board Member Moreno suggested that MTS should consider creating a Social Equity Working Group (SEWG) that is made up of community-based organizations (CBOs) similar to SANDAG. She asked if staff would consider making such a committee. Ms. Cooney noted that the SANDAG SEWG could be used as a medium to receive feedback on equity-related items. Ms. Leslie added that SANDAG offered their committee as a resource to discuss this policy. Board Member Moreno believed that MTS should form a formal SEWG of its own.

Board Member Bush expressed his support for Board Member Elo-Rivera and Board Member Moreno's comments. He was not opposed using the existing SANDAG SEWG as a platform to receive feedback for the policy. He also asked if the scope included a matrix evaluation of projects or the procurement process. Ms. Tuer confirmed that the evaluation would look at all departments and areas where improvements could be made. Board Member Bush asked if the Board would be able to view the proposed contract for approval. Ms. Tuer confirmed that it would along with any necessary updates. He asked that projects also be listed as areas of review and asked what the proposed scoring criteria was predicted to be during the procurement process. Ms. Tuer noted that the criteria would be discussed with Procurement Department staff, at a later date. Board Member Bush noted Pueblo Planning, the consultant for the Social Equity Listening Tour, as a potential firm for this project, based on their previous outreach work for MTS.

Chair Whitburn asked public commenter, Manny Rodriguez, if the external focus concern was addressed based on the committee discussion. Manny replied that it was since it was clarified that department and projects would be part of the assessment.

Action Taken

No action taken. Informational item only.

7. Overnight Downtown - Border Express Bus Service Implementation (Denis Desmond)

Denis Desmond, MTS Director of Planning and Scheduling, presented on overnight downtown border express bus service implementation. He provided details on: SB 125 funding, bus service enhancements, early implementation for border express route, early implementation for Route 910, and Route 961.

Public Comment

Manny Rodriguez – Provided a verbal statement to the Board during the meeting. Manny expressed support for the item and the aggressive timeline.

Carolina Martinez – Representing Environmental Health Coalition and San Diego Transportation Equity Working Group, made a verbal statement to the Board during the meeting. Carolina expressed support for the acceleration of the bus service and commended the agency.

Committee Comment

Board Member Moreno looked forward to the operation of the bus route.

Board Member Bush looked forward to the operation of the bus route, border express and the positive impacts the changes would bring to the community. Board Member Bush asked if riders or bus drivers have been able to provide input on the bus stops. Mr. Desmond assured the Board that public input was part of the outreach efforts and that the survey was currently being drafted. Mr. Desmond added that the agency does have late- and early-morning data from Route 929 to guide staff on heavily used stops. He noted that staff understands the balance between serving as many stops as possible while mimicking the trolley frequency. Board Member Bush asked staff about the distance between stops. Mr. Desmond replied that stops would not be based off distance but rather rider demand. Board Member Bush asked if Sharon Cooney, MTS Chief Executive Officer, had any additional comments to add about the route. Ms. Cooney noted the origins of this proposal came from Elevate SD 2020 efforts. She added that updated outreach and trip efficiency are necessary for the success of the project.

Action Taken

No action taken. Informational item only.

8. Storm Damage Update and Authorization to Create a Program for Transit Assistance for Victims of Flooding (Brian Riley)

Brian Riley, MTS Chief Operating Officer for Rail, presented a storm damage update and authorization to create a program for transit assistance for victims of flooding. He outlined: the rail network flood impact to Rail maintenance buildings, damage to Orange Line right-of-way, restoration efforts throughout the system, Federal Emergency Management Agency (FEMA), San Diego County & California Office of Emergency Services Tour, estimated costs, recovery, upcoming weather forecasts, and staff's recommendation.

She added that the staff recommendation would allow the agency to spend up to \$50,000 in complimentary transit fares and the necessary partnerships with CBOs as community

connections. MTS could not receive FEMA reimbursement for the program and would want to work with Cities or the County on a match program.

Public Comment

Tracy Johnson – Representing Wakeland Housing and Development Corporation, made a written statement to the Committee prior to the meeting. Tracy expressed support for the staff recommendation. The full written comment is provided in the February 1, 2024, Final Meeting Packet.

Tricia Tasto Levien – Representing Wakeland Housing and Development Corporation, made a written statement to the Committee prior to the meeting. Tricia expressed support for the staff recommendation. The full written comment is provided in the February 1, 2024, Final Meeting Packet.

Manny Rodriguez – Provided a verbal statement to the Board during the meeting. Manny commended the agency for its rapid response and the proposed staff recommendation.

Committee Comment

Board Member Elo-Rivera asked staff to confirm the number of injured individuals. Mr. Riley replied that gratefully, no customers or employees were injured. Board Member Elo-Rivera asked if employees were impacted from the flood outside of their work environment. Mr. Riley replied that employees lost their personal vehicles that were parked at their job sites.

Ms. Cooney replied that all employees live in MTS areas of service, but she has not heard firsthand stories of impacts. Board Member Elo-Rivera suggested paid time off to folks who need to address hardships from the flood. Mr. Riley replied that union workers were contacted to relay the need for them to continue to attend work. Mike Wygant, Chief Operating Officer for Bus added that the division has been in contact with the unions and that there have been minimal reported damages from employees. Board Member Elo-Rivera encouraged staff to be as accommodating to impacted employees as possible. He also asked if the \$22 million estimated damage was expected to increase. Ms. Cooney replied that variables could change the estimate. She added that MTS made an all-in estimate, as suggested by FEMA, and that MTS insurers were appraising the damage.

Board Member Elo-Rivera was concerned that if an additional storm system impacted the agency, FEMA would not consider the damage a cumulative total but rather they would be starting from zero-dollar amount for the assessment. He believed it was the City and County's responsibility to put the pieces back together. He made an amendment to the motion to say that free transit pass program be for eligible individuals residing in the County's designated impact areas due to the January 22, 2024, storm.

Board Member Moreno commended MTS staff for their quick response and supported the staff recommendation. She asked the Chair to take the lead on any City of San Diego enforcement action against MTS.

Vice Chair Goble asked Board Member Elo-Rivera to clarify his modified motion and was concerned that some residents may be excluded from the service based on the wording. Board Member Elo-Rivera replied that the County designated certain zip codes as impacted, and he clarified that his intent was not to exclude individuals. He modified his motion to include individuals who lost their vehicles due to the storm's impacts.

Chair Whitburn commended MTS staff and expressed his pride towards staff's response. Chair Whitburn noted that he was gathering information to address the City of San Diego's enforcement action, and that a resolution would be reached between both entities.

Action Taken

Board Member Elo-Rivera moved to receive a report on storm damage experienced by MTS and authorize the CEO to create a free transit pass program for eligible individuals who lost their vehicle or who reside in the County's designated impact areas due to the January 22, 2024, storm; and to direct MTS staff to work with partner agencies to identify additional funding and a process for getting the passes to eligible recipients. Board Member Moreno seconded the motion, and the vote was 6 to 0 in favor with Board Member Montgomery Steppe absent.

OTHER ITEMS

9. Review of Draft February 8, 2024 Board Agenda

Recommended Consent Items

3. Approval of Minutes

Action would approve the January 18, 2024 Board of Directors meeting minutes.

4. Direct Fixation Fasteners – Sole Source Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1661.0-24, a sole source award to Voestalpine Railway Systems Nortrak (Nortrak), in the amount of \$989,145.00 for the purchase of 4,500 direct fixation (DF) fasteners and incidentals for the Maintenance of Way (MOW) department.

5. Payroll and Human Resources Information System (HRIS) Solution & Implementation Services – Contract Amendment

Action would 1) Ratify Amendment 2 to MTS Doc. No. G1935.2-17, in the amount of \$50,132.50; and 2) Authorize the Chief Executive Officer (CEO) to execute Amendment No. 3 to MTS Doc G1935.3-17, with ADP, LLC, to add \$125,774.00 for Learning Management System and training software and implementation, for a total of \$175,906.50.

6. Background Investigative Services – Contract Amendment

Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 1 to MTS Doc No. G2646.1-22, with Kristy Investigative Services, Inc., to add \$300,000.00 for employee background and reference investigation services.

7. MTS Excess Liability and Workers' Compensation Insurance Renewals

Action would 1) Authorize the Chief Executive Officer (CEO) to agree to an extension of the current Excess Liability Insurance Program to March 15, 2024, to allow for further negotiation of terms and conditions of coverage through the next 30 days; and 2) Authorize the CEO to either agree to an extension of the current Excess Workers Compensation Program to March 15, 2024, or at the CEO's discretion, renew the coverage effective March 1, 2024, in an amount not to exceed \$335,000.

8. Operations Budget Status Report for December 2023

9. Additional Staffing – Two (2) Bus Operations Training Instructor

Action would authorize the Chief Executive Officer (CEO) to add two (2) Bus Operator Training Instructors to the position tables previously approved in the Fiscal Year 2024 budget.

10. External Auditing Services – Contract Award

Action would authorize the Chief Executive Officer (CEO) to: 1) Execute MTS Doc. G2788.0-24, with The Pun Group, Inc. (The Pun Group) for External Auditing Services for a five (5) year base period in the amount of \$1,143,722.35, plus three (3) 1-year options in the amount of \$771,190.85 for a total contract amount of \$1,914,913.20; and 2) Exercise the option years at the CEO's discretion.

10. Other Staff Communications and Business

Ms. Cooney stated that she would be traveling to Washington DC for the White House Roundtable on Clean Bus Manufacturing. She would also hold advocacy meetings with MTS's delegation and the Federal Transit Administration (FTA) regarding disaster relief funding and to discuss other priority projects.

11. Committee Member Communications and Other Business

There was no Committee Member Communications and Other Business discussion.

12. Next Meeting Date

The next Executive Committee meeting is scheduled for March 7, 2024, at 9:00 a.m.

13. Adjournment

The meeting was adjourned at 11:27 a.m.

/S/ Stephen Whitburn

Chairperson
San Diego Metropolitan Transit System

/S/ Dalia Gonzalez

Clerk of the Board
San Diego Metropolitan Transit System