

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

June 19, 2014

MINUTES

1. Roll Call

Chair Pro Tem Ewin called the Board meeting to order at 9:05 a.m. A roll call sheet listing Board member attendance is attached.

2. Approval of Minutes

Mr. McClellan moved to approve the minutes of the May 15, 2014, MTS Board of Directors meeting. Ms. Rios seconded the motion, and the vote was 9 to 0 in favor with Messrs. Cunningham, Mathis, Ramirez, Roberts and Misses Bragg and Emerald absent.

3. Public Comments

John Wood – Mr. Wood stated that the bus drivers should do a walk around the bus before driving and check the lights on the bus, the oil and the coolant. He said that he has noticed some buses in Lemon Grove do not have working stop lights or tail lights. Mr. Wood stated that there are still no trolley time announcement boards installed at Lemon Grove depot. He said there is no handicap access for the store at Lemon Grove depot. Mr. Wood stated that some bus and trolley seats are not being repaired properly.

Sheila Kazemaini – UClick Properties LLC. Ms. Kazemaini stated that she spoke at the May 15, 2014 Board meeting regarding her apartment building in Hillcrest which has bus stop 12027 outside of the building. She stated that she has requested for this bus stop to be moved to a different location for multiple reasons. The bus stop is located less than seven feet from her tenants' windows and that buses stop at this bus stop every six minutes for 19½ hours per day, which results in 195 stops per day. She stated that the last time she spoke at the Board meeting she brought up the health and safety issues regarding this bus stop because the exhaust fumes from the buses go directly into her tenants' windows. She also discussed the issue with people smoking at the bus stop which is against MTS Codified Ordinance No. 13. Ms. Kazemaini said the fumes, soot and cigarette smoke are all known causes of cancer. She recommended moving the current bus stop to the next bus stop which is a block down the street. She had previously asked for any Board members to contact her regarding this matter, but she has not had any response.

Chair Pro Tem Ewin noted that copies of Ms. Kazemaini's presentation were handed out to the Board members. Mr. Gastil asked for an update on this matter. Paul Jablonski, Chief Executive Officer, stated that the MTS Planning department has done a whole analysis on this bus stop. The bus stop has been located at this spot for a long period of time and is very well used. Mr. Jablonski said that MTS has sent out security guards numerous times to this bus stop to deal with the people illegally smoking at the stop. MTS has looked at other locations for this bus stop, however no other locations serve the public and the neighborhood as well as the current

location. Mr. Gloria stated that his office has been in contact with MTS regarding the issues of this bus stop.

John Strain – Mr. Strain stated that he agrees with Ms. Kazemaini's comments about moving the bus stop down the street to a different location. He said that he has been a tenant in the building for fifteen years. Mr. Strain commented that the American Cancer Society says that diesel exhaust plays an important role in our health problems. He believes a possible solution would be to move the bus stop down to the corner of 4th Street and Robinson Avenue. He provided a handout to the Board members including supporting documentation about this issue.

CONSENT ITEMS

6. Policy 25 - Equal Employment Opportunity (EEO) Program for Employees and Contractors
Action would update and reaffirm MTS Policy 25.
7. Motorola Regional Transit Management System Annual Maintenance and Support Services - Contract Amendment
Action would authorize the CEO to execute MTS Amendment No. G0867.15-03 with Motorola, Inc. to extend the Regional Transit Management System (RTMS) annual maintenance and support period from July 1, 2014 through June 30, 2015; and execute MTS Amendment No. G0868.9-03 with North County Transit District (NCTD) for a Funds Transfer Agreement.
8. Weed Abatement Services - Contract Award
Action would authorize the CEO to execute MTS Doc. No. L1186.0-14 with DeAngelo Brothers, Inc. for the provision of on and off track weed abatement services for a contract period of five (5) years.
9. Investment Report - April 2014
Informational item only. No action taken.
10. Fiscal Year 2015 Capital Improvement Program Amendment
Action would approve the amended FY 2015 Capital Improvement Program (CIP).
11. Fiscal Year 2015 Transportation Development Act Claim
Action would adopt Resolution Nos. 14-8, 14-9, and 14-10 approving fiscal year 2015 Transportation Development Act (TDA) Article 4.0, 4.5 and 8.0 claims respectively.
12. 2014 Mills Building Board Room Improvement Project
Action would authorize the renovation of the 10th Floor Board Room through Colliers International, the Mills Building on-site property management company.

Board Member Comments:

Mr. Gloria commented on consent item number 12, the 2014 Mills Building Board Room Improvement Project. He asked whether the Board room orientation will be updated during the improvement project to address the public capacity issues. Mr. Jablonski stated that the main focus of the Board room improvement project will be video and audio; however public capacity adjustments could be addressed. Mr. Jablonski stated that the consent item can be pulled for revisions to include the public capacity issues in the redesign. Jeff Stumbo, Director of Human Resources and Labor Relations, stated that one component of the remodel is installing monitors

and audio in the Executive Committee room for extra space for the public audience. Mr. Jablonski added that they can make adjustments to the consent item if the Board would prefer the improvement project to be more extensive and include public capacity updates. Mr. Gloria asked what the time frame would be to include all of the recommendations in the project. Mr. Jablonski estimated September 2014.

Action on Consent Items 6 through 11

Ms. Cole moved to approve Consent Agenda Item Nos. 6-11. Mr. McClellan seconded the motion, and the vote was 13 to 0 in favor with Mr. Cunningham and Mr. Mathis absent.

Action on Consent Item 12

Mr. Gloria moved to return Consent Agenda Item No. 12 to MTS staff and ask for staff to return to the Board at a later date with options for increasing the capacity of the Board room. Ms. Emerald seconded the motion, and the vote was 13 to 0 in favor with Mr. Cunningham and Mr. Mathis absent.

CLOSED SESSION

24. Closed Session Items

The Board convened to Closed Session at 9:24 a.m.

- a. CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION - SIGNIFICANT EXPOSURE TO LITIGATION - PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54956.9(d)(2) (Doris Bueto - MTS Claim No. TL-11-5060-13)
- b. CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54956.8;
Property: 8650 Tech Way, San Diego, California (Assessor Parcel Nos. 369-220-85)
Agency Negotiators: Paul Jablonski, Chief Executive Officer; Karen Landers, General Counsel; and Tim Allison, Manager of Real Estate Assets
Negotiating Parties: Excel Hotel Group; Hallmark Communities, Inc.; and Dan Floit
Under Negotiation: Price and Terms of Payment

The Board reconvened to Open Session at 9:45 a.m.

Oral Report of Final Actions Taken in Closed Session

Karen Landers, General Counsel, reported the following:

- a. The Board received a report from legal counsel and gave instructions.
- b. The Board received a report from real property negotiators and gave instructions.

NOTICED PUBLIC HEARINGS

25. Fiscal Year 2015 Budget: Public Hearing and Adoption

Mike Thompson, Director of Financial Planning and Analysis, provided a presentation on the fiscal year (FY) 2015 budget. He discussed the FY 2015 highlights, consolidated revenues, consolidated expenses, 5 year trends and projections for the operating budget. Mr. Thompson also provided an update on the FY 2015 contingency reserve balance.

Sharon Cooney, Chief of Staff, provided an update on the Youth Pass Pilot Program that MTS is participating in with the San Diego Unified School District and the City of San Diego. She said that as of today the school district is planning to finance \$200,000 more for the next school year. MTS has met with the school district and discussed how they want the program to look. Ms. Cooney said the school district would like to continue however they would like to try and capture which of the students who are getting the pass are not using the pass. She said they also want to cut off the program to those who are already in the program. The school district would like MTS to provide the numbers of which students are not using their passes, which students have left the school district, and which students are not attending school. She stated that the school district is currently deciding on whether they would like the program to go through the summer, instead of only through the school year. Ms. Cooney said that MTS believes we can accommodate the program by the school district's standards within the \$200,000. She also noted that the school district currently buys \$375,000 worth of transit passes for other programs within the school district, and they are trying to determine if they can add the Youth Pass Program into that existing program to help cut administrative costs. Ms. Cooney confirmed that this program will extend into the next fiscal year.

Vice Chairman Roberts asked Ms. Cooney if other school districts within the MTS region were to have an interest in the program, if they would use a similar structure as San Diego Unified School District. Ms. Cooney said they would be able to structure other programs similar to San Diego Unified School District without a fare ordinance change.

Public Speakers

Maria Cortez – Mid-City CAN. Ms. Cortez thanked MTS for the new rapid transit services. She provided a background on Mid-City CAN and stated that they would like to extend the program throughout San Diego County and eventually throughout the State. Ms. Cortez requested that the pilot program be included in the fiscal year 2015 budget. She stated that the school attendance has increased with this program and has benefited families and helped to save families money for other necessities.

Barbara Nevarez – Mid-City CAN. Ms. Nevarez stated that she sees the necessity for this program because it is a beneficial program for the youth. This program has helped students to maintain punctuality and look for work opportunities. The passes help to remove extra cars from the roads, which is good for the environment. She said that the passes help students participate in extra curricular activities and helps them to get home safely. Ms. Nevarez stated that she has seen people obtain the pass after seeing other students using the pass for school and extracurricular activities.

Abdulrahim Mohamed – Mid-City CAN. Mr. Mohamed stated that they have been working on the pass program for about three years to obtain transit passes for youth. He said the San Diego

Unified School District has now agreed to contribute \$200,000 for the program. The program received over 1,300 applications and 1/3 of the applications were pulled to be part of a controlled group for a third party independent evaluation commissioned by the school district. Mr. Mohamed said the interim evaluation report was released the previous week and showed indicators of success. He stated that safety, ridership and academic achievement were some of the key highlights in the report. They have learned a lot from the program and one of their key lessons learned was how important these passes were in giving young people the opportunity to access jobs and internships. He said they are increasing their partnerships with other youth supporting organizations and adding a transit education component to the program orientations in Fall 2014. Mr. Mohamed requested that staff add the following items to the next Board of Directors meeting in July: a promotional discount of 33% for the passes sold to the program; a feasibility study on a similar discount for all school districts to build into their program objectives, activities or measurements to increase ridership; and a roll-over of all unused and inactivated passes from the last years program to the next year.

Emily Serafy Cox – Ms. Serafy Cox gave up her spot to speak so Abdulrahim Mohamed could have a longer speaking slot.

Aryeu Hernandez – Ms. Hernandez gave up her spot to speak so Abdulrahim Mohamed could have a longer speaking slot.

Yolanda Rodriguez – Ms. Rodriguez gave up her spot to speak so Abdulrahim Mohamed could have a longer speaking slot.

Deyanira Garcia – Mid-City CAN. Ms. Garcia shared testimonials from Crawford High School students who participated in the Youth Pass Pilot Program.

Jesus Doque – Mid-City CAN. Mr. Doque stated that he was given a pass from the Youth Pass Pilot Program. He said that he now has a job because he is able to travel on time and does not have to rely on anyone to give him a ride.

Margarita Roman – Ms. Roman left the meeting and did not speak.

Alondra Zepeda – San Diego High School. Ms. Zepeda said that she was given a transit pass and is now able to travel without having to rely on anyone for a ride. She is also able to attend tutoring and extracurricular activities with her transit pass.

Dallas Murphy – San Diego High School. Ms. Murphy said the transit pass has helped her financially and with advancing in school. She is able to do more of her tutoring and community service.

Elizabeth Segura – San Diego High School. Ms. Segura said she is a student and does not have a car in her family. She stated that her and her mom both ride the bus and this pass has helped her family financially. She is thinking of doing community service during the summer and the transit pass will help her get to the places she needs to be.

Board Member Comments

Ms. Cooney said the MTS Board has made the policy decision that they want to support youth and have discounted the pass. The further discount would likely require a fare ordinance

change which is a SANDAG related item and would also likely trigger a Title VI analysis. MTS is going to roll-over the unused funds and is currently working with the school district to see how they would like to use those funds. She said that the school districts are already providing passes to students for various programs such as the TRACE program. Ms. Cooney stated that MTS does not discount passes on a financial basis. A recent survey showed that 70% of MTS riders live in households which make \$30,000 or less per year. Ms. Cooney said that by the next Board meeting we will have an updated report.

Mr. Gastil thanked the public speakers for their comments. He said the next generation of transit riders should be a large part of MTS discussion. Mr. Gastil stated that MTS should think of a strategy for this program going forward and for other areas of the region. He agreed that this should be included in next month's Board meeting.

Mr. Ramirez stated that there is an agency interest in creating a culture of public transit riders for youth and said he fully supports the program.

Mr. Gloria stated he likes the idea of rolling the funds over from year to year for the youth pass program due to not every pass being utilized. Mr. Gloria also commented on the overall budget. He asked why the 5 year projection is currently predicting a deficit and if that is a standard projection. Mr. Jablonski said that is a standard projection in which the numbers are used from the current year and projected out, however there will likely be other factors that occur during those years that can change the future year's budgets.

Ms. Rios said she would like to see the Youth Pass Program expanded. She would like to hear more information about the school district's discussion regarding funding. Ms. Cooney responded that the school district wants to see how the effects of this program are being felt. Personnel from the Superintendent's office are reaching out to the Principals of the schools to see what they want to do with their funding in relation to the program.

Mr. Alvarez commented on the issue of student transit passes. He said he is interested on what it would take for further fee reductions for transit passes for youth. Mr. Alvarez stated that he feels it is important to build the future ridership. He asked whether cap and trade has been calculated for the FY 2015 budget. Larry Marinesi, Chief Financial Officer, stated that cap and trade will be incorporated in the mid-year budget. Mr. Alvarez suggested that it may be an interesting experiment to do a free transit pass day for students on the first day of school. Mr. Alvarez commented on the Desert Line and asked if money can be set aside for a feasibility study regarding the Desert Line. Mr. Jablonski stated that it is likely there will be a staff report regarding an update on the Desert Line at the July Board meeting.

Mr. Ramirez commented that he has been vocal and critical of MTS on the Desert Line issue and wanted to raise a discussion on the matter. Vice Chairman Roberts stated that MTS currently has a legal binding contract with the Desert Line and will come back to the Board with a report, so the Board can have a discussion on that specific issue. Mr. Ramirez stated that he will not be supporting the budget due to his dissatisfaction on various issues. He feels there are social justice issues that need to be addressed. He believes a comprehensive study should be in order regarding those issues. He also stated that he has issues with the operations side of the organization.

Vice Chairman Roberts stated that a motion to close the public testimony is needed and once the public testimony is closed there can be a motion to approve the FY 2015 budget. Ms.

Emerald offered a motion to close the public testimony. Mr. McClellan seconded the motion, and the vote was 11 to 1 in favor, with Mr. Ramirez opposed and Messrs. Cunningham, Mathis and McNelis absent.

Mr. Alvarez commented that he wanted to clarify what he said earlier in the discussion. He said that he suggested putting aside money for a study regarding the Desert Line. He understands MTS will be giving an updated report at the July Board meeting.

Vice Chairman Roberts stated that if the budget is adopted, he suggests that during the July Board meeting there should be two focus reports on the Youth Pass Program and the Desert Line.

Mr. Gastil asked how we would fix the budget if there are budget implications that arise during the July Board meeting. Vice Chairman Roberts stated that the budget would be amended at that time.

Action Taken

Ms. Emerald moved to (1) hold a public hearing, receive testimony, and review and comment on the fiscal year 2015 budget information presented in this report; and (2) enact Resolution No. 14-7 adopting the operating and capital budget for MTS and approving the operating budgets for San Diego Transit Corporation (SDTC), San Diego Trolley, Inc. (SDTI), MTS Contract Services, Chula Vista Transit and the Coronado Ferry. Ms. Cole seconded the motion, and the vote was 11 to 1 in favor, with Mr. Ramirez opposed and Messrs. Cunningham, Mathis and McNelis absent.

DISCUSSION ITEMS:

30. Encanto/62nd Street Trolley Station Transit Oriented Development: Disposition and Development Agreement with AMCAL Villa Encantada Fund, L.P.

Karen Landers, General Counsel, introduced the agenda item and provided a brief description of the project. She discussed the trolley station specifications and reviewed the development proposal, development status and next steps for the project. Ms. Landers also discussed the Disposition and Development Agreement (DDA) and Ground Lease highlights for the property.

Vice Chairman Roberts added to the presentation by providing a brief overview and summary regarding this project to the newer Board members.

Ms. Cole stated that this project will be a wonderful addition to the community. Ms. Cole inquired as to what outreach efforts took place. Mario Turner of AMCAL stated that they went door to door to the neighbors living in the adjacent areas. He said they also made presentations to the Southeastern Economic Development Corporation (SEDC) Board of Directors, and stated that they are in support of the project. Ms. Cole inquired about the potential retail spot that will be located on this property. Mr. Turner stated that a coffee shop would be located at this retail spot, and also said Starbucks was on the top of their list. Ms. Cole asked what the funding would be used for from the one-time revenue money that will be paid to MTS. Ms. Landers stated that would be a decision of the MTS Board. Ms. Cole asked if there was a confirmed ground breaking date for the project. Mr. Turner stated the ground breaking will take place by November 2015.

Mr. Gloria inquired if there was an update on the issue of pedestrian safety at the property location. Ms. Landers said that AMCAL will be submitting a request with the City of San Diego to install a mid-walk crosswalk from the development site to the transit platform. She also stated that MTS will be supporting that request. Mr. Gloria stated that he is also in support of the mid-walk crosswalk.

Action Taken

Ms. Cole moved to approve the Disposition and Development Agreement and Ground Lease with AMCAL Villa Encantada Fund, L.P. (AMCAL). Mr. Gastil seconded the motion, and the vote was 10 to 0 in favor with Messrs. Cunningham, Mathis, McClellan, McNelis and Ms. Rios absent.

33. Taxicab Contracts Renewal (TAKEN OUT OF ORDER)

Ms. Cooney discussed the amended taxicab contracts for all of the cities that MTS serves. She stated that the Board discussed the City of San Diego's contracts and the Board's negotiating principals have been incorporated into the attachment and is included in the staff recommendation. Ms. Cooney said the attached document was approved by the City Council. She also explained that the second part of the staff recommendation to the Board is to approve a 5 year extension of existing agreements for Taxicab Administration with the cities of Santee, El Cajon, La Mesa, Poway, Lemon Grove, and Imperial Beach. Ms. Cooney noted those cities have not yet approved their contracts and if there are any substantive changes to those contracts they will be brought back to the Board.

Mr. Gastil clarified that the City of Lemon Grove approved their contract on Tuesday, June 17, 2014.

Mr. Ewin stated that the City of La Mesa has the contract on their agenda for Tuesday, June 24, 2014.

Public Comments

Mikail Hussein – United Taxi Workers of San Diego. Mr. Hussein said they have come a long way and he knows the MTS Board will do the right thing. He said they are asking for the City of San Diego and MTS to take out item F in the contract. He said item F states that MTS will not expand its regulatory roles to include oversight of the taxicab permit holder and lease drivers' relationships. Mr. Hussein asked for item F to be removed and for MTS to take responsibility for the matter.

Michel Anderson – San Diego Transportation Association. Mr. Anderson stated that a letter was provided to all Board members from the President of the San Diego Transportation Association (SDTA) in favor of the agenda item. He acknowledged the people who attended on behalf of SDTA and who are in support of the agenda item. Mr. Anderson stated they are in support of the staff recommendations including the Ninth Amendment with the City of San Diego to extend the taxicab regulation agreement for the next five years and to do the same for the six other cities included in the recommendation. Mr. Anderson said that MTS's action, if it is successful today, will bring back the stability to the industry and remove the uncertainty from the previous year.

Akbar Majid – Mr. Majid gave up his spot to speak so Michel Anderson could have a longer speaking slot.

Anthony Palmeri – Mr. Palmeri gave up his spot to speak so Michel Anderson could have a longer speaking slot.

Craig Rowe – Mr. Rowe gave up his spot to speak so Michel Anderson could have a longer speaking slot.

Tony Hueso – Mr. Hueso gave up his spot to speak so Michel Anderson could have a longer speaking slot.

Misgihina Gebrehiwet – Ms. Gebrehiwet gave up her spot to speak so Michel Anderson could have a longer speaking slot.

Fessfhaye Gebrehiwet – Mr. Gebrehiwet gave up his spot to speak so Michel Anderson could have a longer speaking slot.

Berhe Tadeg – Berhe Tadeg gave up their spot to speak so Michel Anderson could have a longer speaking slot.

George Abraham – Mr. Abraham gave up his spot to speak so Michel Anderson could have a longer speaking slot.

Tsegai Gebregziabha – Tsegai Gebregziabha gave up their spot to speak so Michel Anderson could have a longer speaking slot.

Kassahun Desta – Kassahun Desta gave up their spot to speak so Michel Anderson could have a longer speaking slot.

Bemnet Heilemichael – Bemnet Heilemichael gave up their spot to speak so Michel Anderson could have a longer speaking slot.

Margo Tanguay – Ms. Tanguay talked about Tony Gwynn's recent passing. She also commended Judy Leitner for the great work she has done for the agency. Ms. Tanguay stated that MTS has also done a great job updating the taxi stands.

Tamrat Lankebo – *United Taxi Workers of San Diego*. Mr. Lankebo discussed the history of MTS's relationship with the taxicab industry. He stated that MTS needs to reform the industry and take accountability.

Sarah Saez – *United Taxi Workers of San Diego*. Ms. Saez discussed a fact sheet about taxi related economics which she provided to all Board members. Ms. Saez said they are concerned with section F and section 4 in the contract. They are asking to remove section F from the contract, and want to see lease caps and anti-retaliation efforts for the drivers.

Abebe Antallo – Mr. Antallo left the meeting and did not speak.

Ian Sernelo – *United Taxi Workers of San Diego*. Mr. Sernelo stated that he is an advocate of the United Taxi Workers of San Diego. He agreed that section F should be removed and said

there is a safety issue between the lease drivers and permit holders. He believes that MTS should regulate that issue.

Board Member Comments

Vice Chairman Roberts stated that there is a letter from the San Diego Transportation Association. He read the letter to the Board members and noted that the letter was included in the Board handouts.

Ms. Emerald thanked all of the public speakers for their testimony. She commented in regard to item F in the contract, stating that it does not conflict with the San Diego City Council Policy 500-02 or item 7 in the contract. Ms. Emerald noted she does not like that clause in the contract. She said it is her understanding that as part of the approved contract, MTS will immediately begin enforcing a requirement that taxicab owners provide copies of leases, contracts and receipts to drivers, and that those documents should be available to regulators upon request. Ms. Cooney stated that MTS will take that change forward and put it into Ordinance 11. She said the San Diego City Council Policy 500-02 changes that were approved by the Council in 2012 will hopefully be coming to the MTS Board by the July meeting for approval. Ms. Cooney also stated that MTS will hold owner and driver elections for the Taxicab Advisory Committee (TAC). Ms. Emerald stated that Council Policy 500-02 will include the requirement for taxicabs to have security cameras; the ability for taxicabs to accept credit cards; the implementation of a customer complaint system; and 25% of the trips must originate in under-served communities. She also noted that she would like to know whether there are currently any salvaged vehicles being operated as taxicabs.

Ms. Emerald noted that she would like to make a motion to approve the contract with the following provisions: requiring that drivers receive copies of their leases, contracts and receipts, and that those documents should be made available to regulators upon request; the intent that MTS will bring back the City Council's list of reforms under Council Policy 500-02; the owner and driver elections for the TAC; and that item F be removed from the contract.

Mr. Ewin inquired for clarification as to why the MTS Board was deciding on the matter to change items in the contract that pertain exclusively to the City of San Diego.

Ms. Emerald stated that the City of San Diego has enacted some policy changes and those changes must come to the MTS Board for ratification in concern to the suggestion of item F in the contract. This was discussed with the Council and she stated she is offering this as an amendment with regard to Council Policy 500-02.

Ms. Cooney clarified that the language in the attached contract is the exact language that was approved by the San Diego City Council.

Vice Chairman Roberts stated that he is in support of this item with the exception of removing item F, which has already been approved by the City Council.

Ms. Emerald stated that item F is not in conflict with other elements of the contract.

Mr. Gastil commented that he is in support of removing item F from the contract.

Vice Chairman Roberts asked the Board who is in favor of removing item F from the contract and then resubmitting the contract to the City Council. Ms. Emerald stated that the contract would not need to be resubmitted to the City Council. Ms. Landers stated the contract would have to go back to the City of San Diego to determine what the scope of the approval was at the City Council. She stated she is not aware that the MTS Board was given authority to amend the contract after the City Council's approval.

Ms. Emerald offered a motion to remove item F from the contract. Mr. Ramirez seconded the motion, and the vote was 6 in favor and 5 opposed with Messrs. Cunningham, Mathis, McNelis and Ms. Rios absent. Vice Chairman Roberts stated that the vote needed at least 8 members in favor to pass the motion.

Ms. Emerald offered a motion to approve the original staff recommendation with the understanding that the Board will bring back Council Policy 500-02 at next month's meeting, and that MTS will be enforcing the reforms that were enumerated by staff. Ms. Cole seconded the motion, and the vote was 6 in favor and 5 opposed with Messrs. Cunningham, Mathis, McNelis and Ms. Rios absent. Vice Chairman Roberts stated that the vote needed at least 8 members in favor to pass the motion.

Mr. Ewin offered a motion to approve all of the cities contracts in the staff recommendation except for the City of San Diego's contract. Mr. Ovrom seconded the motion. Mr. Gloria commented on the motion, stating that the City Council would like MTS to continue the Taxicab Administration even without removing item F from the contract. He stated that he would like to have the original staff recommendation approved. No vote was taken on Mr. Ewin's motion.

Vice Chairman Roberts stated that the original staff recommendation may be re-voted on due to a misunderstanding during the second motion.

Action Taken

Mr. Ewin moved to (1) approve the draft "Ninth Amendment to Agreement for Administration of Taxicab and Other For-Hire Vehicle Regulations Between San Diego Metropolitan Transit System and City of San Diego"; and (2) approve a five-year extension of existing agreements for Taxicab Administration with the cities of Santee, El Cajon, La Mesa, Poway, Lemon Grove, and Imperial Beach. Mr. Ovrom seconded the motion, and the vote was 10 to 1 in favor with Mr. Alvarez opposed and Messrs. Cunningham, Mathis, McNelis and Ms. Rios absent.

31. Sale of Surplus Real Property: 8650 Tech Way in the City of San Diego

The report was waived.

Action Taken

Ms. Emerald moved to accept Dan Floit's offer to purchase 8650 Tech Way in the City of San Diego and authorize the Chief Executive Officer to enter any and all agreements to finalize the transaction for the terms outlined in the offer letter. Mr. Ovrom seconded the motion, and the vote was 11 to 0 in favor with Messrs. Cunningham, Mathis, McNelis and Ms. Rios absent.

32. Fixed-Route Bus Services - Contract Amendment

The report was waived.

Action Taken

Ms. Emerald moved to (1) authorize the Chief Executive Officer to execute Amendment 4 to MTS Doc. No. B0453.0-06 with Veolia Transportation Services, Inc. This allows the purchase of up to twenty-five model year 2007 Blue Bird 4500 diesel powered express commuter coaches and associated spare parts under the current Fixed Route Bus Services agreement; and (2) authorize an additional \$2,754,000 in contract spending authority to accommodate this procurement. This will increase the available contract spending authority from the current \$372,015,453.32, to a new total of \$374,769,453.32. Mr. Ovrom seconded the motion, and the vote was 11 to 0 in favor with Messrs. Cunningham, Mathis, McNelis and Ms. Rios absent.

REPORT ITEMS

45. Operations Budget Status Report for April 2014

The report was waived.

Action Taken

Mr. Ewin moved to receive the MTS operations budget status report for April 2014. Ms. Bragg seconded the motion, and the vote was 9 to 0 in favor with Messrs. Cunningham, Gastil, Mathis, McNelis and Misses Cole and Rios absent.

60. Chairman's Report

There was no Chairman's Report.

61. Audit Oversight Committee Chairman's Report

Mr. Ewin stated that the Audit Oversight Committee met and reviewed the preliminary audit report and is waiting to update the Board in October 2014. He said at the next meeting they will share the changes and explanations of GASB and other rules.

62. Chief Executive Officer's Report

Mr. Jablonski reported that had taken three trips since the last Board meeting. He traveled to Sacramento to work with the CTA on legislative issues; Washington DC to meet with FTA staff on Mid-Coast; and Montreal for the APTA Rail Conference. Mr. Jablonski commented that the students at UCSD recently had a ballot measure to pass a proposed \$50 per quarter transportation fee. He said out of that proposal, MTS will get \$35 of the fee in order to give every student on campus a quarterly transit pass. The ballot passed by 71% which means all students at UCSD will have access to MTS services. Mr. Jablonski also commented that the Rapid bus service started on Sunday, June 8th and the ridership has been growing since service began.

63. Board Member Communications

Mr. Ramirez commented on the Desert Line. He stated that he did not see the SDA&E income reflected in the financial records and asked for staff to answer back to him on that matter. He noted that he believes a large MTS failure has been the inability to define the public value opportunities. Mr. Ramirez commented on various matters that need to be completed to meet some of the public objectives.

Mr. Alvarez stated that he received a notice from the Air Pollution Control District about an MTS application for a gas dispensing facility at 1601 Newton Avenue. He inquired if this matter relates to an agenda item that was passed in December 2013. Mr. Marinesi responded and said this matter does not pertain to an agenda item passed in December. He said the plans are to install a gas tank in the San Diego Trolley yard for internal purposes for non-revenue vehicles and security vehicles.

64. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

65. Next Meeting Date

The next regularly scheduled Board meeting is July 17, 2014.

66. Adjournment

Vice Chairman Roberts adjourned the meeting at 12:07 p.m.



Chairperson
San Diego Metropolitan Transit System

Filed by:



Clerk of the Board
San Diego Metropolitan Transit System

Approved as to form:



General Counsel
San Diego Metropolitan Transit System

Attachment: Roll Call Sheet

METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS
ROLL CALL

MEETING OF (DATE): June 19, 2014

CALL TO ORDER (TIME): 9:05 a.m.

RECESS: N/A

RECONVENE: N/A

CLOSED SESSION: 9:24 a.m.

RECONVENE: 9:45 a.m.

PUBLIC HEARING: 9:47 a.m.

RECONVENE: 10:50 a.m.

ORDINANCES ADOPTED: N/A

ADJOURN: 12:07 p.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ALVAREZ	<input checked="" type="checkbox"/> (Zapf) <input type="checkbox"/>	9:05 a.m.	12:07 p.m.
BRAGG	<input checked="" type="checkbox"/> (Bilbray) <input type="checkbox"/>	9:15 a.m.	12:07 p.m.
COLE	<input checked="" type="checkbox"/> (Zapf) <input type="checkbox"/>	9:05 a.m.	11:55 p.m.
CUNNINGHAM	<input type="checkbox"/> (Mullin) <input type="checkbox"/>		
EMERALD	<input checked="" type="checkbox"/> (Zapf) <input type="checkbox"/>	9:08 a.m.	12:07 p.m.
EWIN	<input checked="" type="checkbox"/> (Arapostathis) <input type="checkbox"/>	9:05 a.m.	12:07 p.m.
GASTIL	<input checked="" type="checkbox"/> (Jones) <input type="checkbox"/>	9:05 a.m.	11:55 p.m.
GLORIA	<input checked="" type="checkbox"/> (Zapf) <input type="checkbox"/>	9:05 a.m.	12:07 p.m.
MATHIS	<input type="checkbox"/>		
MCCLELLAN	<input checked="" type="checkbox"/> (Ambrose) <input type="checkbox"/>	9:05 a.m.	12:06 p.m.
MINTO	<input type="checkbox"/> (McNelis) <input checked="" type="checkbox"/>	9:05 a.m.	10:20 a.m.
OVROM	<input checked="" type="checkbox"/> (Denny) <input type="checkbox"/>	9:05 a.m.	12:07 p.m.
RIOS	<input checked="" type="checkbox"/> (Sotelo-Solis) <input type="checkbox"/>	9:05 a.m.	10:56 a.m.
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:20 a.m.	12:07 p.m.
SALAS	<input type="checkbox"/> (Ramirez) <input checked="" type="checkbox"/>	9:08 a.m.	12:07 p.m.

SIGNED BY THE CLERK OF THE BOARD:

Julia Sansone

CONFIRMED BY THE GENERAL COUNSEL:

Phil Card