

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

September 10, 2015

MINUTES

A. ROLL CALL

Chairman Mathis called the Executive Committee meeting to order at 9:03 a.m. A roll call sheet listing Executive Committee member attendance is attached.

B. APPROVAL OF MINUTES

Mr. Gloria moved for approval of the minutes of the July 9, 2015, MTS Executive Committee meeting. Ms. Bragg seconded the motion, and the vote was 4 to 0 in favor with Mr. Cunningham absent.

C. COMMITTEE DISCUSSION ITEMS

3. Low Carbon Fuel Standard Energy Credits (Mike Thompson) (TAKEN OUT OF ORDER)

Mike Thompson, Director of Financial Planning and Analysis, provided a presentation on Low Carbon Fuel Standard (LCFS) Energy Credits. He provided a brief history of the Natural Gas Program and reviewed the purposes of this program. He noted that the current gas service provider (GSP) is BP Energy Company (BP). Mr. Thompson discussed the California Air Resources Board (CARB), a State program, and noted that CARB created LCFS aimed at reducing greenhouse gas emissions in 2007. He stated that the program administers credits and MTS began generating credits in October 2012. Mr. Thompson said that MTS earned 11,000 credits from October 2012 to June 2013. He reviewed the trend of credits generated by quarter and noted that more green gas has been generated over time. Mr. Thompson said that there are 11,000 credits available for sale. He reviewed the trend of credit prices by fiscal year and stated that it seems the trend is increasing for credit prices. He noted that there is no budgetary reason to sell the 11,000 credits; however, the staff recommendation is to watch the market and set a sale price of \$75 or higher and to sell the credits if that price is achieved.

Ms. Bragg asked when this item would be brought back to the committee for an update. Mr. Jablonski stated that it would not be brought back unless the credits were not sold and then staff would look for other opportunities to sell. He said that staff will sell the credits if the sale price of \$75 or higher is achieved.

Mr. Gloria inquired about selling the credits back to BP. Mr. Thompson replied that starting July 1, 2013, we are obligated to sell the credits we generate through natural gas to BP. He noted that the 11,000 credits discussed were generated before that date. Mr. Gloria asked if there was an expiration date for the credits. Mr. Thompson said there is no expiration for the credits. Mr. Gloria asked what the revenues could be used towards. Mr. Thompson said that the revenues can be used towards anything for MTS.

Mr. Roberts commented on future credits and noted that future credits will be much more significant in number compared to the 11,000 credits. He asked if MTS had a consultant regarding the sale of the credits. Mr. Thompson replied that MTS has a broker in place that is monitoring the credits.

Action Taken

Mr. Roberts moved to approve selling the 11,000 LCFS energy credits once a sale price of \$75 or more is achieved. Ms. Bragg seconded the motion, and the vote was 4 to 0 in favor with Mr. Cunningham absent.

2. MTS Work Order Approval for Orange Line Courthouse Station – Design Engineering Services (Brent Boyd) (TAKEN OUT OF ORDER)

Brent Boyd, Senior Transportation Planner and Rail Operations Analyst, provided a presentation on the Orange Line Courthouse Station. He gave a brief introduction and stated that the station is needed to address overcrowding issues and capacity limits at Santa Fe Depot. He noted that the State cap-and-trade program provided a solution to these problems. Mr. Boyd reviewed the Transit and Intercity Rail Program (TIRCP) grant funding. He stated that MTS applied for \$37.2 million in TIRCP cap-and-trade funds to fund the purchase of nine additional Trolley low-floor vehicles, the new Courthouse station and operating funds for additional Trolley service. Mr. Boyd noted that the entire project would cost \$48 million, with MTS matching \$11 million of those funds. MTS received \$31.9 million of TIRCP cap-and-trade funds, which will fund eight Trolley low-floor vehicles as well as the new Courthouse station. He noted that since the application was submitted, the estimated costs for the project have increased, which has increased MTS's matching funds to increase to approximately \$18 million. Mr. Boyd stated the staff proposes MTS's funding match to come from Transportation Development Act (TDA) and Low Carbon Transit Operations Program (LCTOP) cap-and-trade funds to pay for the additional increased costs.

Mr. Jablonski noted that for \$18 million of MTS's money, we will have a new Trolley station and nine new Trolley low-floor vehicles. He stated that these cars will be replacing some of the old SD-100 Trolley vehicles. Mr. Jablonski stated that the price increase Mr. Boyd referenced included additional parts and training materials for the Trolley vehicles.

Ms. Bragg inquired about what the Courthouse station will provide for the Blue Line. Mr. Jablonski replied that the station will serve the Courthouse station and will relieve congestion between America Plaza and Santa Fe Depot. He commented that if the Orange Line terminates at this new station, it will help to relieve all other congestion. Ms. Bragg asked if the third track at Santa Fe Depot was still another option. Mr. Jablonski stated that there has been continuous push back on adding an additional track due to the other rail services located at Santa Fe Depot.

Mr. Boyd continued the presentation and provided images of where the station will be located and how the tracks will be placed on C Street. He reviewed the station appearance and noted it will be very similar to the Civic Center station. He stated that there will be access to the station from the East and the West. Mr. Boyd presented what

the new Orange Line, Blue Line and Green Line map will look like including the Courthouse station.

Mr. Cunningham inquired what the predicted number of juror riders will increase to. Mr. Boyd stated that currently 40% of jurors use MTS. He said they are not sure exactly what the increase in riders will be for jurors once the new station opens.

Mr. Boyd reviewed the project benefits including increased trolley capacity, increased capacity of heavy rail at Santa Fe Depot, reduced LRV versus auto conflicts, and more convenient access to the Courthouse complex. He reviewed the costs and schedule and stated that the station will cost approximately \$8 million. The construction will begin in FY17 and passenger service will begin in FY18. Mr. Boyd read the recommendations to the Executive Committee.

Mr. Gloria inquired if MTS would be taking over any portion of the parking lot adjacent to the station. Mr. Boyd stated that they will not be taking over any portion of the adjacent parking lot. He also noted that a fence will be installed at the parking lot to increase security measures. Mr. Gloria inquired about the Trolley vehicles blocking intersections. Mr. Boyd replied that some of the intersections will bulb out to help alleviate trolleys from sticking out into the intersections. Mr. Roberts noted to make sure that this would not affect any of the traffic on Front Street because there is already a lot of congestion on that street. Mr. Gloria inquired if MTS has any other stations that are similar to the Courthouse station. Mr. Boyd replied that the Courthouse station will be slightly similar to the 25th and Commercial station.

Ms. Bragg inquired if the design part of this project could be brought to the Accessible Services Advisory Committee (ASAC) to give recommendations regarding accessible service. Mr. Boyd replied that they would bring this to the ASAC.

Mr. Cunningham inquired if the Courthouse was still going to build a tunnel between the two buildings. Sharon Cooney, Chief of Staff, replied that the Courthouse will not be building the tunnel and instead they will be rebuilding the sky bridge. Mr. Cunningham inquired about the California Environmental Quality Act (CEQA) exemption and if MTS anticipates anyone objecting to the exemption. Karen Landers, General Counsel, replied that staff has worked with its environmental counsel at Best Best & Krieger (BB&K) and have confirmed that this is not only a categorical exemption, but a statutory exemption, which specifically exempts projects for transit in which transit is being increased on existing highways and rights of way.

Ms. Bragg inquired if staff is expecting issues with people waiting at the station and not having a ticket. Mr. Boyd replied that they are not expecting a problem. He stated that it is acceptable for people to walk through the station, but loitering is not allowed at any of the stations.

Action Taken

Mr. Cunningham moved to: (1) authorize the Chief Executive Officer (CEO) to execute Work Order 13.09 to MTS Doc. No. G1496.0-13 with RailPros, Inc. to perform Design Engineering Services for Orange Line Court House Station Project ("Project") for thirty percent (30%) design; (2) find the Project exempt under the California Environmental

Quality Act ("CEQA"); and (3) amend the Fiscal Year (FY) 16 Capital Improvement Plan (CIP) by creating a new project for the Courthouse Station (Project 11573), including the transfer of \$127,300 from Miscellaneous Capital (CIP Budget No. 11200-0600). Ms. Bragg seconded the motion, and the vote was 5 to 0 in favor.

1. California Air Resource Board (CARB) Mandate (Bill Spraul) (TAKEN OUT OF ORDER)

Mr. Jablonski introduced this item and noted that MTS has made a very large investment in compressed natural gas (CNG) and is almost 100% CNG vehicles on the fixed route fleet. He noted that CARB started an initiative in 2012 to implement zero emissions bus (ZEB) requirements. He said that MTS would have to obtain approximately 100-120 ZEBs to comply with the requirements. Mr. Jablonski stated that the California Transit Association (CTA) has put together a working group of other transit agencies on this matter and have successfully helped in delaying the ZEB mandate. He stated that currently, CARB is pushing to implement this mandate. Mr. Jablonski noted that he attended a meeting in Sacramento recently regarding this matter. He commented that ZEBs sound like a good idea overall, however there are many issues that come along with this mandate including costs, operations, upkeep, etc. Mr. Jablonski also stated that currently there are only 53 ZEBs operating in the State of California.

Bill Spraul, Chief Operating Officer – Transit Services, continued the presentation and provided an introduction and history of CARB regulation. He reviewed the status of MTS emissions reduction efforts. He stated that MTS has reduced particulate matter emissions by 95% and reduced NOx emissions by 91%. Mr. Spraul stated that CARB is looking at zero emission buses, however, MTS currently already operates 130 zero emission vehicles – its trolleys. In addition, MTS currently has 542 near zero emission CNG buses. He reviewed the CARB timeline for clean energy and zero emissions. He stated that the approach so far has been a ZEB specific rule that is "one size fits all". This one rule would apply to every transit system regardless of clean energy and emission reduction efforts to-date; differences among transit systems such as modes, system size, funding sources, operating environments and characteristics; and unique local and regional priorities and plans. Mr. Jablonski noted that our fleet is dramatically better already compared to other agencies that only have diesel buses in their fleet and no trolley vehicles.

Mr. Spraul reviewed the list of MTS concerns with CARB's proposed regulations. He noted that there are only 53 total ZEBs currently in operation in California, which is 0.5% of the total California transit system bus fleet. He stated that there are three electric bus manufacturers including BYD, New Flyer and Proterra. Mr. Spraul stated that the charging systems on these buses are proprietary and not universal, meaning that there would be increased costs associated if an agency procured buses from more than one manufacturer. Mr. Jablonski noted that the charging life of some of these buses is shorter than the length of some of the bus routes, which poses operating problems.

Mr. Spraul reviewed the range and route operating limitations. He stated that the demand for and reliability of electricity in San Diego is a significant concern for MTS. He reviewed the financial impact of the proposed regulations and noted that the ZEBs cost 60% more per bus versus CNG and requires \$200,000 for the battery charger replacements. Mr. Spraul stated that ZEBs would create 100% higher fuel operating costs per bus at \$16,000 per bus per year (for electric costs) versus \$8,000 (for CNG

fuel). Overall, the current MTS bus fleet replacement plan would be an additional \$53 million. He stated that this substantial increase in cost could potentially require significant service reductions. Mr. Jablonski stated that the CARB staff is under the impression that since 80% of the bus fleet is federally funded, that the additional costs of the ZEBs would be funded by the federal government, which is not true. The federal funding obtained by MTS each year is not limitless and would not cover all of the costs of the ZEBs.

Mr. Spraul reviewed MTS's recommendations to CARB including revising the "one size fits all" approach to a holistic approach which permits the combination of emissions-reducing strategies, such as near zero and zero emissions vehicles, clean fuels and other possible alternative emissions reductions, while using a financially responsible approach; and appropriately factors in each transit system's unique local characteristics. He stated that the revised approach would incorporate a system's entire vehicle fleet and modes, operating demographics, environmental factors and existing and planned infrastructure investments. He stated that the new regulations should allow MTS to leverage its existing CNG investment, LRV trolley investment, reality of the local economics of electricity vs CNG and the significant emissions reductions already and currently being achieved.

Chairman Mathis commented on the proprietary charging stations that would be required which result in high cost impacts. Chairman Mathis stated that accommodations should be made to recognize MTS's current contributions towards clean air.

Mr. Roberts inquired who attends the CARB workshops to advocate on this matter. Mr. Jablonski stated that the Zero Emissions Bus Task Force, which includes people from MTS and other transit agencies along with the CTA. Mr. Roberts stated that there are a lot of good arguments, but they will need to focus on performance standard driven arguments. He stated that other states will have the option to follow CA law. Mr. Roberts commented that it's beneficial that there are other transit agencies that are working together and with MTS on this matter. He stated that San Diego's topography is different compared to other cities and electric buses do not go as far as other areas where roads are flatter.

Ms. Bragg commented about the potential of reducing service. She said if there are reductions in service, those riders will end up going back to driving their cars.

Mr. Gloria commented on the Foothills bus fleet and asked if there were other agencies outside of the state or country with ZEBs. Mr. Jablonski replied that there are a few agencies that run electric bus with catenary wire. Mr. Gloria commented that he agrees with the performance driven argument idea. He also stated that the proprietary issue needs to be addressed and pushed back on as well.

Mr. Cunningham inquired if SDG&E would be able to supply power to the charging stations to power all of the buses. Mr. Spraul replied that they have not received a confirmed conclusive answer. He stated that the official response from SDG&E was that they will supply power to any of its customers; however, other SDG&E staff members commented that they were not sure how they would supply power to those specific areas. Mr. Cunningham asked about the roll out date for the ZEB requirement. Mr. Jablonski stated that this mandate could be implemented in FY16.

Mr. Jablonski commented that there is a conflict of wanting to increase transit ridership and implementing this mandate which could result in decreasing service.

Action Taken

No action was taken.

D. REVIEW OF DRAFT September 17, 2015 BOARD AGENDA

Recommended Consent Items

6. San Diego and Arizona Eastern (SD&AE) Railway Company Quarterly Reports and Ratification of Actions Taken by the SD&AE Board of Directors at its Meeting on July 14, 2015
7. Green Line Communication System Upgrade - Installation of Cisco Network Equipment, Dense Wavelength Division Multiplexing Technology
Action would authorize the Chief Executive Officer (CEO) to issue a purchase order to AT&T Datacomm, Inc. (AT&T), for the design, implementation, and installation of Cisco Network Equipment (Cisco), Dense Wavelength Division Multiplexing (DWDM) Technology Optical solution for MTS Green Line trolley stations.
8. Bus Bench Advertising and Maintenance Services - Contract Amendment
Action would: (1) authorize the Chief Executive Officer (CEO) to execute Amendment No. 4 to MTS Doc. No. B0201.4-99 with Coast United Advertising to extend the current agreement by nine (9) months; and (2) ratify Amendment No. 3 which was entered under the CEO's authority in January 2015 for an eight month extension to the contract.
9. Employee Background and Reference Investigation Services - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1800.0-15 with Kristy Investigative Services, Inc., for the provision of employee background and reference investigative services.
10. Driver Control Units Version 2 for the Class E Minibus Fleet - Sole Source Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0626.0-15 with Cubic Transportation Systems, Inc., on a sole-source basis for the provision of thirty-six (36) Driver Control Units Version 2 (DCU2).
11. General Engineering and Real Estate Services for MTS Right of Entry Permits and Right-of-Way Issues
Action would: (1) authorize the Chief Executive Officer (CEO) to execute Work Order No. 13.01.04 to MTS Doc. No. G1496.0-13 with RailPros, Inc. to add an additional work order capacity of \$100,000; and (2) ratify Work Order No. 13.01.03, which was entered under the CEO's authority in September 2014.
12. Revisions to San Diego Metropolitan Transit System (MTS) Policy No. 48, "Transit Service Discrimination Complaints Procedure"
Action would approve and adopt the proposed revisions to MTS Policy No. 48, "Transit Service Discrimination Complaints Procedure".

13. Purchase of Two Additional S70 Ultrashort Dellner Couplers - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1268.0-15 with Dellner, Inc., for the purchase of two (2) additional S70 Ultrashort (US) Dellner Couplers.
14. Card Access Reader Maintenance and Repair On-Call Services - Contract Award
Action would authorize the Chief Executive Officer (CEO) to: (1) execute MTS Doc. No. PWG168.0-15 with Electro Specialty Systems (ESS) for the provision of on-call installation, maintenance, and repair services for MTS card access readers for a three (3) year base period plus three one-year optional terms to be exercised at MTS's sole determination (for a total of six years); and (2) exercise each option year at the CEO's discretion.
15. Investment Report - June 2015
16. Investment Report - July 2015
17. Mobile On Board Video Surveillance System for the Minibus and Paratransit Fleets - Contract Amendment
Action would: (1) authorize the Chief Executive Officer (CEO) to execute Amendment No. 8 to MTS Doc. No. B0521.0-09 with Apollo Video Technology for the provision of an on board video surveillance system (OBVSS) for the minibus and paratransit fleets with the option to purchase additional warranty, maintenance, and support services at MTS's sole determination; and ratify Amendment No. 7 which was entered under the CEO's authority in July 2014 for freight and sales tax adjustment.
18. Green Line Communications System Upgrade Project Construction Management Services - Transfer of Funds from San Diego Metropolitan Transit System to the San Diego Association of Governments
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G0930.17-04.41 for the transfer of funds from MTS to the San Diego Association of Governments (SANDAG) to allow SANDAG to issue a task order on behalf of MTS for the provision of Construction Management Services for the MTS Green Line Communications System Upgrade Project.
19. Closed-Circuit Television On-Call Services - Contract Award
Action would authorize the Chief Executive Officer (CEO) to: (1) execute MTS Doc. No. PWG166.0-15 with Electro Specialty Systems (ESS) for the provision of on-call closed circuit television systems (CCTV) services for a three (3) year base period, plus three (3), one-year optional terms to be exercised at MTS's sole determination (for a total of six years); and (2) exercise each option year at the CEO's discretion.
20. On-Call Communications and Low Voltage Systems Wiring Services - Contract Award
Action would authorize the Chief Executive Officer (CEO) to: (1) execute MTS Doc. No. PWG170.0-15 with Communication Wiring Specialists (CWS) for the provision of on-call communication and low voltage systems wiring services for three year base period with three, one-year optional terms exercisable exclusively at MTS's determination (for a total of six years); and (2) exercise each option year at the CEO's discretion.

21. Title VI Monitoring Report for Service Policies
Action would review and approve the 2015 Title VI Monitoring Report for Service Policies.
22. Job Order Contracting Services - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1282.0-16 with the Gordian Group for the provision of Job Order Contracting services for a five year period.
23. Salary Survey Services - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1835.0-16 with The Howard E. Nyhart Company for the provision of salary survey services for calendar years 2016, 2018 and 2020.
24. Fiscal Year 2016 Transportation Development Act Claim
Action would adopt Resolution Numbers 15-12, 15-13 and 15-14 approving Fiscal Year 2015 (FY16) Transportation Development Act (TDA) Article 4.0, 4.5 and 8.0 claims.
25. On-Call Railroad Job Order Construction Services - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL182.0-16 with Herzog Contracting Corporation, for the provision of on-call railroad job order construction services for a three-year agreement.
26. Siemens SD-100 Light Rail Vehicle Traction Motor Overhaul - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1238.0-15 with Siemens Industry Inc. for the provision of SD-100 Light Rail Vehicle (LRV) traction motor overhaul services.
27. An Ordinance Amending Ordinance No. 5, Providing Authority for Taxicab Regulatory Inspectors to Enforce Additional Local and State Ordinances Relating to For-Hire Transportation Regulation
Action would: (1) read the title of Ordinance No. 5, An Ordinance Relating to the Enforcement Authorities of Code Compliance Inspectors, Assistant Code Compliance Supervisors, the Code Compliance Inspection Supervisor, and Taxicab Inspectors I & II; (2) waive further readings of the Ordinance; (3) adopt the proposed Ordinance amendments; and (4) direct publication of an Ordinance summary.
28. An Ordinance Amending Ordinance No. 11, Providing for the Licensing and the Regulating of Transportation Services Within the City by the Adoption of a Uniform Paratransit Ordinance
Action would: (1) read the title of Ordinance No. 11, An Ordinance Providing for the Licensing and the Regulating of Transportation Services within the City by the Adoption of a Uniform Paratransit Ordinance; (2) waive further readings of the Ordinance; (3) adopt the proposed Ordinance amendments; and (4) direct publication of an Ordinance summary.
29. Bus Tires for Gillig 2000 and 8200 Series Buses - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0629.0-16 with Daniels Tires Service Corporation, for the provision of three hundred and ninety (390) bus tires for the Gillig 2000 and 8200 Series Buses.

BOARD COMMENTS – RECOMMENDED CONSENT ITEMS

Ms. Bragg inquired about consent item number 8 and asked what will happen after the extension expires. Mr. Jablonski stated that we are currently in procurement for new bus benches. Ms. Bragg also inquired about consent item number 17 and asked if MTS currently has cameras on the minibuses and paratransit fleet and the reason we are now procuring the cameras. Mr. Jablonski replied that we do not currently have cameras on the minibuses and paratransit fleet. He stated that we are procuring cameras for many of the same reasons why cameras are on the fixed-route buses, including accidents, driver behavior and passenger incidents. Ms. Bragg commented that it would also be interesting to see some of the passengers utilizing the service that are not legitimately qualified. She said that this could help reduce the number of passengers from abusing the service.

E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA

There was no SANDAG Transportation Committee agenda discussion.

F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS

Mr. Cunningham commented that the Poway parade will be held on Saturday at 10:00am.

Chairman Mathis commented that there will be a Trolley Renewal celebration on Saturday at 11:30am at the E Street Trolley station.

G. PUBLIC COMMENTS

There were no Public Comments.

H. NEXT MEETING DATE

The next Executive Committee meeting is scheduled for October 15, 2015, at 9:00 a.m. in the Executive Committee Conference Room.

I. ADJOURNMENT

Chairman Mathis adjourned the meeting at 11:09 a.m.



Chairman

EXECUTIVE COMMITTEE
SAN DIEGO METROPOLITAN TRANSIT SYSTEM

ROLL CALL

MEETING OF (DATE) September 10, 2015

CALL TO ORDER (TIME) 9:03 a.m.

RECESS _____

RECONVENE _____

CLOSED SESSION _____

RECONVENE _____

ADJOURN 11:09 a.m.

BOARD MEMBER (Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
BRAGG <input checked="" type="checkbox"/> (Rios) <input type="checkbox"/>	9:03 a.m.	11:09 a.m.
CUNNINGHAM <input checked="" type="checkbox"/> (McClellan) <input type="checkbox"/>	9:20 a.m.	11:09 a.m.
GLORIA <input checked="" type="checkbox"/> (Emerald) <input type="checkbox"/>	9:03 a.m.	11:09 a.m.
MATHIS <input checked="" type="checkbox"/>	9:03 a.m.	11:09 a.m.
ROBERTS <input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:03 a.m.	11:09 a.m.
Transportation Committee Rep Slot (Mathis)		

SIGNED BY THE CLERK OF THE BOARD:

Julia Samone

CONFIRMED BY THE GENERAL COUNSEL:

Chae Coors