

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

January 7, 2016

MINUTES

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. Roberts moved for approval of the minutes of the December 3, 2015, MTS Executive Committee meeting. Ms. Bragg seconded the motion, and the vote was 5 to 0 in favor.

C. COMMITTEE DISCUSSION ITEMS

1. Appointment of San Diego Association of Governments Transportation Committee Representative and Alternate (Sharon Cooney)

Sharon Cooney, Chief of Staff, stated that this item will take nominations to appoint a primary representative and alternate representative for the San Diego Association of Governments (SANDAG) Transportation Committee.

Action Taken

Mr. McClellan moved to nominate Harry Mathis, Chairman of the MTS Board of Directors to serve on the SANDAG Transportation Committee for the 2016 calendar year as the primary representative. Mr. Gloria seconded the motion, and the vote was 4 to 0 in favor with Mr. Mathis abstaining.

Mr. McClellan moved to nominate Lorie Bragg from the MTS Board to serve on the SANDAG Transportation Committee for the 2016 calendar year as the alternate member. Mr. Gloria seconded the motion, and the vote was 4 to 0 in favor with Ms. Bragg abstaining.

2. San Diego Transit Corporation (SDTC) Employee Retirement Plan's Actuarial Valuation as of July 1, 2015 (Robert McCrory and Anne Harper of Cheiron Inc. and Larry Marinesi)

Larry Marinesi, Chief Financial Officer, introduced Robert McCrory and Anne Harper of Cheiron, Inc. to provide the presentation on the SDTC Employee Retirement Plan's Actuarial Valuation. Ms. Harper began the presentation and reviewed the plan cost changes from last year, the plan cost history, funding history, history of active membership, plan cost by source and the plan future and projections. Ms. Harper noted that the projections are only estimates. She reviewed the projected total contribution rate and noted that costs are expected to increase slightly over the next five years due to the phasing-in of the unfavorable investment returns in FYE 2015 and then gradually decline starting in 2020. Ms. Harper reviewed the projected funded ratio and stated that it is expected to remain stable in the next few years and projected to be fully funded by 2035.

Lastly, she reviewed the next steps which include an Experience Study in early 2016 to analyze current actuarial assumptions and also to continue monitoring the investment policy.

Mr. Roberts inquired what the cost difference per year would be if the investment earnings assumption was decreased by half a percent. Mr. McCrory replied that they can get that information and report back by next week's Board meeting. Karen Landers, General Counsel, inquired if the Committee wanted to defer the recommended contribution amount until the additional information was provided. The Committee agreed that they would receive the report, but until additional information is provided, they would defer the recommended contribution amount. Mr. Marinesi noted that once information from the Experience Study is provided and discussed with the Budget Development Committee, the modified contribution amount for fiscal year 2017 can be approved during the normal budget process.

Action Taken

The report was received. No action taken.

3. Superlative Group – Contract Extension (Paul Jablonski)

Rob Schupp, Director of Marketing and Communications, stated that the Superlative Group was hired in 2010 and he provided a background on their work which ultimately led to the UC San Diego Blue Line naming rights deal. He noted that the naming rights deal was finalized in July 2015 and has a value of approximately \$36 million over 30 years. Mr. Schupp stated that they have also put in significant effort to market other naming rights partnerships. He stated that to continue those efforts, staff is proposing a four year contract extension with the Superlative Group.

Action Taken

Ms. Bragg moved to forward a recommendation to the Board of Directors to authorize the Chief Executive Officer (CEO) to extend the San Diego Metropolitan Transit System (MTS) contract with the Superlative Group (MTS Doc. No. G1262.0-09), consistent with the draft Amendment No. 5. Mr. McClellan seconded the motion, and the vote was 5 to 0 in favor.

4. Pacific Imperial Railroad (PIR) Desert Line Agreement – Status Update (Karen Landers)

Karen Landers, General Counsel, reported that MTS received the \$500,000 payment and has received a total of \$3 million to date. She stated that MTS has also received PIR's updated reconstruction plan and it is currently under review.

Action Taken

No action taken.

D. REVIEW OF DRAFT January 14, 2016 BOARD AGENDA (TAKEN BEFORE CLOSED SESSION)

Recommended Consent Items

6. Transit Store Project - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG196.0-16 with Grahovac Construction Company Inc. (Grahovac) for the Transit Store Project.
7. MTS 69th Street Grade Crossing Replacement - Award Work Order Under a Job Order Contract
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. MTSJOC7501-03, under MTS Doc. No. PWL182.0-16, with Herzog Construction, Inc. (Herzog) for the provision of services, materials and equipment for the replacement of the grade crossing located at 69th Street on the Orange Line.
8. Adoption of Amended 2016 Conflict of Interest Code
Action would: (1) adopt Resolution No. 16-1 amending the MTS Conflict of Interest Code pursuant to the Political Reform Act (PRA) of 1974; (2) adopt the amended 2016 MTS Conflict of Interest Code; and (3) forward the amended 2016 MTS Conflict of Interest Code to the County of San Diego (the designated code-reviewing body).
9. Trolley On-Board Video Surveillance System (OBVSS) Post Warranty Maintenance and Repair Services - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1294.0-16 with UTC Fire & Security Americas Corporation, Inc. (UTC), for the provision of OBVSS post-warranty maintenance and repair services for three (3) years on MTS Light Rail Vehicles (LRV).
10. California Governor's Office of Emergency Services (CalOES) California Transit Security Grant Program (CTSGP) Funding, Fiscal Year 2015-2016
Action would approve Resolution No. 16-2, authorizing the use of, and application for, \$2,779,445 of California CTSGP for capital projects that provide increased protection against security and safety threats, and/or increases the capacity of transit operators to prepare for and provide disaster-response transportation systems.
11. Investment Report - November 2015

E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA (TAKEN BEFORE CLOSED SESSION)

There was no SANDAG Transportation Committee agenda discussion.

F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS (TAKEN BEFORE CLOSED SESSION)

There was no Committee Member Communications and Other Business discussion.

G. PUBLIC COMMENTS (TAKEN BEFORE CLOSED SESSION)

There were no Public Comments.

The Executive Committee convened for Closed Session at 9:57 a.m.

- C5. CLOSED SESSION - PUBLIC EMPLOYEE PERFORMANCE EVALUATION/CONFERENCE WITH LABOR NEGOTIATORS - CHIEF EXECUTIVE OFFICER Pursuant to California Government Code Sections 54957 and 54957.6;
Agency-Designated Representative: Harry Mathis
Employee: Paul C. Jablonski

The Executive Committee reconvened from Closed Session at 11:39 a.m.

Oral Report on Final Actions Taken in Closed Session

Karen Landers, General Counsel, reported the following:

- C5. The Executive Committee reviewed and evaluated the CEO's performance in calendar year 2015 and gave instructions to labor negotiators.

H. NEXT MEETING DATE

The next Executive Committee meeting is scheduled for February 4, 2016, at 9:00 a.m. in the Executive Committee Conference Room.

I. ADJOURNMENT

Chairman Mathis adjourned the meeting at 11:40 a.m.



Chairman

Attachment: A. Roll Call Sheet

EXECUTIVE COMMITTEE
SAN DIEGO METROPOLITAN TRANSIT SYSTEM

ROLL CALL

MEETING OF (DATE) January 7, 2016

CALL TO ORDER (TIME) 9:00 a.m.

RECESS _____

RECONVENE _____

CLOSED SESSION 9:57 a.m.

RECONVENE 11:39 a.m.

ADJOURN 11:40 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
BRAGG	<input checked="" type="checkbox"/> (Rios) <input type="checkbox"/>	9:00 a.m.	11:40 a.m.
MCCLELLAN	<input checked="" type="checkbox"/> (McWhirter) <input type="checkbox"/>	9:00 a.m.	11:40 a.m.
GLORIA	<input checked="" type="checkbox"/> (Cole) <input type="checkbox"/>	9:00 a.m.	11:40 a.m.
MATHIS	<input checked="" type="checkbox"/>	9:00 a.m.	11:40 a.m.
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:00 a.m.	11:40 a.m.
Transportation Committee Rep Slot (Mathis)			

SIGNED BY THE CLERK OF THE BOARD: 

CONFIRMED BY THE GENERAL COUNSEL: 