

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

MINUTES

February 11, 2016

1. Roll Call

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

2. Approval of Minutes

Mr. McWhirter moved to approve the minutes of the January 14, 2016, MTS Board of Directors meeting. Mr. Cunningham seconded the motion, and the vote was 12 to 0 in favor with Mr. Minto, Ms. Salas and Ms. Zapf absent.

3. Public Comments

Steve Padilla – Mr. Padilla stated that he represents Grand Central West, LLC (GCW), which owns the property between the San Ysidro Trolley Station and the bus terminal lot. He noted that GCW and MTS are currently in litigation. Mr. Padilla stated that SYPS owns the bus terminal lot and North America Greyhound owns half of the company of SYPS. He said that his building has had a door leading out to the bus terminal lot since 2007, but as a result of the ongoing litigation, that door is no longer allowed to be used. Mr. Padilla stated that there is a safety issue by removing this door and pathway leading from the trolley station to the bus terminal platform. He also commented that this will cut off the public's access to buy tickets from smaller competing bus carriers.

Jose Sahagun – Mr. Sahagun stated that he represents Rapid Connection. He said that Rapid Connection is a licensed transportation service operating four buses. They utilize the bus terminal managed by SYPS. Mr. Sahagun said Rapid Connection is a tenant of GCW. He stated that closing off the door access will negatively impact their business and passengers. Mr. Sahagun said that he has observed unequal treatment of bus and van operators. He provided a typed letter of his statements to the Chairman, which is included in the final meeting packet.

Tom Brill – Mr. Brill provided a recommendation on improving the transit stops. He said that various schools and classrooms could decorate different bus stops and also empty the trash cans in order to clean up the city.

Eric Lopez – Mr. Lopez stated that he represents Furtura Net, which is a transportation and travel provider and a tenant of GCW. He said that his company has an agreement with SYPS that only allows for thirty minutes of loading and unloading their passengers. Mr. Lopez noted that he has observed Greyhound exceeding the thirty minute time limit. He said that it is important for the bus terminal to be managed in a fair and professional manner.

Denis Wahl – Mr. Wahl stated that he is a senior and rides the trolley to the SDSU basketball games. He noted that he does not ride transit often enough to have a monthly pass, so instead he buys one way tickets. Mr. Wahl said that there are long lines at the ticket machines at the

SDSU trolley station. He recommended having an option to buy a round trip senior fare, rather than having to buy single one way tickets each time.

Zach Barnhorst – Mr. Barnhorst said that he owns a business on Broadway and 10th Avenue. He stated that there is construction going on about a block away from his business, which resulted in a bus stop moving directly to his store front. Mr. Barnhorst commented that because of the bus dropping off right in front of his business, there have been many negative impacts to and around his business location. He requested for this bus stop to be moved back by one block to avoid having the stop directly in front of his store.

BOARD COMMENTS

Mr. Gastil inquired if the topic of SYPS could be added to the agenda. Karen Landers, General Counsel, stated that this matter is currently in litigation, Metropolitan Transit System v. Grand Central West. She said that the item can be added to today's closed session agenda by a vote.

Action Taken

Mr. Gastil moved to add a discussion of the SYPS matter to the closed session agenda. Ms. Cole seconded the motion, and the vote was 14 to 0 in favor with Mr. Minto absent.

CONSENT ITEMS

6. Excess Insurance Renewals for Liability and Workers' Compensation Program
Action would approve the purchase of excess liability insurance (at limits of \$75 million less a \$2 million self-insured retention [SIR]) and excess workers' compensation insurance (at statutory limits less a \$1 million SIR). The new policies would be in effect from March 1, 2016 through March 1, 2017.
7. Morena/Linda Vista Trolley Station Renovations - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL191.0-16 with Palm Engineering Construction Company, Inc. for the provision of services, materials, supplies and equipment for the Morena/Linda Vista Trolley Station Renovations project.
8. Fiscal Year 2016 State Transit Assistance Claim
Action would adopt Resolution No. 16-3, approving the fiscal year (FY) 2016 State Transit Assistance (STA) claim.
9. Security Services Agreement - Contract Amendment
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1299.5-10 to amend the contract with Universal Protection Service (UPS) to authorize additional contract authority of \$900,000 in fiscal year (FY) 2016.
10. Amendment to Chief Executive Officer Employment Agreement
Action would approve an amendment to the Executive Employment Agreement between MTS and Paul C. Jablonski to provide additional compensation and fringe benefits.
11. San Diego Metropolitan Transit System (MTS) Bus Shelters - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0638.0-16 with Tolar Manufacturing Company, Inc. (Tolar) for the provision of Bus Shelters.

BOARD COMMENTS – CONSENT ITEMS

Ms. Cole requested to pull consent item number 11 for further discussion.

Ms. Zapf requested to pull consent item number 7 for further discussion. Ms. Zapf also said that she is registering a no vote for consent item number 10.

Mr. Alvarez requested to pull consent item number 9 for further discussion after the conclusion of the closed session items. Mr. Alvarez also noted that he is abstaining from consent item number 10.

Action on Consent Items No. 6 and 8

Mr. Cunningham moved to approve Consent Item Nos. 6 and 8. Mr. McClellan seconded the motion, and the vote was 14 to 0 in favor with Mr. Minto absent.

Action on Consent Item No. 10

Mr. Cunningham moved to approve Consent Item No. 10. Mr. McClellan seconded the motion, and the vote was 12 to 1 in favor with Ms. Zapf voting no, Mr. Alvarez abstaining, and Mr. Minto absent.

BOARD COMMENTS – CONSENT ITEM NO. 11

Ms. Cole inquired how the locations were selected for the installation of new bus shelters. Mr. Jablonski replied that the existing shelters will be replaced by the new shelters. He also noted that there will be extra shelters to install at other locations that do not currently have shelters. Rob Schupp, Director of Marketing and Communications stated that there are currently 450 shelters that will be replaced. He said that there is an option to buy up to 600 shelters in total. The additional 150 shelters do not have their locations determined yet. Chairman Mathis recommended for Ms. Cole to submit location requests for the additional shelters.

Action on Consent Item No. 11

Ms. Cole moved to approve Consent Agenda Item No. 11. Ms. Bragg seconded the motion, and the vote was 14 to 0 in favor with Mr. Minto abstaining.

BOARD COMMENTS – CONSENT ITEM NO. 7

Ms. Zapf inquired when the ficus trees were originally planted at the Morena/Linda Vista Trolley Station. Wayne Terry, Chief Operating Officer – Rail, replied that the ficus trees were originally planted in 1996. Ms. Zapf asked if this project was being conducted due to the ficus tree roots damaging the concrete pavers and pads. Mr. Terry replied that they are doing the project because of the concrete damage and the safety issues with the uneven surfaces. He noted that the ficus trees will be replaced with palm trees and the platform will be redone. Ms. Zapf recommended staff to be proactive about these issues and possibly hiring an arborist for future projects.

Action on Consent Item No. 7

Ms. Zapf moved to approve Consent Agenda Item No. 7. Mr. Minto seconded the motion, and the vote was 15 to 0 in favor.

CLOSED SESSION

24. Closed Session Items

The Board convened to Closed Session at 9:34 a.m.

- a. CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
Pursuant to California Government Code Section 54956.9(d)(1) Hsiang Hua Sun, aka Cathy Sun v. Metropolitan Transit System San Diego Superior Court Case No. 37-2014-00038135-CU-PO-CTL
- b. CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
Pursuant to California Government Code Section 54956.9(d)(1) City of San Diego, et al. v. Board of Trustees of California State University San Diego Superior Court Case No. GIC 855643, Court of Appeal Case No. D057446, Supreme Court Case No. S199557
- c. CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
Pursuant to California Government Code Section 54956.9(d)(1) Allen Koka v. San Diego Metropolitan Transit System, et al. USDC Case No. 15-CV-0763-AJB-KSC
- *added at start of meeting*
- d. CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to California Government Code Section 54956.9(d)(1) San Diego Metropolitan Transit System v. Grand Central West LLC San Diego Superior Court Case No. 37-2014-00044014-CU-OR-CTL

The Board reconvened to Open Session at 10:40 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 legal counsel and gave instructions.
- c. The Board received a report from legal counsel.
- d. The Board received a report from legal counsel.

BOARD COMMENTS – CONSENT ITEM NO. 9

Mr. Alvarez moved the item noting that this is a completion of the current contract and does not have impact on the operating budget.

Action on Consent Item No. 9

Mr. Alvarez moved to approve Consent Item No. 9. Ms. Zapf seconded the motion, and the vote was 13 to 0 in favor with Mr. Cunningham and Mr. Gloria absent.

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

30. Security Services Agreement - Contract Award (Manuel Guaderrama)

Manuel Guaderrama, MTS Chief of Police, provided a presentation on the Security Services Agreement. He reviewed the current security contract and noted that the current contract is for six years from July 1, 2010 through June 30, 2016. The new contract term is for three base years and two option years. Mr. Guaderrama noted that Universal Protection Service (UPS) had the highest total technical score in addition to the lowest initial proposed costs. He listed the services provided under the contract and noted that there will be a total of 194 full time staff. Mr. Guaderrama reviewed a list of contract highlights and noted that all officers will wear body cameras, have increased training and increased supervision.

Mr. Minto inquired how many agencies bid for the contract. Mr. Guaderrama replied that five agencies provided bids. Mr. Minto asked if the companies were a comparable size to one another. Mr. Guaderrama replied yes. He also noted that UPS had a much higher technical score than the other companies.

Ms. Cole asked if there will be improved service levels at the more crowded service areas. Mr. Guaderrama replied that they will be able to provide improved service to the crowded areas.

Mr. Alvarez inquired about the training that will be conducted. Mr. Guaderrama replied that UPS has improved their training processes. UPS has a set number of hours that will be required for training, as well as other additional training. Mr. Alvarez asked if there has been an increase in incidents or complaints against the officers. Mr. Guaderrama replied that there has been an improvement in the number of incidents and complaints. He noted that the use of the body cameras has also helped reduce incidents. Mr. Alvarez asked if there is a policy in place that ensures that officers turn on their body cameras. He also asked what happens to the officers if they do not turn on their body cameras. Mr. Guaderrama replied that they do have a policy for the body cameras and the officers will face disciplinary action if they do not use their body cameras properly. Mr. Alvarez inquired if there are any serious outstanding incidents involving UPS officers. Mr. Guaderrama stated that he is not aware of any serious outstanding incidents at this time. He noted that it is common to receive complaints in any law enforcement agency and they are always followed up on and reviewed.

Ms. Zapf inquired about the metrics used to determine the evasion rates. Mr. Guaderrama replied that they run special enforcement details in closed environments with large numbers of officers who can check every passenger at a station and on the trolley. They perform these special details multiple times a year and check thousands of passenger fares.

Action Taken

Mr. McWhirter moved to authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1828.0-15 with Universal Protection Services (UPS) dba Transit Systems Security, for the provision of Security Services for three (3) base years with an option to extend for an additional two (2) years. Ms. Rios seconded the motion, and the vote was 13 to 0 in favor with Mr. Cunningham and Mr. Gloria absent.

REPORT ITEMS

45. MTS Advertising Campaign (Rob Schupp)

Rob Schupp, Director of Marketing and Communications, provided a report on MTS's advertising campaign. He reviewed recent accomplishments including the completed trolley renewal, the purchase of 50 new buses per year, launching new Rapid services and launching the new website. He noted that the campaign is primarily outdoors and aims to highlight MTS's recent accomplishments. Mr. Schupp presented a map of where the various advertising is located around San Diego. He reviewed the overall advertising campaign noting that total impressions are 91.5 million and the total cost is \$120,000. Mr. Schupp discussed the annual advertising that is done which includes colleges, visitors, general print, radio, web/mobile, route specific and mTickets. He also reviewed the community partnerships, outreach events, social media and media relations.

Mr. Minto requested for additional advertising to be incorporated in the City of Santee.

Ms. Zapf asked why the advertising campaign takes place between January and March. Mr. Schupp replied that those months are typically slower which means lower advertising rates. He noted that advertising is also pushed throughout the rest of the year too. Ms. Zapf asked how the numbers are calculated to determine the total impressions. Mr. Schupp replied that Clear Channel Outdoor calculates the number of impressions and it is done using the industry standard.

46. Fiscal Year 2016 Second Quarter Performance Monitoring Report (Denis Desmond)

Denis Desmond, Manager of Planning, provided a presentation on the performance monitoring report. He reviewed Policy 42 evaluation criteria and stated that there are twenty different metrics within the policy that are used to evaluate service. He reported on total passengers and ridership and noted that even though ridership is slightly down on the bus, revenue has been flat year over year. This is due to moving people from misusing discounted fare to using regular fare. Mr. Desmond also reviewed the revenue analysis, average weekday passengers, passengers per revenue hour, and on-time performance.

Mr. Alvarez inquired about the differences in the passengers per revenue hour statistics. Mr. Desmond replied that some routes were converted to other categories which altered some of the ridership numbers. Mr. Alvarez asked about the decrease in total passengers on the buses. Mr. Desmond replied that the decrease reflects the number of passengers boarding the buses; it does not reflect the number of passes purchased. He noted that they are not concerned at this point, because the revenue from passes purchased is still flat.

Ms. Zapf asked about the on-time performance goals that are not being met. Mr. Desmond stated that there are internal goals and methods to help increase on-time performance on some of the most challenged routes.

60. Chairman's Report

There was no Chairman's report.

61. Chief Executive Officer's Report

Mr. Jablonski reported that he traveled to Sacramento on three different occasions, January 19th, January 29th and February 8th and 9th, regarding the California Air Resources Board (CARB) potential regulations. He noted that MTS is very involved in the on-going CARB discussions about the electric vehicle requirement. Mr. Jablonski said that he is heading the state-wide committee dealing with CARB and these issues. He noted that this potential regulation would be extremely costly to implement – approximately \$250-\$300 million. Mr. Jablonski reported that he traveled to Mexico to meet with Pacific Imperial Railroad and Baja Railroad and took a train from Tijuana to Tecate. He traveled to Las Vegas to provide a presentation on the development of light rail. Lastly, he reported that he traveled to Orlando for the APTA Transit CEO's Seminar.

62. Board Member Communications

Mr. Roberts commented that he recently traveled to Washington DC. He met with the Department of Transportation and discussed the Mid-Coast expansion project. Mr. Roberts stated that there has been \$100 million, for Mid-Coast, budgeted for this fiscal year and the progress continues to move forward on the project.

63. Additional Public Comments on Items Not on the Agenda

Russ Anderson – Mr. Anderson did not speak.

64. Next Meeting Date

The next regularly scheduled Board meeting is March 17, 2016.

65. Adjournment

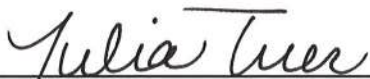
Chairman Mathis adjourned the meeting at 11:37 a.m.



Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:



Clerk of the Board
San Diego Metropolitan Transit System



General Counsel
San Diego Metropolitan Transit System

Attachment: Roll Call Sheet

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS
ROLL CALL

MEETING OF (DATE): February 11, 2016

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

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 9:34 a.m.

RECONVENE: 10:40 a.m.

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 11:37 a.m.

| BOARD MEMBER | (Alternate) | PRESENT (TIME ARRIVED) | ABSENT (TIME LEFT) |
|--------------|-----------------------------------------------------------------------------|---------------------------|-----------------------|
| ALVAREZ | <input checked="" type="checkbox"/> (Cate) <input type="checkbox"/> | 9:03 a.m. | 11:37 a.m. |
| BRAGG | <input checked="" type="checkbox"/> (Spriggs) <input type="checkbox"/> | 9:03 a.m. | 11:37 a.m. |
| COLE | <input checked="" type="checkbox"/> (Cate) <input type="checkbox"/> | 9:03 a.m. | 11:30 a.m. |
| CUNNINGHAM | <input checked="" type="checkbox"/> (Mullin) <input type="checkbox"/> | 9:03 a.m. | 10:40 a.m. |
| GASTIL | <input checked="" type="checkbox"/> (Jones) <input type="checkbox"/> | 9:03 a.m. | 11:37 a.m. |
| GLORIA | <input checked="" type="checkbox"/> (Cate) <input type="checkbox"/> | 9:03 a.m. | 10:40 a.m. |
| MATHIS | <input checked="" type="checkbox"/> | 9:03 a.m. | 11:37 a.m. |
| MCCLELLAN | <input checked="" type="checkbox"/> (Ambrose) <input type="checkbox"/> | 9:03 a.m. | 11:37 a.m. |
| MCWHIRTER | <input checked="" type="checkbox"/> (Arapostathis) <input type="checkbox"/> | 9:03 a.m. | 11:00 a.m. |
| MINTO | <input checked="" type="checkbox"/> (McNelis) <input type="checkbox"/> | 9:29 a.m. | 11:37 a.m. |
| RIOS | <input checked="" type="checkbox"/> (Sotelo-Solis) <input type="checkbox"/> | 9:03 a.m. | 11:37 a.m. |
| ROBERTS | <input checked="" type="checkbox"/> (Cox) <input type="checkbox"/> | 9:03 a.m. | 11:37 a.m. |
| SALAS | <input checked="" type="checkbox"/> (Miesen) <input type="checkbox"/> | 9:07 a.m. | 11:37 a.m. |
| WOIWODE | <input checked="" type="checkbox"/> (Sandke) <input type="checkbox"/> | 9:03 a.m. | 11:37 a.m. |
| ZAPF | <input checked="" type="checkbox"/> (Cate) <input type="checkbox"/> | 9:07 a.m. | 11:37 a.m. |

SIGNED BY THE CLERK OF THE BOARD: Julia Tuer

CONFIRMED BY THE GENERAL COUNSEL: Paul Cor