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10-20-14A08:06 RCVD

Agenda

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

October 23, 2014

Executive Conference Room
Immediately following the Audit Oversight Committee Meeting

ACTION RECOMMENDED

- A. ROLL CALL
- B. APPROVAL OF MINUTES - August 22, 2014 Approve
- C. COMMITTEE DISCUSSION ITEMS
 - 1. Trolley Renewal Project Update (Bruce Schmith of SANDAG) Information
 - 2. Amended and Restated MTS-BNSF-NCTD San Diego Subdivision Shared-Use Agreement (Karen Landers) Possible Action
Action would forward a recommendation to the Board of Directors to approve the Amended and Restated Shared-Use Agreement between MTS, Burlington Northern Santa Fe (BNSF), and North County Transit District (NCTD).
- D. REVIEW OF DRAFT October 30, 2014 BOARD AGENDA
- E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA Possible Action
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.
- F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS
- G. PUBLIC COMMENTS
- H. NEXT MEETING DATE: November 13, 2014
- I. ADJOURNMENT



SPECIAL MEETING
OF THE EXECUTIVE COMMITTEE FOR THE
METROPOLITAN TRANSIT SYSTEM (MTS)
1255 Imperial Avenue, Suite 1000
San Diego, CA 92101

MINUTES

Friday, August 22, 2014

A. ROLL CALL

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

B. APPROVAL OF MINUTES

Mr. Cunningham moved for approval of the minutes of the July 10, 2014, MTS Executive Committee meeting. Mr. Ovrom seconded the motion, and the vote was 4 to 0 in favor with Mr. Roberts absent.

C. COMMITTEE DISCUSSION ITEMS

1. Riverwalk Mixed-Use Development – Levi-Cushman Specific Plan

Mr. Cunningham recused himself from this item. Ms. Landers stated that this was simply a status update for information only with no action, and it should not be an issue for Mr. Cunningham to sit in on the presentation.

Tim Allison, MTS Manager of Real Estate Assets, gave a PowerPoint presentation on the Riverwalk Mixed-Use Development Levi-Cushman Specific Plan, which was a project that was contemplated in the late 80s and mid-90s. Mr. Allison reviewed a map of the Plan's location and a background on the property owned by MTS that would be affected by the Plan. He explained that MTS owns property purchased for the Mission Valley West Project—mainly for mitigation for impacts to the habitat along the valley. At the same time, MTS also needed the lineal light rail right-of-way through the Stardust Golf Course. Mr. Allison stated that MTS owns over 45 acres; 14 acres of that is not being used for the mitigation site and is currently occupied by Holes 3 and 4 of one of the 9-hole courses on the Riverwalk Golf Course.

Mr. Allison reported that in 1987, the Levi-Cushman Specific Plan was adopted. It was a project that was proposed by entities of the Levi and Cushman families. In 1988, the Levi-Cushman Development Agreement was approved based on the Levi-Cushman Specific Plan for 2.6 million square feet of office space, 1,000 hotel rooms, 200,000 square feet of retail, and 1,400 residential units. The Development Agreement expired 20 years later, but the Levi-Cushman Specific Plan, which is a subset of the Mission Valley Community Plan, is still in effect. In 1994, when MTS was doing the Mission Valley West Project, MTS condemned the Warner Ranch property, which was the majority of the mitigation site. There were 5 acres owned and occupied by the Levi-Cushman family as well as the lineal right-of-way through the Stardust Golf Course. The settlement agreement was completed in 1997 with a number of accompanying

documents. Two of those documents are the Riverwalk Golf Course Lease and the Light Rail Transit Station Construction Agreement.

Mr. Allison explained that the Riverwalk Golf Course agreement is a 90-year term that expires in 2087 and gives the Paseo del Rio Ltd. rights to operate a golf course on 14 acres. The first 20 years of the lease (which expires in 2017) required no rent payment, and the lease expires if the golf course is no longer used on that property.

Mr. Allison confirmed for Mr. Jablonski that after 20 years, MTS begins receiving revenue from the lease of the golf course if the golf course remains. Karen Landers added that if this proposed development is moved forward, that would terminate the lease would terminate because it would no longer be used as a golf course and the land would revert back to MTS.

Mr. Roberts asked how much the rent payment would be if it continues after the 20 years as a golf course. Mr. Allison responded that there is a percentage of the gross and it is a complicated formula, which changes by the number of holes that are on the golf course. Ms. Landers added that a calculation has not been completed to figure out the dollar value.

Mr. Allison stated that the entity would give MTS notice that it is exceeding the 12,000 average daily trips. MTS has 4 years from the time of notification to request construction of a new station. The owners have an obligation up to \$500,000 to build a new station. There was discussion in the agreement about where the best locations would be to build a trolley station.

Mr. Jablonski stated that \$500,000 may cover design and construction engineering and that's about it. He added that most station rebuilds cost between \$3 million to \$4 million.

Mr. Allison reported that in June, MTS was approached by Related California Urban Housing LLC (Related), which is a large, global real estate company with \$15 billion in assets. Mr. Allison introduced Related representatives Rick Westberg, Vice President, and Cindy Eldred, Counsel. In June, Related also applied for a preliminary review with the City of San Diego, which is a formal process that asks a series of questions about how to move forward with revitalizing the project. In July, Related put in a request with the City of San Diego to initiate the Levi-Cushman Specific Plan Amendment. After that, Related would come up with its preferred concept and formally submit it to the City of San Diego as the Levi-Cushman Specific Plan Application in approximately mid to early winter of 2015.

Mr. Allison stated that project currently includes a mixed-use component along Friars Road at the north end, a park along the river, and additional mixed-use on the south end. The primary option Related brought to MTS in June was 3,000 residential units on the north side of the project and an additional 1,000 units on the south side, which would be phased in over 10 to 15 years. An issue for Related and the City of San Diego is Via Las Cumbres, which comes down the hill from Linda Vista. The community plan and the current Levi-Cushman Specific Plan has Via Las Cumbres coming all the way through the project to Interstate 8 with a new interchange. At this time with this plan, Related feels that it will never reach the threshold of average daily trips and traffic generation to move that street across the river and build the interchange; therefore,

Related is proposing to move Via Las Cumbres across MTS tracks, which would be an undercrossing that is grade-separated and would open the southern end of the development north of the river. That would include MTS property currently utilized by Holes 3 and 4 of the golf course but was not part of the original specific plan. Another option would include not extending Via Las Cumbres south of MTS tracks and just utilizing the Specific Plan area for the development. Mr. Allison added that this creates some opportunities for MTS, such as a potential new trolley station that would fill in long-distance gaps for patrons between the Fashion Valley and Morena Linda Vista Stations as well as some business opportunities. The 14-acre site could be used for transit and/or development opportunities.

Mr. Allison stated that if MTS takes no action at all and Related plans its development, then MTS property would be land-locked. MTS would have no transit use for the property, and it would not be part of the mitigation site. If MTS allowed a road easement to be extended into MTS property, it would open up opportunities for the remainder parcel. A road easement and development partnership would increase MTS's ability to match and utilize some of the current planning process to move that process forward concurrently with Related. Staff would look at business options and transit needs to service this new development. Mr. Allison stated that one discussion is whether or not Related would increase its commercial and retail elements along Friars Road, which could create some shared parking opportunities if needed for transit parking, which was not identified in the original Levi-Cushman Specific Plan.

Mr. Allison reported that whether another station is needed and elements, such as parking requirements and locations, will be reviewed. Staff is bringing this to the Executive Committee for information and direction.

Ms. Landers stated that staff wanted to bring this report to the Executive Committee because there is an opportunity for MTS to proceed with a proposed road easement on the MTS parcel. She added that if MTS does not proceed, some of its options will be limited. Staff's concern with not proceeding with a proposed road easement is that access to MTS property could be limited if the development continues. Ms. Landers stated that staff wanted the Executive Committee's approval to proceed on designs to accommodate a road easement or access to MTS's parcel. The next options would be exploring if there is a development opportunity with Related to bring to the Executive Committee and the Board. Ms. Landers added that staff is not ready to make any recommendations but instead needs to investigate whether the parcel is needed for transit.

Mr. Jablonski added that Related is also not ready for a final proposal but came to MTS to see about MTS being a part of this development or just keeping its parcel and doing something with it independently.

Mr. Allison clarified for members that being a part of Related's development plan would include traffic mitigation and California Environmental Quality Act (CEQA) requirements, and the property could be fully entitled. He added that there are a wide range of options and the opportunity to come up with a plan that would benefit MTS. Discussion ensued regarding weighing the options, costs, and benefits to MTS if proceeding to work with Related on the project or if an independent initiative would be more beneficial to MTS.

Cindy Eldred, Counsel for Related, clarified that it is not clear to Related that there could be an undercrossing because of the floodplain level. She added that Bill Steen who has done civil engineering and has been involved for many years believes that it would be eligible for an at-grade crossing. Ms. Eldred reported that there are already existing easements (that were part of the old settlement by the Cushman families) with provisions for four crossings—some of which are undercrossings and some-at grade.

Mr. Gloria stated that he sits on the River Conservancy Governing Board and asked if it has any ability to acquire land in the project area. Mr. Allison responded that staff will look into it. Ms. Landers added that she is not familiar with those rules and she would have to look at them, but MTS normally only deals with ground-lease easements.

Ms. Eldred added that Related has talked with members of the River Park Foundation and showed them the initial concept plan. She stated that Related is aware of and will honor the master plan and that there was no indication that there was any desire by the River Conservancy to acquire any of MTS's property. Mr. Gloria recommended also speaking with Kevin McKernan, Executive Director of the River Conservancy.

Mr. Gloria stated that he is interested in the project and wants to ensure that the costs to MTS are minimized.

Mr. Roberts stated that he feels that there is a lot of work to be done and has concerns with the grade crossing from a floodplain standpoint. He added that the proposed amount of right-of-way seems excessive. Mr. Jablonski agreed and stated that another issue with an at-grade crossing would be the frequent bells, whistles, and lights in proximity to residential units.

Mr. Mathis stated that the consensus is that further discussions are needed to address the concerns presented. He added that MTS is not in a position to say no and be left out of it because there is interest in continued discussions.

Action Taken

No action taken.

The Executive Committee convened for Closed Session at 9:41 a.m.

2. CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS
PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54956.8
Property: Desert Line Railroad Right-of-Way (United States) and Tijuana & Tecate Railroad Right-of-Way (Mexico)
Agency Negotiators: Paul Jablonski, CEO; Karen Landers, General Counsel
Negotiating Parties: Secretariat of Communications and Transportation (Mexico); Government of Baja, California; Admicarga; Baja California Railroad, S.A. DE. C.V; Pacific Imperial Railroad, Inc.
3. Under Negotiation: Price and Terms of Payment
CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL Anticipated Litigation
Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2)
(One Potential Case)

Executive Committee SPECIAL MEETING MINUTES

August 22, 2014

Page 5 of 5

The Executive Committee reconvened for Closed Session at 10:35 a.m.

Oral Report on Final Actions Taken in Closed Session

Karen Landers, General Counsel, reported the following:

- C2. The Executive Committee received a report and gave direction to negotiators.
- C3. The Executive Committee received a report and gave direction to staff.

D. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS

There were no Committee member communications or other business.

E. PUBLIC COMMENTS

There were no public comments.

F. NEXT MEETING DATE

The next Executive Committee meeting is scheduled for September 11, 2014, at 9:00 a.m. in the Executive Committee Conference Room.

G. ADJOURNMENT

Chairman Mathis adjourned the meeting at 10:38 a.m.



Chairman (Interim)

Attachment: A. Roll Call Sheet

**EXECUTIVE COMMITTEE
METROPOLITAN TRANSIT SYSTEM**

ROLL CALL

SPECIAL MEETING OF (DATE) August 22, 2014 CALL TO ORDER (TIME) 9:00 a.m.
RECESS N/A RECONVENE N/A
CLOSED SESSION 9:41 a.m. RECONVENE 10:35 a.m.
ADJOURN 10:38 a.m.

BOARD MEMBER (Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
GLORIA ☒ (Emerald) ☐	9:00 a.m.	10:38 a.m.
MATHIS ☒	9:00 a.m.	10:38 a.m.
OVROM ☒ (Bragg) ☐	9:00 a.m.	10:15 a.m.
ROBERTS ☒ (Cox) ☐	9:05 a.m.	10:38 a.m.
CUNNINGHAM ☒ (McClellan) ☐	9:00 a.m.	10:15 a.m.
Transportation Committee Rep Slot (Mathis)		

SIGNED BY THE CLERK OF THE BOARD:

Jan Gardetti (for Julia Sansone)

CONFIRMED BY THE GENERAL COUNSEL:

Ben Lad



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Agenda Item No. C1

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

October 23, 2014

SUBJECT:

TROLLEY RENEWAL PROJECT UPDATE (BRUCE SCHMITH OF SANDAG)

INFORMATIONAL

Budget Impact

None.

DISCUSSION:

The Trolley Renewal Project is a system-wide rehabilitation and upgrade of the existing trolley system. The project includes the purchase of new low-floor vehicles, the rehabilitation and retrofit of stations and transit centers throughout the system, new crossovers and upgraded signaling, replacement of the overhead catenary wire, track work and rail replacement, slope repair, and traction power substation replacement and rehabilitation. Construction and infrastructure work is currently underway in downtown San Diego and on the Orange and Blue Lines. Staff will provide an update on the construction project.

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: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com





TROLLEY RENEWAL PROGRAM UPDATE

MTS Executive Committee
October 23, 2014



Blue Line Stations & Rail Construction



- Accepted Group E Stations (Barrio Logan, Harborside & Pac Fleet)
- Transferred Group D Stations (8th, 24th & E) to Permanent Platforms
- Transferring Group C Sta's (H & Palomar) to Perm. Platforms
- Beginning Group B Stations (Palm & Iris)
- Rail Work 95% Complete in Groups C, D & E



Pacific Fleet

E Street



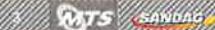
H Street



Work Group E - Barrio Logan Station



MTS Executive Committee – Trolley Renewal Program



Work Group E - Harborside Station



MTS Executive Committee – Trolley Renewal Program





Work Group D - 24th Street Station



Minor Work at North End of Each Platform Remaining



Bus Transit Center Complete....
Finishing Parking Lot

MTS Executive Committee – Trolley Renewal Program



Work Group D - E Street Station



Platforms & Trackwork Complete



Flatwork Behind Station Remaining

MTS Executive Committee – Trolley Renewal Program



Work Group C - H Street Station



Completing Platforms and Paving prior to Transferring to Revenue Service Next Week

MTS Executive Committee – Trolley Renewal Program



Work Group C - Palomar Street Station



Much Platform Work Remaining before Transferring to Revenue Service in 2 Weeks

MTS Executive Committee – Trolley Renewal Program



Work Group B - Iris Avenue Station



Demolition & Grading in Parking Area



Beginning Construction of Temporary Platform

MTS Executive Committee – Trolley Renewal Program



Other Blue Line Projects



- **Other Competitively Bid Projects**
 - San Ysidro Yard Improvements – Excavation 95% Complete / Drainage 50% Complete
 - Mainline Freight Improvements – TPSS Delivered / Retwall CRIP Approved
- **Job Order Contracts (JOC's)**
 - Trackway Reconstruction on 12th Avenue Completed
 - C Street TSP System – Signals @ Columbia Operating / State & Union Next Week
 - C Street Grade Crossings at 3rd and 4th – Design Approved / Fabricating Precast Concrete Crossing Panels / Construction in November
- **Future Projects**
 - Slope & Track Reconstruction @ Blue Barn (\$4.0M)
 - Blue Line Curve Straightening @ Sampson & Civic Center (\$2.5M)
 - C Street Parallel Feeder Cable Replacement (\$2.0M)

MTS Executive Committee – Trolley Renewal Program



Other Blue Line Projects



12th Avenue Trackway Reconstruction
(Imperial to K St.)

San Ysidro Yard Improvements

MTS Executive Committee – Trolley Renewal Program



TPSS Construction Update



- All 17 Installed / 11 Energized / 8 Commissioned (In Service)



TPSS @ J Street being set on pad

TPSS @ Pacific Fleet waiting to be Energized

MTS Executive Committee – Trolley Renewal Program



Light Rail Vehicle Procurement - COMPLETE



- Production Timeframe: 2010 to Mid 2014
 - Production Status: 100%
 - Delivered: 65 of 65
 - In Revenue Service: 65
 - In Production at the Plant: 0



MTS Executive Committee – Trolley Renewal Program





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Agenda Item No. C2

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

October 23, 2014

SUBJECT:

AMENDED AND RESTATED MTS-BNSF-NCTD SAN DIEGO SUBDIVISION SHARED-
USE AGREEMENT (KAREN LANDERS)

RECOMMENDATION:

That the Executive Committee forward a recommendation to the Board of Directors to approve the Amended and Restated Shared-Use Agreement between MTS, Burlington Northern Santa Fe (BNSF), and North County Transit District (NCTD).

Budget Impact

None.

DISCUSSION:

On October 30, 1992, MTS, NCTD, and six other agencies from Orange, Los Angeles, and Riverside counties entered into a purchase agreement with the Atchison, Topeka and Santa Fe Railway Company (ATSF) for certain railroad lines and property located in these counties.

Concurrent with that purchase agreement, ATSF entered into a Shared-Use Agreement with the respective purchasing agencies. The Shared-Use Agreement set forth the terms and conditions for the joint use of the newly purchased rail lines between freight and passenger rail operations. ATSF was later purchased by the Burlington Northern Santa Fe Railway (BNSF) making BNSF a party to the Shared-Use Agreement.

The Shared-Use Agreement between MTS, NCTD, and BNSF pertains to the rail alignment between Oceanside and Escondido, which is known as the Escondido Subdivision, and the rail alignment south of Orange County to San Diego along the coast, which is known as the San Diego Subdivision. NCTD owns the Escondido Subdivision property. For the San Diego Subdivision property, NCTD owns the right-of-



way from Oceanside to Del Mar. MTS owns the right-of-way from Del Mar to Santa Fe Depot.

The Shared-Use Agreement for these subdivisions identified the following key elements:

1. Operations, including the prioritization of passenger operations during peak-commuter hours.
2. Maintenance responsibilities that include an annual payment from BNSF for its share of the costs.
3. Facilities and construction.
4. Easements that continue to allow BNSF to provide quality freight-rail service.
5. Insurance and indemnification.
6. Rights and responsibilities.
7. Cost allocations.

MTS, NCTD, and BNSF have amended the original Shared-Use Agreement several times with the last amendment executed on June 29, 2004.

The amendments to the Shared Use Agreement in today's proposed action are intended to address two major deficiencies in the original agreement. First, the Restated Shared-Use Agreement revises and clarifies the liability and indemnification provisions between the parties. The current language is confusing and does not logically assign risk to the party best able to control for or mitigate against that risk. Second, the current agreement reflects MTS and NCTD's joint obligations towards BNSF, but does not discuss MTS and NCTD's obligations to each other. The amended agreement formalizes the past practices of MTS and NCTD and also institutes a new requirement for NCTD and MTS to cooperate and coordinate project planning in the San Diego Subdivision to minimize impacts to each agency or conflicts with future projects.

The Restated Shared-Use Agreement includes the following key changes:

1. Coordination of Capital Improvements and Specified Maintenance Projects: The agreement specifies a protocol for NCTD and MTS staff coordination for capital projects and maintenance activities on the MTS-owned portion of the San Diego Subdivision.
2. Derailments: Under the Restated Shared-Use Agreement, BNSF is responsible for the actual costs due to derailment or damage to BNSF property when the derailment does not involve an NCTD or MTS train, and the derailment is not in whole or in part caused by the condition of the tracks or the property. In the event that the derailment is in part caused by this condition of the tracks, then BNSF, NCTD and MTS proportionately share in the costs. MTS and NCTD property insurance would cover damages to MTS or NCTD real property and improvements.

3. Allocation of Liability: Under the Restated Shared-Use Agreement, the allocation of liability is much more precise than the allocation set out in the original Shared-Use Agreement. For example, under the original Shared-Use Agreement, in most instances regardless of the party at fault, NCTD and MTS are required to indemnify and hold harmless BNSF for the first \$10 million of liability in a single occurrence. Thereafter BNSF is liable for the next \$10 million to \$85 million incurred by BNSF and MTS/NCTD indemnifies and holds harmless BNSF for any portion of liability that exceeds \$85 million. Under the Restated Shared-Use Agreement, in the event a BNSF train is at fault, MTS, NCTD, and BNSF are solely responsible for the damages to their respective parties and third-party losses are split either 33% or 50% with BNSF. As between MTS and NCTD, each party is liable to the other only to the extent of its own negligence/fault. This retains the status quo between MTS and NCTD.
4. Additional Maintenance Payment: Under the Restated Shared-Use Agreement, BNSF will pay annually to NCTD an additional \$337,500 from 2014 to 2018 for track (other than freight tracks) and freight rail facilities maintenance. This will bring the annual maintenance payment for FY 14 to \$6,355,356. NCTD currently maintains the heavy rail tracks and charges a pro-rated portion of these costs back to BNSF. The additional payment under this provision was negotiated between NCTD and BNSF.
5. Insurance: NCTD and BNSF shall each be insured for general liability coverage for up to \$200 million. MTS shall be insured for general liability coverage for up to \$75 million. This limit matches MTS's current excess coverage.
6. Good-Faith Negotiations: All parties agree to continue periodic good-faith negotiations related to future passenger and/or freight-rail expansion needs.

The Amended and Restated Shared-Use Agreement does not alter BNSF's right to maintain "quality rail freight service" or provide any designated priority of passenger service or station space between MTS and NCTD.

For the reasons set forth, staff recommends that the Executive Committee forward a recommendation to the Board approve the Amended and Restated Shared-Use Agreement between MTS, BNSF, and NCTD.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Karen Landers, 619.557.4512, Karen.Landers@sdmts.com

**October 23, 2014
Executive Committee Meeting**

Item No. C2

**Amended and Restated
MTS-BNSF-NCTD
Shared Use Agreement**



1



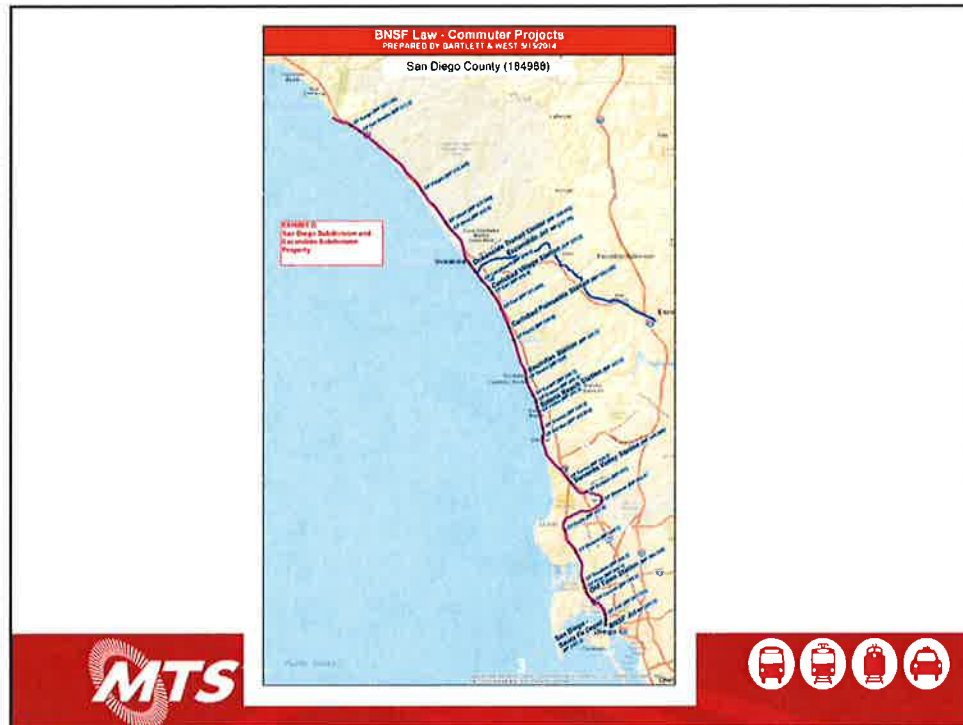
Background

- 1992 - MTS & NCTD Purchase of right of way from Atchison, Topeka and Santa Fe Railway Co. (ATSF)
 - San Diego Subdivision (generally Orange County line to Santa Fe Depot)
 - MTS Owns: Santa Fe Depot to Del Mar
 - NCTD Owns: Del Mar to Orange County line
 - Escondido Subdivision (generally Oceanside to Escondido) → NCTD Owns



2





Background

- ATSF acquired by Burlington Northern Santa Fe Railway (BNSF)
- At time of purchase, MTS, NCTD and BNSF entered into a Shared Use Agreement
 - Sets forth terms and conditions of joint use of ROW
 - MTS/NCTD rights as compared to BNSF rights
 - Prioritization of passenger operations during peak commuter hours
 - BNSF right to maintain “quality freight rail service”
 - Maintenance - annual payment from BNSF
 - Insurance and Indemnification



Reasons for Amended Shared Use Agreement

- Confusing indemnification and liability provisions
 - Does not logically assign risk to the party best able to control for or mitigate against that risk
 - MTS/NCTD responsible for first \$10M in liability and \$85M +, even if BNSF solely at fault
 - BNSF responsible for \$10M-\$85M if at fault
 - Does not address MTS and NCTD obligations to each other



5



Restated and Amended SUA - NCTD & MTS

- MTS-NCTD Project Coordination
 - Specifies a protocol for NCTD and MTS staff coordination of capital projects and maintenance activities on MTS-owned portion of ROW
 - SANDAG-led projects
 - NCTD or MTS-led projects
 - 3rd Party projects
 - New SOP for NCTD or MTS-led projects



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Restated and Amended SUA - All Parties

- Derailments:
 - BNSF responsible if caused by BNSF train and not caused by track condition
 - If caused by track condition - BNSF and NCTD will share costs to repair damage to rails, ties or ballast
 - BNSF not responsible for repairing passenger related facilities (parties insurance to cover - MTS has \$600M property limits)
- NCTD responsible for damage to MTS caused by NCTD dispatching



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Restated and Amended SUA - All Parties

- Third Party Liability:
 - As against BNSF: if MTS train involved with BNSF or BNSF and NCTD trains, then MTS shares liability 50% or 33% (regardless of fault).
 - BNSF is giving up right to have MTS and NCTD cover first \$10M and over \$85M of BNSF's liability
 - Liability shift based on assumption of risk by NCTD/MTS deciding to comingle passenger operations with freight (freight was here first)
 - As against NCTD: MTS and NCTD are liable for own negligence/degree of fault
 - Continues status quo between NCTD and MTS
 - E.g., if Coaster, Metrolink or Amtrak train hits MTS trolley "innocently" sitting at Old Town trolley station, then NCTD 100% responsible
 - Losses not involving a train are borne by party responsible for maintaining property where loss occurred



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Restated and Amended SUA - All Parties

- Insurance:
 - NCTD & BNSF (Heavy Rail) - Tort Liability Insurance up to \$200M
 - MTS (Light Rail) - Tort Liability Insurance up to \$75M (current limits)
 - Property - limits up to replacement value



9



Restated and Amended SUA - All Parties

- Good-Faith Negotiations:
 - Parties agree to continue good faith negotiations related to future passenger and/or freight rail expansion needs
 - E.g., Mid-Coast and Santa Fe Depot platform needs
- Removes Arbitration Provisions
 - Informal Mediation
 - Right to litigate
 - Waive right to jury trial



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Restated and Amended SUA - NCTD and BNSF

- Additional Maintenance Payment
 - NCTD & BNSF share costs of maintenance of heavy rail improvements
- NCTD @ Convention Center
 - BNSF grants NCTD right to build operate and maintain a passenger platform at San Diego Convention Center (between 1st and 8th Ave) on BNSF trackage rights
 - this continues from original Shared Use Agreement



11



RECOMMENDATION

- Forward recommendation to Board to:
 - Approve the Amended and Restated SUA between MTS, BNSF and NCTD; and
 - Authorize CEO and/or the General Counsel to make minor, non-material changes to the document prior to execution by all parties.



12





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REVISED DRAFT

Agenda

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

October 30, 2014

9:00 a.m.

James R. Mills Building
Board Meeting Room, 10th Floor
1255 Imperial Avenue, San Diego

This information will be made available in alternative formats upon request. To request an agenda in an alternative format, please call the Clerk of the Board at least two working days prior to the meeting to ensure availability. Assistive Listening Devices (ALDs) are available from the Clerk of the Board/Assistant Clerk of the Board prior to the meeting and are to be returned at the end of the meeting.

ACTION RECOMMENDED

1. Roll Call
2. Approval of Minutes - September 18, 2014 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 SILENCE electronics
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>Adoption of the 2015 San Diego Metropolitan Transit System (MTS) Executive Committee and Board of Directors Meeting Schedule</u>
Action would adopt the 2015 Executive Committee and Board of Directors meeting schedule. | Adopt |
| 7. | Investment Consulting Services for the SDTC Pension Plan – Contract Award
Action would authorize the Chief Executive Officer (CEO) to: (1) execute MTS Doc. No. G1705.0-14 with RVK Inc. (RVK) for the provision of investment consulting services for the San Diego Transit Corporation Employees' Retirement Plan (Plan) for a five-year base period with five one-year optional terms (for a total of 10 years); and (2) exercise each option year at the CEO's discretion. | Approve |
| 7. | <u>Number Not Used</u> | |
| 8. | <u>Adoption of Amended 2014 Conflict of Interest Code</u>
Action would: (1) adopt Resolution No. 14-12 amending the MTS Conflict of Interest Code pursuant to the Political Reform Act (PRA) of 1974; (2) adopt the amended 2014 MTS Conflict of Interest Code; and (3) forward the amended 2014 MTS Conflict of Interest Code to the County of San Diego (the designated code-reviewing body). | Adopt |
| 9. | <u>Investment Report - August 2014</u> | Information |
| 10. | <u>Centralized Train Control (CTC): SDSU Fire Life Panel System Upgrade and Technical Support - Addendum 17 Project Scope of Work Amendment 24.1</u>
Action would approve an amendment to Addendum 17 Project Scope of Work (MTS Document No. G0930.17-04.24.1) for the flagging and Construction Management services for the SDSU Fire Life Panel System Upgrade project. | Approve |
| 11. | <u>Procurement and Installation of Replacement Coupler and Draft Gear for SD-100 Light Rail Vehicles (LRV) - Contract Award</u>
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1192.0-14 with Dellner, Inc. for the procurement and installation of 104 buffer couplers, plus four spare coupler and draft gears for SD-100 LRVs. | Approve |
| 12. | <u>Green Line Closed-Circuit Television (CCTV) System Upgrades - Contract Award</u>
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL155.0-14 with Kratos Public Safety & Security Solutions, Inc. (Kratos) for the procurement and installation of MTS Green Line CCTV systems upgrades. | Approve |
| 13. | <u>Siemens Industry, Inc. - 11th Amendment to Contract No. L0914.0-10 - Procurement of Ultrashort Low-Floor Vehicles</u>
Action would authorize the Chief Executive Officer to execute the 11th Amendment to MTS Doc. No. L0914.0-10 documenting contract close out agreements and authorizing a one-time partial release of retention. | Approve |
| 14. | <u>Revisions to Board Policy No. 51 Regarding Claims Against the San Diego Metropolitan Transit System, a California Public Agency, or its Subsidiaries, San Diego Transit Corporation or San Diego Trolley, Inc.</u>
Action would approve and adopt the updated Board Policy No. 51. | Approve |

- | | | |
|-----|---|---------|
| 15. | <u>Clarifier Waste Transportation and Recycling Services - Contract Award</u>
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG157.0-14 with Asbury Environmental Services for the provision of clarifier waste removal, transportation and recycling services. | Approve |
| 16. | <u>San Ysidro Radio Tower Lease with the City of San Diego</u>
Action would authorize the CEO to execute MTS Doc. No. G1757.0-15 with the City of San Diego for a lease of space at their Moody Canyon radio site in San Ysidro. | Approve |

CLOSED SESSION

- | | | |
|-----|--|-----------------|
| 24. | CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54956.8;
<u>Property:</u> 8650 Tech Way, San Diego, California (Assessor Parcel Nos. 369-220-85)
<u>Agency Negotiators:</u> Paul Jablonski, Chief Executive Officer; Karen Landers, General Counsel; and Tim Allison, Manager of Real Estate Assets
<u>Negotiating Parties:</u> Excel Hotel Group
<u>Under Negotiation:</u> Price and Terms of Payment | Possible Action |
|-----|--|-----------------|

NOTICED PUBLIC HEARINGS

- | | |
|-----|-------|
| 25. | None. |
|-----|-------|

DISCUSSION ITEMS

- | | | |
|-----|--|---------|
| 30. | <u>Amendments to Ordinance No. 4, Establishing a Metropolitan Transit System Fare-Pricing Schedule (Karen Landers)</u> | Approve |
| 31. | <u>Amended and Restated MTS-BNSF-NCTD San Diego Subdivision Shared-Use Agreement (Karen Landers)</u> | Approve |

REPORT ITEMS

- | | | |
|-----|---|-------------|
| 45. | <u>Desert Line Status Update (Karen Landers)</u> | Information |
| 46. | <u>San Diego Transit Corporation (SDTC) Pension Investment Status (Larry Marinesi and Jeremy Miller, Representative from RVK)</u> | Information |
| 47. | <u>Semi - Annual Security Report (Bill Burke)</u> | Information |
| 48. | <u>Operations Budget Status Report for August 2014 (Luke Kromer)</u> | Information |
| 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. Board Member Communications

64. Additional Public Comments Not on the Agenda

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. Next Meeting Date: November 20, 2014

66. Adjournment

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Agenda Item No. 6

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

October 30, 2014

**Draft for
Executive Committee
Review Date: 10-23-14**

SUBJECT:

ADOPTION OF THE 2015 SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)
EXECUTIVE COMMITTEE AND BOARD OF DIRECTORS MEETING SCHEDULE

RECOMMENDATION:

That the Board of Directors adopt the 2015 Executive Committee and Board of Directors meeting schedule (Attachment A).

Budget Impact

None.

DISCUSSION:

The MTS Board of Directors annually adopts its meeting schedule for the next calendar year. Attachment A is the proposed 2015 Executive Committee and Board of Directors meeting schedule for MTS.

The meeting schedule reflects Executive Committee and Board of Directors meetings throughout the 2015 calendar year. Meetings are scheduled to primarily occur on the second, third or fourth Thursdays of the month with some exceptions. The schedule has been set in anticipation of avoidance of conflicts with city council legislative recesses; the League of California Cities Annual Meeting; and Thanksgiving and Christmas holidays.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, sharon.cooney@sdmts.com

Attachment: A. 2015 MTS Executive Committee and Board of Directors Meeting Schedule





2015
SAN DIEGO METROPOLITAN TRANSIT SYSTEM

JOINT BOARD OF DIRECTORS AND
EXECUTIVE COMMITTEE MEETINGS
James R. Mills Building
1255 Imperial Avenue, 10th Floor

Executive Committee Meetings Thursdays at 9:00 a.m.	Board Meetings Thursdays at 9:00 a.m.
January 22	January 29
February 12	February 19
March 12	March 19 (Finance Workshop)
April 9	April 16 (Finance Workshop)
May 7	May 14 (Finance Workshop)
June 11	June 18 (Finance Workshop, if necessary)
July 9	July 16
August 20	August 27
September 10	September 17
October 15	October 22
November 5	November 12
December 3	December 10

* The League of California Cities is holding the 2015 Annual Conference & Expo September 30 – October 2. Meetings in September have been scheduled accordingly.

* The APTA 2015 Annual meeting will be October 4-7.

DRAFT 2015 MTS BOARD & EC MEETING SCHEDULE - 1.doc





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Agenda Item No. 7

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

October 30, 2014

This number not used.

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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. 8

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

October 30, 2014

**Draft for
Executive Committee
Review Date: 10-23-14**

SUBJECT:

ADOPTION OF AMENDED 2014 CONFLICT OF INTEREST CODE

RECOMMENDATION:

That the Board of Directors:

- 1) adopt Resolution No. 14-12 (Attachment A) amending the MTS Conflict of Interest Code pursuant to the Political Reform Act (PRA) of 1974;
- 2) adopt the amended 2014 MTS Conflict of Interest Code (in substantially the same format as Attachment B); and
- 3) forward the amended 2014 MTS Conflict of Interest Code to the County of San Diego (the designated code-reviewing body).

Budget Impact

None.

DISCUSSION:

As a public agency, MTS is required to comply with the provisions of the PRA, which mandates that public agencies maintain a Conflict of Interest Code for each of its publicly elected officials as well as certain designated staff. Every other year, MTS is required by the PRA to revise and update its Conflict of Interest Code. Attachment B is the proposed amended 2014 Conflict of Interest Code incorporating the model provisions as drafted by the California Fair Political Practices Commission (FPPC).



The proposed 2014 Conflict of Interest Code contains the model terms and conditions as well as:

- 1) a list of designated officials who manage public investments (Attachment B, Part A)
- 2) a list of designated positions for employees (Attachment B, Part A); and
- 3) Disclosure Categories (Attachment B, Part B).

General Counsel is requesting that the Board of Directors adopt Resolution No. 14-12 amending the MTS Conflict of Interest Code pursuant to the Political Reform Act of 1974; adopt the 2014 MTS Conflict of Interest Code in substantially the same format as attached; and forward the 2014 MTS Conflict of Interest Code to the County of San Diego – the designated code-reviewing body.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Karen Landers, 619.557.4512, Karen.Landers@sdmts.com

Attachments: A. Resolution No. 14-12
B. Proposed Amended Appendix for 2014 Conflict of Interest Code
C. Existing 2012 Conflict of Interest Code

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 14-12

A Resolution of the Board of Directors of the San Diego Metropolitan Transit System Adopting
An Amended Conflict of Interest Code Pursuant to the Political Reform Act of 1974

WHEREAS, the State of California enacted the Political Reform Act of 1974, Government Code Section 81000 et seq. (the "Act"), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the San Diego Metropolitan Transit System ("MTS") and requires all public agencies to adopt and promulgate a Conflict of Interest Code; and

WHEREAS, the potential penalties for violation of the provisions of the Act are substantial and may include criminal and civil liability, as well as equitable relief which could result in MTS being restrained or prevented from acting in cases where the provisions of the Act may have been violated; and

WHEREAS, the Board of Directors adopted a Conflict of Interest Code (the "Code") which was amended on September 20, 2012, in compliance with the Act; and

WHEREAS, subsequent changed circumstances within the District have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update MTS's Code; and

WHEREAS, notice of the time and place of a public meeting on, and of consideration by the Board of Directors of, the proposed amended Conflict of Interest Code was provided each designated employee and publicly posted for review at the offices of MTS; and

WHEREAS, a public meeting was held upon the proposed amended Conflict of Interest Code at a regular meeting of the Board of Directors on October 30, 2014, at which all present were given an opportunity to be heard on the proposed amended Conflict of Interest Code.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. All previous Conflict of Interest Codes adopted by the Board of Directors are hereby rescinded.

SECTION 2. The Board of Directors does hereby adopt the proposed amended Conflict of Interest Code, a copy of which is attached hereto and shall be on file with the General Counsel and available to the public for inspection and copying during regular business hours.

SECTION 3. The said amended Conflict of Interest Code shall be submitted to the Board of Supervisors of the County of San Diego for approval.

SECTION 4. The said amended Conflict of Interest Code shall become effective immediately after the Board of Supervisors approves the proposed amended Code as submitted.

PASSED, APPROVED AND ADOPTED, by the Board of Directors this 30th day of October 2014 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

Attachment: Amended Conflict of Interest Code

LAW OFFICES OF
BEST BEST & KRIEGER LLP

**CONFLICT OF INTEREST CODE
OF THE
SAN DIEGO METROPOLITAN
TRANSIT SYSTEM**

LAW OFFICES OF
BEST BEST & KRIEGER LLP

CONFLICT OF INTEREST CODE
OF THE
SAN DIEGO METROPOLITAN TRANSIT SYSTEM
(Amended October 30, 2014)

The Political Reform Act, (Government Code Sections 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730) that contains the terms of a standard model conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730 and the attached Appendix designating positions and establishing disclosure categories shall constitute the conflict of interest code of the **San Diego Metropolitan Transit System (MTS)**.

All officials and designated positions shall file their statements of economic interests with MTS's **General Counsel** as MTS's Filing Officer. The **General Counsel** shall make and retain a copy of all statements filed by Members and Alternates of the Board of Directors, Chief Executive Officer and the Chief Financial Officer, and forward the originals of such statements to the Clerk of the Board of Supervisors of the County of San Diego. The **General Counsel** shall retain the originals of the statements filed by all other designated positions. The **General Counsel** will make all retained statements available for public inspection and reproduction during regular business hours (Gov. Code Section 81008).

LAW OFFICES OF
BEST BEST & KRIEGER LLP

APPENDIX

CONFLICT OF INTEREST CODE

OF THE

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

(Amended October 30, 2014)

PART "A"

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

MTS Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18701(b), are NOT subject to MTS's Code, but must file disclosure statements under Government Code section 87200 et seq. [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments¹:

Board of Directors and Alternates

Chief Executive Officer

Chief Financial Officer

Investment Consultant

¹ Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

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DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

<u>DESIGNATED POSITIONS'</u> <u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
Administrative Assistant/Copy Center Coordinator	4
Advertising Specialist	5
Applications Development Manager	5
Assistant Chief Technology Officer	5
Assistant Manager of Maintenance	5
Assistant Manager of Stores	5
Assistant Right-of-Way Agent	1, 2
Assistant Transportation Operations Specialist	2, 5
Budget Manager	1, 2
Business Systems Analyst	5
Buyer	4
Capital Grants Supervisor	2, 4
Chief of Staff	1
Chief Operating Officer – Rail	1
Chief Operating Officer – Transit Services	1
Chief Technology Officer	5
Communications Design Manager	5
Communications Designer	5
Controller	1, 2
Deputy Director of Transit Security	5

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<u>DESIGNATED POSITIONS'</u> <u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
Director of Financial Planning & Analysis	1, 2
Director of Fleet and Facility Maintenance	5
Director of Human Resources and Labor Relations	5
Director of Marketing & Communications	5
Director of Transit Operations	1
Director of Transit System Security	5
ERP Project Manager	4
Facilities Manager	5
Financial Analyst	4
General Counsel	1, 2
Human Resources Supervisor	5
Internal Auditor	4
Liability Claims Supervisor	1, 2, 7
Manager of BRT and East County Operations	8
Manager of Capital Projects	1, 2
Manager of Human Resources	5
Manager of Maintenance	5
Manager of Marketing	5
Manager of Paratransit Operations	5
Manager of Planning	1, 2
Manager of Procurement	4

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BEST BEST & KRIEGER LLP

<u>DESIGNATED POSITIONS'</u> <u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
Manager of Real Estate Assets	1, 2
Manager of Risk and Claims	1, 2, 7
Manager of Scheduling	5
Manager of South Bay Operations	8
Manager of Support Services	2, 3, 5
Materials Manager	4
Network Operations Manager	5
Procurement Specialist	4
Project Engineer, MTS Rail	1, 2
Quality Assurance Supervisor	5
Regulatory Enforcement Supervisor	6
Revenue Maintenance Supervisor	5
Revenue Manager (ALL)	5
Revenue Supervisor	5
Right-of-Way Engineer	1, 2
Senior Transit Planner/Rail Operations Analyst	5
Senior Transportation Planner	1, 2
Superintendent of LRV Maintenance	5
Superintendent of Transportation	5
Superintendent of Wayside Maintenance	5
Systems Engineer	1, 2

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<u>DESIGNATED POSITIONS'</u> <u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
Taxicab Administration Manager	5
Transit Asset Administrator	4
Worker's Compensation Analyst	7
Consultant and New Positions ²	

² Individuals serving as a Consultant defined in Regulation 18701, or in a new position created since this Code was last amended that makes or participates in making decisions shall disclose pursuant to the broadest disclosure category in this Code subject to the following limitation:

The Chief Executive Officer may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.) The Chief Executive Officer's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

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PART "B"

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which he or she is assigned.³ Such economic interests are reportable if they are either located in or doing business in the jurisdiction, are planning to do business in the jurisdiction, or have done business during the previous two years in the jurisdiction of MTS.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in or own real property within the jurisdiction of MTS.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of MTS.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of MTS.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by MTS.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position's department, unit or division.

Category 6: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, subject to the regulatory, permit, or licensing authority of the designated position's department, unit or division.

³ This Conflict of Interest Code does not require the reporting of gifts from outside this agency's jurisdiction if the source does not have some connection with or bearing upon the functions of the position. (Reg. 18730.1)

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Category 7: All investments and business positions in business entities, and sources of income, including gifts, loans, and travel payments, if such entities or sources have filed claims against MTS in the past 2 years, or have a claim pending before MTS.

Category 8: Disclose investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in, or own real property within the geographical area of, and within two miles of, the designated position's assigned project area.

LAW OFFICES OF
BEST BEST & KRIEGER LLP

LEGISLATIVE VERSION
(SHOWS CHANGES MADE)

CONFLICT OF INTEREST CODE
OF THE
SAN DIEGO METROPOLITAN
TRANSIT SYSTEM

CONFLICT OF INTEREST CODE
OF THE
SAN DIEGO METROPOLITAN TRANSIT SYSTEM
(Amended ~~September 20, 2012~~ October 30, 2014)

The Political Reform Act, (Government Code Sections 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730) that contains the terms of a standard model conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730 and the attached Appendix designating positions and establishing disclosure categories shall constitute the conflict of interest code of the **San Diego Metropolitan Transit System (MTS)**.

All officials and designated positions shall file their statements of economic interests with MTS's **General Counsel** as MTS's Filing Officer. The **General Counsel** shall make and retain a copy of all statements filed by Members and Alternates of the Board of Directors, Chief Executive Officer and the Chief Financial Officer, and forward the originals of such statements to the Clerk of the Board of Supervisors of the County of San Diego. The **General Counsel** shall retain the originals of the statements filed by all other designated positions. The **General Counsel** will make all retained statements available for public inspection and reproduction during regular business hours (Gov. Code Section 81008).

APPENDIX

CONFLICT OF INTEREST CODE OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM

(Amended ~~September 20, 2012~~ October 30, 2014)

EXHIBIT PART "A"

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

MTS Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18701(b), are NOT subject to MTS's Code, but must file disclosure statements under Government Code section 87200 et seq. [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments¹:

Board of Directors and Alternates

Chief Executive Officer

Chief Financial Officer

Investment Consultant

¹ Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

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DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

<u>DESIGNATED POSITIONS'</u> <u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
Administrative Assistant/Copy Center Coordinator	4
Advertising Specialist	5
Applications Development Manager	5
Assistant Store -Manager <u>of Stores</u>	5
Assistant <u>Chief</u> Technology Officer	5
<u>Assistant Manager of Maintenance</u>	<u>5</u>
Assistant Transportation Operations Specialist	2, 5
Budget Manager	1, 2
Business Systems Analyst	5
Buyer	4
<u>Capital Grants Supervisor</u>	<u>2, 4</u>
Chief of Staff	1
Chief Operating Officer – Rail	1
Chief Operating Officer – Transit Services	1
Chief Technology Officer	5
Communications Design Manager	5
Communications Designer	5
Contract Services Administrator <u>Manager of</u> <u>Paratransit Operations</u>	5
Controller	1, 2
Deputy Director —of Transit System Security	5

LAW OFFICES OF
BEST BEST & KRIEGER LLP

<u>DESIGNATED POSITIONS'</u> <u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
Director of Financial Planning & Analysis	1, 2
Director of Human Resources and Labor Relations	5
Director of <u>Fleet and Facility</u> Maintenance	5
Director of Marketing & Communications	5
Director-Manager of Planning	1, 2
Director-Manager of Scheduling	5
Director of Transportation <u>Transit Operations</u>	1
<u>ERP Project Manager</u>	<u>4</u>
Facilities Manager	5
<u>Financial Analyst</u>	<u>4</u>
General Counsel	1, 2
Human Resources Supervisor	5
Internal Auditor	4
Liability Claims Adjuster <u>Supervisor</u>	1, 2, <u>7</u>
<u>Manager of BRT and East County Operations</u>	<u>8</u>
Manager of Capital Projects	1, 2
Manager of Claims and Liability <u>Risk and Claims</u>	1, 2, <u>7</u>
Manager of Human Resources	5
<u>Manager of Maintenance</u>	<u>5</u>
Manager of Marketing	5
Manager of Procurement	4

LAW OFFICES OF
BEST BEST & KRIEGER LLP

<u>DESIGNATED POSITIONS'</u> <u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
Manager of Real Estate Assets	1, 2
<u>Manager of South Bay Operations</u>	<u>8</u>
Materials Manager	4
MTS Chief of Police/Director of Security <u>Director of Transit System Security</u>	5
Network Operations Manager	5
Procurement Specialist	4
<u>Project Engineer, MTS Rail</u>	<u>1, 2</u>
<u>Quality Assurance Supervisor</u>	<u>5</u>
Regulatory Enforcement Supervisor	6
Revenue Maintenance Supervisor	5
Revenue Manager (ALL) [position modified creating Supervisor]	5
<u>Revenue Supervisor</u>	<u>5</u>
<u>Assistant</u> Right-of-Way Agent	1, 2
Right-of-Way Engineer	1, 2
Senior Transit Operations Specialist <u>Planner/Rail</u> <u>Operations Analyst</u>	5
Senior Transportation Planner	1, 2
Superintendent of LRV Maintenance	5
Superintendent of Transportation	5
Superintendent of Wayside Maintenance	5
Systems Engineer	1, 2

LAW OFFICES OF
BEST BEST & KRIEGER LLP

<u>DESIGNATED POSITIONS'</u> <u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
Taxicab Administration Manager	5
Transit Services Administrator <u>Manager of Support Services</u>	2, 3, 5
<u>Transit Asset Administrator</u>	<u>4</u>
<u>Worker's Compensation Analyst</u>	<u>7</u>

Consultant and New Positions²

² Individuals serving as a Consultant defined in Regulation 18701, or in a new position created since this Code was last amended that makes or participates in making decisions shall disclose pursuant to the broadest disclosure category in this Code subject to the following limitation:

The Chief Executive Officer may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.). The Chief Executive Officer's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

EXHIBIT PART "B"

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which he or she is assigned.³ Such economic interests are reportable if they are either located in or doing business in the jurisdiction, are planning to do business in the jurisdiction, or have done business during the previous two years in the jurisdiction of MTS.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in or own real property within the jurisdiction of MTS.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of MTS.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of MTS.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by MTS.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position's department, unit or division.

Category 6: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, subject to the regulatory, permit, or licensing authority of the designated position's department, unit or division.

³ This Conflict of Interest Code does not require the reporting of gifts from outside this agency's jurisdiction if the source does not have some connection with or bearing upon the functions of the position. (Reg. 18730.1)

LAW OFFICES OF
BEST BEST & KRIEGER LLP

Category 7: All investments and business positions in business entities, and sources of income, including gifts, loans, and travel payments, if such entities or sources have filed claims against MTS in the past 2 years, or have a claim pending before MTS.

Category 8: Disclose investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in, or own real property within the geographical area of, and within two miles of, the designated position's assigned project area.

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**CONFLICT OF INTEREST CODE
OF THE
SAN DIEGO METROPOLITAN
TRANSIT SYSTEM**

LAW OFFICES OF
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CONFLICT OF INTEREST CODE
OF THE
SAN DIEGO METROPOLITAN TRANSIT SYSTEM
(Amended September 20, 2012)

The Political Reform Act, (Government Code Sections 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730) that contains the terms of a standard model conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730 and the attached Appendix designating positions and establishing disclosure categories shall constitute the conflict of interest code of the **San Diego Metropolitan Transit System (MTS)**.

All officials and designated positions shall file their statements of economic interests with MTS's **General Counsel** as MTS's Filing Officer. The **General Counsel** shall make and retain a copy of all statements filed by Members and Alternates of the Board of Directors, Chief Executive Officer and the Chief Financial Officer, and forward the originals of such statements to the Clerk of the Board of Supervisors of the County of San Diego. The **General Counsel** shall retain the originals of the statements filed by all other designated positions. The **General Counsel** will make all retained statements available for public inspection and reproduction during regular business hours (Gov. Code Section 81008).

APPENDIX

CONFLICT OF INTEREST CODE

OF THE

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

(Amended September 20, 2012)

EXHIBIT "A"

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

MTS Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18701(b), are NOT subject to MTS's Code, but must file disclosure statements under Government Code section 87200 et seq. [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments¹:

Board of Directors and Alternates

Chief Executive Officer

Chief Financial Officer

Investment Consultant

¹ Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

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DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

<u>DESIGNATED POSITIONS'</u> <u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
Administrative Assistant/Copy Center Coordinator	4
Advertising Specialist	5
Applications Development Manager	5
Assistant Store Manager	5
Assistant Technology Officer	5
Assistant Transportation Operations Specialist	2, 5
Budget Manager	1, 2
Business Systems Analyst	5
Buyer	4
Chief of Staff	1
Chief Operating Officer – Rail	1
Chief Operating Officer – Transit Services	1
Chief Technology Officer	5
Communications Design Manager	5
Communications Designer	5
Contract Services Administrator	5
Controller	1, 2
Deputy Director – Transit System Security	5
Director of Financial Planning & Analysis	1, 2
Director of Human Resources and Labor Relations	5

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<u>DESIGNATED POSITIONS' TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES ASSIGNED</u>
Director of Maintenance	5
Director of Marketing & Communications	5
Director of Planning	1, 2
Director of Scheduling	5
Director of Transportation	1
Facilities Manager	5
General Counsel	1, 2
Human Resources Supervisor	5
Internal Auditor	4
Liability Claims Adjuster	1, 2
Manager of Capital Projects	1, 2
Manager of Claims and Liability	1, 2
Manager of Human Resources	5
Manager of Marketing	5
Manager of Procurement	4
Manager of Real Estate Assets	1, 2
Materials Manager	4
MTS Chief of Police/Director of Security	5
Network Operations Manager	5
Procurement Specialist	4
Regulatory Enforcement Supervisor	6

**LAW OFFICES OF
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<u>DESIGNATED POSITIONS'</u> <u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
Revenue Maintenance Supervisor	5
Revenue Manager (ALL)	5
Right-of-Way Agent	1, 2
Right-of-Way Engineer	1, 2
Senior Transit Operations Specialist	5
Senior Transportation Planner	1, 2
Superintendent of LRV Maintenance	5
Superintendent of Transportation	5
Superintendent of Wayside Maintenance	5
Systems Engineer	1, 2
Taxicab Administration Manager	5
Transit Services Administrator	2, 3, 5

Consultant and New Positions²

² Individuals serving as a Consultant defined in Regulation 18701, or in a new position created since this Code was last amended that makes or participates in making decisions shall disclose pursuant to the broadest disclosure category in this Code subject to the following limitation:

The Chief Executive Officer may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.). The Chief Executive Officer's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

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BEST BEST & KRIEGER LLP

EXHIBIT "B"

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which he or she is assigned.³

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in or own real property within the jurisdiction of MTS.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of MTS.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of MTS.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by MTS.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position's department, unit or division.

Category 6: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, subject to the regulatory, permit, or licensing authority of the designated position's department, unit or division.

³ This Conflict of Interest Code does not require the reporting of gifts from outside this agency's jurisdiction if the source does not have some connection with or bearing upon the functions of the position. (Reg. 18730.1)



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Agenda Item No. 9

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

OCTOBER 30, 2014

SUBJECT:

INVESTMENT REPORT – AUGUST 2014

**Draft for
Executive Committee
Review Date: 10-23-14**

INFORMATIONAL ONLY

Budget Impact

None.

DISCUSSION:

Attachment A comprises a report of MTS investments as of August 31, 2014. The combined total of all investments has increased month to month from \$177.9 million to \$231.2 million. This \$53.3 million increase is attributable to \$49.9 million in Federal Transit Administration (FTA) Preventative Maintenance and \$5.3 million in State Transit Assistance (STA) funding received in August, as well as normal timing differences in other payments and receipts.

The first column provides details about investments restricted for capital improvement projects and debt service, which are related to the 1995 lease and leaseback transactions. 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. These restricted funds will be liquidated to satisfy the outstanding debt obligation in full by the end of the calendar year 2015.

The second column, unrestricted investments, reports the working capital for MTS operations allowing payments for employee payroll and vendors' goods and services.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com

Attachment: A. Investment Report for August 2014



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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
August 31, 2014**

	Restricted	Unrestricted	Total	Average rate of return
Cash and Cash Equivalents				
JP Morgan Chase - concentration account	-	69,065,942	69,065,942	0.00%
Total Cash and Cash Equivalents	-	69,065,942	69,065,942	
Cash - Restricted for Capital Support				
US Bank - retention trust account	8,740,742	-	8,740,742	N/A *
San Diego County Investment Pool Proposition 1B TSGP grant funds	3,852,756	13,965	3,866,721	
Total Cash - Restricted for Capital Support	12,593,498	13,965	12,607,463	
Investments - Working Capital				
Local Agency Investment Fund (LAIF)	19,745,588	13,490,795	33,236,383	0.260%
Total Investments - Working Capital	19,745,588	13,490,795	33,236,383	
Investments - Restricted for Debt Service				
US Bank - Treasury Strips - market value (Par value \$39,474,000)	39,429,589	-	39,429,589	
Rabobank - Payment Undertaking Agreement	76,816,295	-	76,816,295	7.69%
Total Investments Restricted for Debt Service	116,245,884	-	116,245,884	
Total cash and investments	\$ 148,584,970	\$ 82,570,702	\$ 231,155,672	

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



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Agenda Item No. 10

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

October 9, 2014

**Draft for
Executive Committee
Review Date: 10-23-14**

SUBJECT:

CENTRALIZED TRAIN CONTROL (CTC): SDSU FIRE LIFE PANEL SYSTEM
UPGRADE AND TECHNICAL SUPPORT – ADDENDUM 17 PROJECT SCOPE OF
WORK AMENDMENT 24.1

RECOMMENDATION:

That the Board of Directors approve an amendment to Addendum 17 Project Scope of Work (MTS Document No. G0930.17-04.24.1) for the flagging and Construction Management services for the SDSU Fire Life Panel System Upgrade project.

Budget Impact

This amendment will not exceed \$18,600 and will be funded by the CIP 11325 (SDSU Monitoring System). This amendment increases the total value of the Scope of Work budget from the original \$100,000 to a new total of \$118,600. This project does not result in an increase to the cost of the original CIP.

DISCUSSION:

During the first project submittal to the Cal State Fire Marshal's office, there were a few comments from the Fire Marshal that required some minor modifications to the system before they could approve the Fire certification for SDSU Fire Alarm Upgrade project. This in turn required Construction Management support to manage the contractor to implement these requested features from the Fire Marshall and additional flagging staff was required to do this work at night time during non-revenue hours.



The budgetary needs for this additional work are illustrated in the chart below.

Item	Cost (Rate/hour)	# of Hours	Total
Flagging Cost	\$21.77	395	\$8,600
Construction Management	LS	LS	\$10,000
TOTAL			\$18,600

The amended project scope of work with SANDAG will also recognize that SDTI will provide flagging services for this project. Such services will be reimbursed to MTS by SANDAG.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com

Attachment: A. Addendum 17 Project Scope of Work (MTS Document No. G0930.17-04.24.1)

Addendum 17 Project Scope of Work

MTS File No.	G0930.17-04.24.1	SANDAG Reference No.	5000710 SOW 24.1
CIP Title:	Centralized Train Control: Fire Life Panel System Upgrade and Technical Support		
CIP No.	1142500	Project Managers:	MTS – Michael Diana SANDAG - Francine Jimenez
Lead Agency:	SANDAG	Operating Agency:	MTS
Estimated Start Date:	June 2012	Original SOW 24 Budget	\$100,000
Estimated Completion Date:	Early to Mid-2014	Additional SOW 24.1 Budget (this amendment)	\$18,600
Total CIP Budget	\$12,231,000	Total SOW Budget (value of work to be invoiced between SANDAG/MTS):	\$118,600

Intended Source of Funds:

The project will be utilizing TransNet-1 funding.

Describe Any Necessary Transfers of Project Funds Between the Parties:

MTS shall reimburse SANDAG for inspection, quality assurance/control training and testing services as outlined herein.

SANDAG shall reimburse MTS via purchase order(s) for flagging and Project Management services provided as outlined herein.

Project Description:

This project is for the replacement of the existing fire alarm panel and devices located at SDSU Trolley Station with a new fire alarm monitoring system that is based on current technology and meets the fire codes. Among its capabilities, it will provide automatic notification to local fire services in the event of a fire, thus enhancing security and safety by saving precious time to protect MTS patrons and employees, and minimize damage to essential MTS facilities and equipment. In addition, this project will include new high resolution CCTV cameras located inside SDSU tunnels to detect trolley movement in each zone and identify any intruders in the tunnels.

Scope of Work to be performed by SANDAG Resident Engineer (RE):

1. Provide technical support to MTS Project Manager for the construction tasks associated with the Fire Alarm Panel, Closed Circuit Television (CCTV), Train Location and Tracking at the SDSU Tunnel and communication upgrades which will interface with the existing CTC back office system at the MTS Rail Operations Control Center.
2. Perform systems inspection, quality assurance, and quality control, testing and training services to ensure that input and output of the FMS field devices interface correctly with the Fire Management System utilizing the EVOP (Emergency Ventilation Operations Procedure) functionality.
3. Complete testing and verification which includes the sequencing and interlocks for the control of the emergency fans, dampers, HVAC, Station lighting controls and fire alarm device monitoring.
4. Deliver readiness support for full testing and acceptance by Cal State Fire Marshal's Office.
5. The estimated cost for additional services can be found in Attachment 1.

Scope of Work to be Performed by SANDAG:

1. SANDAG will provide overall project management services for the Project and provide funding as approved by the SANDAG Board of Directors.
2. MTS agrees to reimburse SANDAG for the full and actual cost for technical services in an amount not to exceed \$100,000. This amount shall include eligible costs for the inspection, quality assurance/control training and testing. In the event that SANDAG notifies MTS that this amount will be exceeded, MTS will meet with SANDAG to discuss the need for additional hours. In no event shall SANDAG have the responsibility to move forward until the parties are able to identify sufficient funding for hours associated with tasks.

Scope of Work to be Performed by MTS:

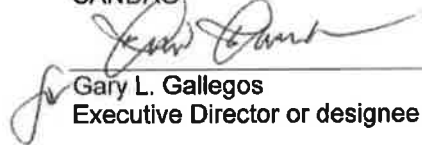
1. Flagging services by San Diego Trolley, Inc. (SDTI) personnel in the MTS right-of-way during construction. Any work which involves personnel or equipment within 15 feet of the center line of any active track must have an SDTI supplied flag person for the duration of the work.
2. Provide Project Management in support of construction of this project.

Any Additional Project-Specific Conditions:

This SOW 24.1 amends and replaces the original SOW 24 in full.

APPROVED BY:
SANDAG

METROPOLITAN TRANSIT SYSTEM


Gary L. Gallegos
Executive Director or designee

3-4-2014
Date

Paul Jablonski
Chief Executive Officer

Date

Attachment 1 – Fire Life & Safety System Technical Support Services

ESTIMATED COST

	Hours	Rate	Total
January – 2013	120	140.38	\$ 16,845.60
February – 2013	80	140.38	\$ 11,230.40
March – 2013	60	140.38	\$ 8,422.80
April – 2013	80	140.38	\$ 11,230.40
May – 2013	80	140.38	\$ 11,230.40
June – 2013	80	140.38	\$ 11,230.40
July – 2013	60	140.38	\$ 8,422.80
August – 2013	40	140.38	\$ 5,615.20
September – 2013	40	140.38	\$ 5,615.20
	<u>640</u>		<u>\$ 89,843.20</u>

Est. Hours	640
Est. Subtotal	\$ 89,843.20
Contingency 10%	<u>\$ 8,984.32</u>
Fire Upgrade Support Services Total:	<u>\$ 98,827.52</u>



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Agenda Item No. 11

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

October 30, 2014

**Draft for
Executive Committee
Review Date: 10-23-14**

SUBJECT:

PROCUREMENT AND INSTALLATION OF REPLACEMENT COUPLER AND DRAFT
GEAR FOR SD-100 LIGHT RAIL VEHICLES (LRV) - CONTRACT AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1192.0-14 (in substantially the same format as Attachment A) with Dellner, Inc. (Dellner) for the procurement and installation of 104 buffer couplers, plus four spare coupler and draft gears for SD-100 LRVs.

Budget Impact

The total value of this agreement will not exceed \$4,306,816.00. The project will be funded through the MTS Capital Improvement Program (CIP) project number 11304-0200 for fiscal years 2015 and 2016.

DISCUSSION:

Background

San Diego Trolley Incorporated (SDTI) operates a fleet of 52 Siemens SD-100 LRVs which entered revenue service between 1995 and 1998. These units originally were equipped with Scharfenberg 40-3574 couplers and draft gears. While the LRVs themselves are presently in good operable condition, the couplers are now 15 to 17 years old, are close to the end of their useful lives, are experiencing frequent age-related failures which have become costly to repair or overhaul, and must now be replaced.

To ensure continuity of service, SDTI needs to acquire replacement couplers and draft gears. Staff recommends the Dellner model 74 which is a self-centering electrical coupler system, and exceeds Scharfenberg specifications. Further, acquiring the



Dellner model 74 will allow fleet-wide standardization which will significantly streamline standards for trolley coupler inspection and maintenance for MTS.

MTS Policy No. 52, governing the procurement of goods and services, requires a formal competitive process for procurements exceeding \$100,000.

A Request for Proposals (RFP) was issued on March 24, 2014. Two responsive and responsible proposals were received from Dellner and Siemens Transportation Inc. (Siemens) by the due date of June 5, 2014.

The proposals were evaluated with the following criteria:

Qualifications of the Firm or Individual	= 35 Possible Points
Work Plan	= 35 Possible Points
Cost and Price	= 30 Possible Points
TOTAL	= 100 Points

Based on staff's evaluation of the technical proposal and analysis of the price offered, it was determined that Dellner's proposal is fair and reasonable and represents the best overall value for MTS. During the Best and Final Offer (BAFO) phase, Dellner also further reduced its price proposal by \$540,280 (or roughly 11%) from their original price of \$4,847,096 to \$4,306,816 which is 32.7% lower than the proposed cost offered by Siemens.

The following table represents the final scores and rankings for both proposers:

PROPOSER NAME	TOTAL SCORE	RANKING
	(Tech + Cost) Total Possible Points: 100	
Dellner	90.33	1
Siemens	83.51	2



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com

Attachment: A. Draft Standard Services Agreement; Contract L1192.0-14

ATTACHMENT A

DRAFT

L1192.0-14 CONTRACT NUMBER
OPS 970.4 FILE/PO NUMBER(S)

STANDARD PROCUREMENT AGREEMENT
FOR

PROCUREMENT AND INSTALLATION OF REPLACEMENT COUPLER AND DRAFT GEAR FOR SD-100 LRV'S

THIS AGREEMENT is entered into this _____ day of _____ 2014, 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: Dellner Inc. Address: 5334-H Arrowridge Boulevard

Form of Business: Corporation Charlotte, NC 28273
(Corporation, Partnership, Sole Proprietor, etc.)

Telephone: 704 527-2121

Authorized person to sign contracts: Tom Tarantino President
Name Title

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

Provide material, labor and all equipment necessary for the procurement and installation of 104 couplers with draft gears and 4 spare coupler and draft gears, as specified in the Technical Specifications (attached as Exhibit A), the Bid Summary (attached as Exhibit B), the Standard Procurement Conditions (attached as Exhibit C), and the federal requirements (attached as Exhibit D).

The total amount of this contract shall not exceed \$4,306,816.00 including California sales tax and freight without prior written approval from MTS.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CONTRACTOR AUTHORIZATION
By: _____ Paul C. Jablonski, Chief Executive Officer	Firm: _____
Approved as to form:	By: _____ Signature
By: _____ Office of General Counsel	Title: _____

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$ 4,306,816.00	11304-0200	FY 2015 - 2016

By: _____
Chief Financial Officer

(_____ total pages, each bearing contract number)



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Agenda Item No. 12

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

October 30, 2014

**Draft for
Executive Committee
Review Date: 10/23/14**

SUBJECT:

GREEN LINE CLOSED-CIRCUIT TELEVISION (CCTV) SYSTEM UPGRADES -
CONTRACT AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL155.0-14 (in substantially the same format as Attachment A) with Kratos Public Safety & Security Solutions, Inc. (Kratos) for the procurement and installation of MTS Green Line CCTV systems upgrades.

Budget Impact

The total value of this agreement will not exceed \$790,628.09 and will be funded through the MTS Capital Improvement Program (CIP) project numbers 11324-0200 and 11365-0200 for fiscal year 2015. The source of funding is California Proposition 1B, Transit System Safety, Security and Disaster Response Act.

DISCUSSION:

MTS currently operates 27 trolley stations on the Green Line which have varying or no CCTV technologies. Eleven stations currently have the latest Avigilon digital CCTV technology and require no upgrades at this time. Six stations are currently equipped with legacy analog CCTV systems which need upgrades and standardization to current digital systems, and 10 stations have no current CCTV technologies.

This staff recommended project will improve the equipment at the six stations that have outdated analog equipment as well as install Avigilon technology at stations with no current equipment. The project includes the purchase of necessary hardware, labor and materials for their installation, software licensing, integration, testing and commissioning.



The goal is to have a CCTV surveillance system that will provide additional levels of safety for MTS's patrons, enhance existing security surveillance systems at certain stations, prevent vandalism and be fully integrated based on modern industry standard protocols for security system hardware and operating systems.

MTS Policy No. 52, governing the procurement of goods and services, requires a formal competitive process for procurements exceeding \$100,000.

An Invitation for Bid (IFB) was issued on August 15, 2014. Eight bids were received and deemed responsive and responsible. The bidders were Kratos, Climatec LLC, Vector USA, Electro Specialty Systems, VAS Security Systems, Simplex Grinnel, Johnson Controls Inc. and Unicom Government Inc.

As indicated in the below table, after conducting a price analysis, staff determined that the pricing presented by Kratos was fair and reasonable and was the lowest responsive and responsible bid relative to other bids received.

FIRM	COST
Kratos	\$790,628.09
Climatec LLC	\$800,528.14
Vector USA	\$867,335.31
Electro Specialty Systems	\$911,184.43
VAS Security Systems	\$925,246.74
Simplex Grinnell	\$997,596.16
Johnson Control Inc.	\$1,063,972.80
Unicom Government Inc.	\$1,070,835.91



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com

Attachment: A. Draft MTS Doc. No.PWL155.0-14

ATTACHMENT A

DRAFTSTANDARD PROCUREMENT AGREEMENT
FOR
MTS GREEN LINE CCTV SYSTEM UPGRADEPWL155.0-14
CONTRACT NUMBEROPS 970.4
FILE/PO NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____, 2014, 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: Kratos Public Safety & Security Solutions, Inc. Address: 4820 Eastgate Mall, Suite 200

Form of Business: Corporation San Diego CA 92121
(Corporation, Partnership, Sole Proprietor, etc.)

Telephone: 858 812-7300

Authorized person to sign contracts: Michael Fink Vice President
Name Title

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

Provide material, labor, supplies and all equipment necessary for the procurement, installation, programming, licensing, integration and testing, and commissioning of closed circuit television for the Green Line, as specified in the Technical Specifications (attached as Exhibit A), the Bid Summary (attached as Exhibit B), and the Standard Procurement Conditions (attached as Exhibit C).

The contract period of performance shall be from October 27, 2014 through December 31, 2015. The total amount of this contract shall not exceed \$790,628.09 including California sales tax and freight without prior written approval from MTS.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CONTRACTOR AUTHORIZATION
By: _____ Paul C. Jablonski, Chief Executive Officer	Firm: _____
Approved as to form:	By: _____ Signature
By: _____ Office of General Counsel	Title: _____

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$ 790,628.09	11324-0200 and 11365-0200	FY 2015

By: _____
Chief Financial Officer

(_____ total pages, each bearing contract number)



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

Agenda Item No. 13

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

October 30, 2014

**Draft for
Executive Committee
Review Date: 10-23-14**

SUBJECT:

SIEMENS INDUSTRY, INC. – 11TH AMENDMENT TO CONTRACT NO. L0914.0-10 –
PROCUREMENT OF ULTRASHORT LOW-FLOOR VEHICLES

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer to execute the 11th Amendment to MTS Doc. No. L0914.0-10 (in substantially the same format as Attachment A) documenting contract close out agreements and authorizing a one-time partial release of retention.

Budget Impact

Today's action does not impact the overall cost of this contract. MTS will receive additional spare parts inventory worth as much as \$400,000 at no cost. The current value of the contract is as follows:

Total Contract with Siemens	Amount	Tax	Total
57 LRVs (Contract plus Amend. # 3, 4 & 7)	\$206,680,638	\$16,135,594	\$222,816,231.67
8 Additional LRVs (Amendment # 8 & 9)	\$28,491,000	\$2,279,280	\$30,770,280.00
Spare Parts (Amendment #2)	\$6,091,007	\$475,099	\$6,566,105.92
Special Tools (Amendment #2)	\$206,098	\$16,230	\$222,328.22
Training Manuals (Amendment #2)	\$255,384	\$20,431	\$275,814.72
SD100 Retrofit (Amendment #5)	\$4,627,484	\$358,630	\$4,986,114.01
Total Contract with Siemens 65 LRVs	\$246,351,611.34	\$19,285,263.19	\$265,636,874.53



DISCUSSION:

On September 24, 2009, the Board approved a contract with Siemens to procure 57 ultrashort low floor light rail vehicles (LRVs) for the Blue and Orange Line Rehabilitation Project. On April 19, 2012, the Board authorized the purchase of 7 additional LRVs. On May 17, 2012, the Board authorized the purchase of 1 additional LRV, bringing the total LRV vehicle order to 65. An option for an additional 45 LRVs was approved on April 18, 2013, to preserve options for the Mid-Coast LRT project. Because the Mid-Coast LRT project still awaits Federal Transit Administration approval and funding, MTS has not issued a "Release for Production" to Siemens to begin production of the additional 45 option LRVs. Various other amendments to the contract have been issued during the course of production to resolve other LRV and contract issues.

The current contract total, for the 65 LRVs, is \$265,636,874.53, and includes necessary modifications to MTS's existing fleet to ensure compatibility with the new vehicles. Effective August 28, 2014, MTS reached the Conditional Acceptance Milestone for all sixty-five (65) light rail vehicles currently on order from Siemens. No liquidated damages were issued under Article 5.0 of the Agreement. All payments, except Release of Retention (Milestone 7), have been made under the Agreement.

The parties are currently in the Final Acceptance and Final Completion phase of work. "Final Acceptance" of each vehicle occurs "when all open items identified with respect to any LRV during Conditional Acceptance have been resolved to MTS's satisfaction." "Final Completion of the Work" will occur "when each of the LRVs has reached Final Acceptance and when [Siemens] has completed the following requirements:

- A) Corrected any fleet defects;
- B) Completed previously identified warranty Work;
- C) Delivered written releases of liens from all Subcontractors and Suppliers; and
- D) Provided all training, technical support, spare parts, Special Tools, car history books, manuals, and other items required under the Contract Documents."

Partial Release of Retention

Under the Agreement, the 5% Retention held back from each payment is to be released "upon completion of the two year warranty period for the last LRV delivered to MTS." The retention funds are held in a special interest-bearing escrow account for the benefit of Siemens. The parties have previously agreed to the following partial payments of retention to Siemens:

April 2011	\$1,000,000	Release
April 2013	\$2,000,000	Release
Current Balance	\$8,758,581.90	

Completion of the warranty period is currently scheduled for August 28, 2016. Through the Final Completion process, MTS and Siemens staff have reviewed the Open Items and Fleet Defect Lists and determined that, in exchange for the items listed below, an additional \$4,000,000 in retention may be immediately released to Siemens. The remaining \$4,758,581.90 on deposit in the retention escrow account is sufficient to cover the costs associated with all remaining open items, defects and warranty issues.

Repair Items

Center Truck Brake Rotor Wear Issue	Siemens to provide MTS with 100 rotors from original equipment manufacturer, Knorr, no later than September 16, 2015. An additional 50 rotors shall be provided from either Knorr, or a new supplier developed in coordination with Siemens, at MTS's discretion no later than March 16, 2016. These 150 rotors shall be at no cost to MTS. The cost for new rotors has been estimated at up to \$225,000.
Public Address System Microphones	Siemens agrees to equip all 65 S70us Light Rail Vehicles with a noise cancelling microphone in each cab in each LRV cab, at an estimated cost of \$75,000.

Spare Parts Credit Swap

MTS is in possession of certain spare parts inadvertently shipped to MTS by Siemens. MTS has an existing spare parts credit of \$33,000 under this Agreement. Siemens has agreed to allow MTS to purchase these spare parts by applying the MTS \$33,000 credit and to waive any additional balance owed for this shipment. MTS LRV maintenance staff has valued the retained spare parts at approximately \$175,000 if MTS was required to separately purchase each item.

Recommended Action

The proposed concessions from Siemens benefit MTS by reducing the amount of spare parts that MTS will be required to purchase and resolve a concern about the performance of the public address system on the new fleet. The proposed early release of \$4,000,000 from retention does not adversely impact MTS because there are sufficient funds still in escrow to cover the costs of remaining fleet defect work. The escrow funds are not for the direct benefit of MTS and not part of MTS's ongoing cash flow. MTS staff therefore recommends that the Board authorize the CEO to execute Amendment No. 11 with Siemens, in substantially the same format as Attachment A.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com

Attachment: A. Proposed MTS Doc. No. L0914.11-10

October 30, 2014

MTS Doc. No. L0914.11-10
OPS 970.6, CIP 1210080

Mr. Michael Cahill
President
Siemens Industry, Inc.
Infrastructure & Cities Sector, Rail Systems Division
7464 French Road
Sacramento, CA 95828

Dear Mr. Cahill:

Subject: AMENDMENT NO. 11 TO MTS DOC. NO. L0914.0-10 - PROCUREMENT OF
ULTRASHORT LOW-FLOOR VEHICLES

This amendment shall serve to modify our Agreement for the procurement of ultrashort low-floor vehicles from Siemens Industry, Inc., as further described below.

Status of Final Completion Phase

Effective August 28, 2014, MTS reached the Conditional Acceptance Milestone for all sixty-five (65) light rail vehicles currently on order from Siemens. No liquidated damages were issued under Article 5.0 of the Agreement. All payments, except Release of Retention (Milestone 7), have been made under the Agreement.

The parties are currently in the Final Acceptance and Final Completion phase of work. "Final Acceptance" of each vehicle occurs "when all open items identified with respect to any LRV during Conditional Acceptance have been resolved to MTS's satisfaction." (Agreement, § 5.13.) "Final Completion of the Work" will occur "when each of the LRVs has reached Final Acceptance and when [Siemens] has completed the following requirements:

- A) Corrected any fleet defects;
- B) Completed previously identified warranty Work;
- C) Delivered written releases of liens from all Subcontractors and Suppliers; and
- D) Provided all training, technical support, spare parts, Special Tools, car history books, manuals, and other items required under the Contract Documents."

(Agreement, § 5.14.)

Partial Release of Retention

Under the Agreement, the 5% Retention held back from each payment is to be released “upon completion of the two year warranty period for the last LRV delivered to MTS.” (Exhibit D to MTS Doc. No. L0914.0-10.) The retention funds are held in a special interest-bearing escrow account for the benefit of Siemens. The parties have previously agreed to the following partial payments of retention to Siemens:

April 2011	\$1,000,000	Release
April 2013	\$2,000,000	Release
Current Balance	\$8,758,581.90	

Completion of the warranty period is currently scheduled for August 28, 2016. (Agreement, § 3.13.) Through the Final Completion process, MTS and Siemens have reviewed the Open Items and Fleet Defect Lists and determined that, in exchange for the items listed below, an additional \$4,000,000 in retention may be immediately released to Siemens. The remaining \$4,758,581.90 on deposit in the retention escrow account is sufficient to cover the costs associated with all remaining open items, defects and ongoing warranty issues.

Repair Items

Center Truck Brake Rotor Wear Issue	Siemens to provide MTS with 100 rotors from original equipment manufacturer, Knorr, no later than September 16, 2015. An additional 50 rotors shall be provided from either Knorr, or a new supplier developed in coordination with Siemens, at MTS’s discretion. The additional 50 rotors shall be provided no later than March 16, 2016. These 150 rotors shall be at no cost to MTS.
Public Address System Microphones	Siemens agrees to equip all 65 S70us Light Rail Vehicles with a noise cancelling microphone in each cab in each LRV cab, at an estimated cost of \$75,000.

Spare Parts Credit Swap

MTS is in possession of certain spare parts (identified as Siemens production extras and listed in Attachment A) inadvertently shipped to MTS by Siemens. MTS has an existing spare parts credit of \$33,000 under this Agreement. MTS would like to keep the spare parts. Siemens has agreed to apply the MTS \$33,000 credit to this purchase, and to waive any additional balance owed for this shipment.

If you agree with the above, please sign in the space provided below and return the document marked "Original" to the Contracts Specialist at MTS. All other terms and conditions shall remain the same and in effect. Retain the other copy for your records.

Sincerely,

Accepted:

Paul C. Jablonski
Chief Executive Officer

Michael Cahill, President
Siemens Industry, Inc.
Infrastructure & Cities Sector
Rail Systems Division

Date: _____

Chris Halleus, Vice President, FBA
Siemens Industry, Inc.
Infrastructure & Cities Sector
Rail Systems Division

Date: _____

ATTACHMENT A

SIEMENS

Business Reporting Portal

Inventory without

Branch Plt	Item	ESN	Item Description	Buyer #	QOH	Unit Cost	Extended	Pricing source
17670	A4602900	JGN	SEAT,2P	235195	1	655.2	655.2	Siemens
17670	A4255302	DFS	SLIDING WINDOW, CAB,RH	103491	4	4,329.39	\$17,317.58	SD8 Spares
17670	A4255301	DFS	SLIDING WINDOW, CAB,LH	103491	4	4,329.39	\$17,317.58	SD8 Spares
17670	A4817200	MNN	ASSY FRAME MAIN LIGHT-LED	235195	1			
17670	A4333704	IEW	ENCL,EMR HANDLE/CREWKE	161933	1			
17670	A2842700	MNN	INDICATOR LIGHT,DOOR,LED,RED	235195	2	167.15	\$334.30	SD8 spares
17670	A5605300	MVY	RTD SENSOR,CAB	235195	1	450.96	\$450.96	Siemens
17670	A4272601	FHH	LINING,INTR SIDEWALL,LOW	103491	1			
17670	A4272602	FHH	LINING,INTR SIDEWALL,LOW	103491	1			
17670	A4533401	ECB	PANEL,FLOOR,HIGH	235195	1			
17670	A4539200	ECB	PANEL,FLOOR,CAB WALL	235195	2			
17670	A4539400	ECB	PANEL,FLOOR,#15	235195	2			
17670	A4550600	JGK	LATCH,S70,MALE,SQUARE,8MM,CO	235195	6	200.20	\$1,201.20	Siemens
17670	A4355700	FKA	HOSE,HYDRAULIC,W/FITTINGS-	567422	16	76.29	\$1,220.64	Siemens
17670	C2761301	FHH	CLADDING,L-FL,UPPER,ASSY,LH	103491	1			
17670	A4608200	DFQ	STANCHION SEAT CURVED	303497	14	90.58	\$1,268.12	Siemens
17670	A4886400	MKI	CONNECTOR PLUG CIRCULAR	178399	47	38.71	\$1,819.37	
17670	A4281500	ECB	PANEL, FLOOR, #14	235195	4			
17670	A4600100	KIJ	CONNECTOR PLUG CIR90°	178399	38	53.83	\$2,045.54	Siemens
17670	A4680100	MMV	TWC - INTERFACE CABLING	582502	7	294.00	\$2,058.00	Siemens
17670	A4539300	ECB	PANEL,FLOOR,LOW FLOOR,MID	235195	2			
17670	A5406500	DFS	WINDSHIELD,CAB	103491	1	6,207.00	\$6,207.00	Ellipse
17670	A5175500	FKA	TAPE,ADH,NEOPRENE,CLOSED	567422	1395	2.32	\$3,236.40	Siemens
17670	A4342402	FHE	DASH,CAB,COMPLETE	567422	1	58,981.80	\$58,981.80	SD8 Spares
17670	A2939400	ECB	LINING,FLOOR TILE,1MX1MX3.7MM	235195	49	77.36	\$3,790.64	SD8 Spares
17670	A2774700	ECB	LINING,FLOOR TILE,1MX1MX3.7MM	235195	100	77.36	\$7,736.00	SD8 Spares
17670	SAG10040	MFA	MODULE,MONITORING RELAY	178399	48	234.11	\$11,237.28	Siemens
17670	A4593600	MNN	LIGHT ASSY LED COMPLETE	235195	12	1,350.00	\$16,200.00	SD8 Spares
1760	A5126100		Glass High Floor SD8		36	625.00	\$22,500.00	Ellipse
TOTAL							\$174,922.40	



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Agenda Item No. 14

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

October 30, 2014

**Draft for
Executive Committee
Review Date: 10-23-14**

SUBJECT:

REVISIONS TO BOARD POLICY NO. 51 REGARDING CLAIMS AGAINST THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM, A CALIFORNIA PUBLIC AGENCY, OR ITS SUBSIDIARIES, SAN DIEGO TRANSIT CORPORATION OR SAN DIEGO TROLLEY, INC.

RECOMMENDATION:

That the Board of Directors approve and adopt the updated Board Policy No. 51 (Attachment A).

Budget Impact

None. Today's action does not authorize any specific expenditure. Payment of individual claims are accounted for in the annual budget process based on the estimated cost to evaluate, defend and compromise legal claims each fiscal year.

DISCUSSION:

Board Policy No. 51 governs the process for handling legal claims against MTS, San Diego Trolley, Inc. and San Diego Transit Corporation. Currently, the policy requires proposed settlements over \$25,000 to be brought to the Board for approval. Government Code section 935.4 allows a local public entity to authorize an employee to compromise or settle claims if the amount paid does not exceed \$50,000. The proposed amendments to Board Policy No. 51 would raise the delegated settlement authority to the Government Code limit and make the following minor changes and clarifications:



(1) Change the designated employee to the Chief Executive Officer (or his or her designee). Designating the Chief Executive Officer is consistent with a survey of other California transit agencies' settlement policies with a \$50,000 authority level.

(2) Clarifies that, for workers' compensation claims, the requirement to obtain Board approval of settlements exceeding \$50,000 applies to amounts designated for discretionary payments, and does not apply to non-discretionary payments for temporary or permanent disability benefits that are established by the workers' compensation adjudicatory system.



Paul G. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com

Attachment: A. Proposed Board Policy No. 51 (redline version)



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
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Policies and Procedures

No. 51

SUBJECT:

Board Approval: 910/309/0414

CLAIMS AGAINST THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM, A CALIFORNIA PUBLIC AGENCY, OR ITS SUBSIDIARIES, SAN DIEGO TRANSIT CORPORATION OR SAN DIEGO TROLLEY, INC.

PURPOSE:

Adopt a uniform procedure that requires all complaints or claims against MTS, San Diego Trolley, Inc. (SDTI), and San Diego Transit Corporation (SDTC) to comply with the California Tort Claims Act.

BACKGROUND:

With the recent consolidation of MTS, SDTC, and SDTI, it has become necessary to adopt a uniform claims procedure for all of MTS. Currently, all claims against MTS must be brought in accordance with the California Tort Claims Act (Government Code Section 900, et seq.). The Tort Claims Act defines a public entity as "a county, city, district, public authority, public agency, and any other political subdivision or public corporation" (Government Code § 811.2). Based on the consolidation of the Boards of Directors for MTS, SDTC, and SDTI, the amendment of Public Utilities Code Section 120518(a), which made MTS and SDTC a joint employer, and case law, the Tort Claims Act is applicable to SDTC and SDTI. Requiring all claims against any of the three agencies to be brought under the Act would limit exposure to litigation and allow for a uniform procedure for filing claims.

POLICY:

51.1 Subject Matter

51.1.1 This regulation governs claims for money or damages against MTS, its subsidiaries, including SDTC and SDTI (hereinafter collectively the "Board"), and their current and former officers, directors, and employees.

51.1.2 Claims for Money or Damages. All claims for money or damages against MTS and its subsidiaries, including SDTC and SDTI, shall be



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

presented to the Board under the provisions of Government Code Section 900, et seq., and shall be governed by this regulation.

51.1.3 Required Presentation of Claim for All Claims Excepted by Government Code Section 905. In accordance with Government Code Section 935, the Board requires the presentation of a claim for all claims for money or damages that are otherwise excepted by Government Code Section 905. Such claims shall be governed by this regulation unless expressly governed by another statute or regulation.

51.1.4 Claims Against Public Employees or Former Public Employees. All claims for money or damages that are required to be presented to the Board under the provisions of Government Code Section 953, et seq. shall be governed by this regulation.

51.2 Written Claim Required to Bring Suit

No suit for money or damages may be brought against the Board on a cause of action for which this regulation requires a claim to be presented until a written claim has been presented in conformity with the provisions of this regulation.

51.3 Time Limitation for Presenting Claim

All claims shall be presented in the manner provided in Section 5 of this regulation and in accordance with the following requirements:

51.3.1 A claim relating to a cause of action for death or injury to person or to personal property shall be presented no later than six months after the accrual of the cause of action.

51.3.2 A claim relating to any other cause of action shall be presented no later than one year after the accrual of the cause of action.

For the purposes of computing the time limits prescribed by this section, the date of the accrual of a cause of action is the date upon which the cause of action accrued within the meaning of the applicable statute of limitations, as defined by Government Code Section 901.

51.4 Late Filing of Claims

The filing of late claims pursuant to this regulation is governed by Government Code Sections 911.4 to 912.2, inclusive.

51.5 Claim Form

Claims under this regulation shall be presented to the Claims Administrator of MTS on a form provided by the Office of General Counsel for MTS.

51.6 Response to Claims

General Counsel for MTS (or his or her designee) shall allow or reject claims within the limitations set forth in Section 10. General Counsel's allowance or rejection of the claim shall have the same effect as allowance or rejection by the Board of Directors of the applicable entity against whom the claim is made.

51.7 Time for Action by General Counsel and Claimant

Time for action by General Counsel. General Counsel shall act upon any claim presented pursuant to this regulation within the time prescribed by Government Code Section 912.4 and in the manner prescribed by Section 912.6 of that Code. The failure or refusal of the General Counsel to act on a claim shall have the effect stipulated in Section 912.4.

Time for Legal Action by Claimant. Any legal action brought by a claimant on a cause of action set forth in a claim presented pursuant to this regulation shall be brought within the time specified in Government Code Section 945.6.

51.8 Reexamination of Rejected Claims

In accordance with Government Code Section 913.2, General Counsel for MTS retains the discretion to reexamine a previously rejected claim within the time prescribed by Government Code Section 945.6 for commencing an action on the claim.

51.9 Agreements Subject to Claims Procedures

In accordance with Government Code Section 930.2, the Board may include claims-presentation requirements in any written agreement to which the Board, or its governing body, or any board, or any employee thereof in an official capacity, is a party.

The agreement must expressly provide that its claims presentation requirements govern in lieu of the claims presentation requirements set forth in Government Code Section 900, et seq. and this regulation.

51.10 Action by General Counsel and Chief Executive Officer on Claims

51.10.1 Unless otherwise provided by this regulation, all claims required to be presented to the Board under the provisions of Government Code

Section 900, et seq., or this regulation, shall be presented to General Counsel. For purposes of Government Code Section 915 only, General Counsel is designated as a Clerk of the Board.

51.10.2 ~~General Counsel~~Chief Executive Officer (or his or her designee) is authorized to allow, deny, compromise, or settle any claim or action that is filed against the Board, its officers, or employees, provided:

51.10.2.1 The amount to be paid pursuant to such allowance, compromise, or settlement does not exceed ~~twenty five~~twenty five thousand dollars (~~\$2550~~,000);

51.10.2.2 The claim or action is not subject to the terms of an insurance policy wherein the insurer is granted the authority to allow, deny, compromise, or settle claims or actions within the scope of such policy; and

51.10.2.3 If the matter is in litigation and General Counsel does not represent the Board of Directors of the agency being sued, the counsel retained by the Board of Directors of that agency concurs with the allowance, compromise, or settlement.

51.10.3 If the amount to be paid exceeds ~~twenty five~~twenty five thousand dollars (~~\$2550~~,000), the allowance, compromise, or settlement must be approved by the Board of Directors of the applicable agency. In settlements of workers' compensation claims, the fifty thousand dollar (\$50,000) limit shall apply to amounts designated for discretionary payments, and shall not include non-discretionary payments for temporary or permanent disability benefits that are established by the workers' compensation adjudicatory system.

JGarde/SChamp/JGarde
POLICY 51: CLAIMS AGAINST MTS SDTC SDTI
7/21/06

Original Policy approved on 9/9/04.
Amended on 10/30/14.



1255 Imperial Avenue, Suite 1000
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Agenda Item No. 15

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

October 30, 2014

**Draft for
Executive Committee
Review Date: 10/23/14**

SUBJECT:

CLARIFIER WASTE TRANSPORTATION AND RECYCLING SERVICES - CONTRACT
AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG157.0-14 (in substantially the same format as Attachment A) with Asbury Environmental Services for the provision of clarifier waste removal, transportation and recycling services.

Budget Impact

The value of this agreement will not exceed \$282,949.00. The project will be funded through the respective fiscal years' maintenance operating budget accounts as follows:

	<i>Budget Account</i>	<i>Budget Amount</i>
San Diego Trolley, Inc.	350-53710	\$ 128,258
San Diego Transit - Imperial Avenue	331-53710	94,274
San Diego Transit - Kearny Mesa	332-53710	60,417
		\$ 282,949

DISCUSSION:

MTS Policy No. 52 (Procurement of Goods and Services) requires a formal competitive process for procurements of goods and services exceeding \$100,000.

MTS currently has three maintenance facilities supporting bus and rail operations. The resulting effects of preventative maintenance activities for MTS vehicles at these facilities include certain liquids and solids that require proper removal and disposal.



On August 13, 2014, MTS issued an Invitation for Bids for clarifier waste removal, transportation and recycling services for San Diego Transit and San Diego Trolley. Four bids were received on October 3, 2014 from Asbury Environmental, EFR Environmental, FRS Environmental and United Pumping, as follows:

FIRM	COST
<i>Asbury Environmental</i>	\$282,949.00
EFR Environmental	\$327,488.00
FRS Environmental	\$424,586.00
United Pumping	\$466,152.00

After conducting price reasonableness analyses and reviewing all bids received for responsiveness and responsibility, staff determined that Asbury Environmental Services presented the lowest responsive and responsible bid. Asbury's bid is 4.2 percent lower than the MTS's independent cost estimate of \$295,370.65.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com

Attachment: A. Draft Standard Services Agreement MTS Doc. No. PWG157.0-14

DRAFT
STANDARD SERVICES AGREEMENT

PWG157.0-14
CONTRACT NUMBER
OPS 960.2/970.2
FILE/PO NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2014, 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: Asbury Environmental Services Address: 1300 South Santa Fe Avenue

Form of Business: Corporation Compton, CA 90221
(Corporation, Partnership, Sole Proprietor, etc.)

Telephone: 310.886.3400

Authorized person to sign contracts: James Ennis Chief Operating Officer
Name Title

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

Clarifier waste transportation and recycling services, as specified in the Scope of Work (attached as Exhibit A), Asbury Environmental's Bid dated October 2, 2014 (attached as Exhibit B), and in accordance with the Standard Conditions Services Agreement, including the Standard Conditions Services (attached as Exhibit C), and the Federal Requirements (attached as Exhibits D).

This contract shall remain in effect for five years effective November 10, 2014 through November 09, 2019. The total amount of this contract shall not exceed \$282,949.00.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CONTRACTOR AUTHORIZATION
By: _____ Chief Executive Officer	Firm: _____
Approved as to form:	By: _____ Signature
By: _____ Office of General Counsel	Title: _____

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
<u>\$282,949.00</u>	<u>Various</u>	<u>2014-2019</u>

By: _____ Date _____
Chief Financial Officer

(_____ total pages, each bearing contract number)

OCT30-14.34.AttA.SSA WASTE RECYCLE.MYNIGUEZ.doc



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Agenda Item No. 16

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

October 30, 2014

**Draft for
Executive Committee
Review Date: 10-23-14**

SUBJECT:

SAN YSIDRO RADIO TOWER LEASE WITH THE CITY OF SAN DIEGO

RECOMMENDATION:

That the Board of Directors authorize the CEO to execute MTS Doc. No. G1757.0-15 with the City of San Diego for a lease of space at their Moody Canyon radio site in San Ysidro.

Budget Impact

Total annual cost of \$25,200 to \$32,880 over the life of the agreement for a total cost of \$288,890. This cost would be paid by the bus operations radio communications budget 202-59610.

DISCUSSION:

MTS is upgrading and expanding the Regional Transit Management System (RTMS) to an additional 273 vehicles operated in South Bay and East County. RTMS provides computer aided dispatch and automatic vehicle location (CAD/AVL) along with radio communications for MTS buses.

As part of the RTMS expansion to South Bay, it was determined that MTS's radio network has insufficient coverage in the South Bay area from its existing network of radio towers. As a result, MTS identified a City-owned radio site in San Ysidro, called Moody Canyon, which would be a suitable tower location to install new radio equipment in order to increase radio coverage in the South Bay area.

The City of San Diego will charge the following lease costs for the 10-year lease. Years 6-10 are subject to an appraisal and escalation. However, to take these increased costs into account, a 3% per year escalation is included in the following table.



Year 1	November 1, 2014-October 31, 2015	\$	25,200
Year 2	November 1, 2015-October 31, 2016	\$	25,956
Year 3	November 1, 2016-October 31, 2017	\$	26,735
Year 4	November 1, 2017-October 31, 2018	\$	27,537
Year 5	November 1, 2018-October 31, 2019	\$	28,363
Year 6	November 1, 2019-October 31, 2020	\$	29,214
Year 7	November 1, 2020-October 31, 2021	\$	30,090
Year 8	November 1, 2021-October 31, 2022	\$	30,993
Year 9	November 1, 2022-October 31, 2023	\$	31,923
Year 10	November 1, 2023-October 31, 2024	\$	32,880
Total		\$	288,890



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