

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

MINUTES

November 10, 2016

[Clerk's note: Except where noted, public, staff and board member comments are paraphrased].

1. Roll Call

Chairman Mathis called the Board meeting to order at 9:02 a.m. A roll call sheet listing Board member attendance is attached.

2. Approval of Minutes

Mr. Cunningham moved to approve the minutes of the October 13, 2016, MTS Board of Directors meeting. Ms. Rios seconded the motion, and the vote was 11 to 0 in favor with Messrs. Gloria, Minto, Roberts and Ms. Salas absent.

3. Public Comments

Chris Olson – Mr. Olson presented the Board with a petition (attached in final meeting packet) to move the Pacific Beach Farmers Market on Tuesday afternoons from its current location on Bayard Street to a two block section on Garnet Avenue. He stated that previous requests to move the Farmers Market were denied due to rerouting of two bus routes and traffic rerouting. Mr. Olson said that the community would like to have the Farmers Market on Garnet Avenue to utilize a larger area for expansion and be located on the main street of the community. He also offered to hand out public transportation information to the public at the Farmers Market to encourage people to ride public transportation.

Sara Berns – Ms. Berns stated that she is the Executive Director of Discover Pacific Beach, which manages the business improvement district and also hosts the Tuesday Farmers Market. She asked the Board to consider their request to move the Farmers Market to Garnet Avenue as a critical component of the revitalization plan of Pacific Beach. Ms. Berns stated that moving the Farmers Market to Garnet Avenue will help to increase foot traffic in a high retail area of Pacific Beach. She noted that the increased foot traffic can bring more business to the struggling small local shops.

Kristen Victor – Ms. Victor stated that she is a Board Member of the Pacific Beach Town Council. She stated that the community has been working to come up with ideas for a first mile/last mile solution for transit riders. Ms. Victor said that the community wants to utilize Garnet Avenue as a safe street for pedestrians and bicyclists. She noted that moving the Farmers Market to Garnet Avenue on Tuesdays will help the community better experience a non-car environment. Ms. Victor said that other cities have done similar things to increase pedestrian and bicyclist use and those cities have seen an improvement in their retail businesses as well as increased safety. Garnet Avenue was reported as the 8th most dangerous street in San Diego and the community wants to find ways to reduce the amount of cars and increase the amount of pedestrians.

Mike Aguirre – [Verbatim Transcription] I am here to ask you to look into the need to replace Mr. Jablonski, because he has engaged in a pattern of discrimination, one, and two, he has failed to file your tax non-profit for San Diego Trolley since 2009. Every non-profit is required to file non-profit reports with the Attorney General of the State of California. Before Mr. Jablonski got here you did file those reports. The non-profit, let's say the California Independent System Operator, which is an arm of the state, they file theirs every year. Mr. Jablonski has created a system of discrimination. I will be talking about that in a different forum. But I want to bring to your attention the need to look into whether Mr. Jablonski is systematically discriminating. And I say that to you before we take what we have found to the enforcement agencies that are responsible for investigating discrimination. As you know, public agencies are required to comply with the responsibilities under the anti-discrimination laws. And as you know, many of the people that work for the San Diego Trolley, Inc. are minorities. Those minorities are not being treated equal to how other employees are throughout the County of San Diego and City of San Diego. I'm not making this request lightly. As you probably know, I have a very strong feeling that all public officials should meet their responsibilities under the law, and when you see that somebody like Mr. Jablonski has failed to do so, it is incumbent upon you to at least look at it. And I ask you to consider hiring an independent investigative team with a lawyer to look into Mr. Jablonski's practices, which I will discuss in greater detail when I address this in item 24. Thank you.

Ms. Zapf commented that she provided the Board with a letter (attached in final meeting packet) regarding the request to move the Pacific Beach Farmers Market to Garnet Avenue. She asked for MTS to work with herself and the community to find a way to successfully move the Farmers Market, which would create a positive impact on the Pacific Beach community.

4. Appointment of Ad Hoc Nominating Committee for Recommending Appointments to MTS Committees for 2017 (Sharon Cooney)

Chairman Mathis made a recommendation to nominate himself, Vice Chair Roberts, Board Member Bragg and Board Member Cole to the Ad Hoc Nominating Committee.

Action Taken

Ms. Rios moved to appoint Chairman Mathis, Vice Chair Roberts, Board Member Bragg and Board Member Cole as the Ad Hoc Nominating Committee to make recommendations to the Board with respect to the appointment of the Board to serve as Vice-Chair, Chair Pro-Tem and on MTS and non-MTS committees for 2017. Mr. McClellan seconded the motion, and the vote was 9 to 0 in favor with Mr. Gloria and Mr. Minto absent and Chairman Mathis, Vice Chair Roberts, Ms. Bragg and Ms. Cole abstaining.

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 October 11, 2016
Action would: (1) receive the San Diego and Imperial Valley Railroad (SD&IV), Pacific Southwest Railway Museum Association (Museum), and Pacific Imperial Railroad, Inc. (PIR) quarterly reports for information; and (2) ratify actions taken by the SD&AE Board at its quarterly meeting on October 11, 2016.

7. Investment Report – September 2016
8. Light Rail Vehicle (LRV) Remote Diagnostics System and Public Address System Integration with Variable Message Sign System - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1966.0-17, a Sole Source agreement, with Davra Networks (Davra), for the integration of the remote diagnostics and telematics information and the public address (PA) system, with the variable message sign (VMS) system located at each of the trolley stations.
9. Authorization to Increase Legal Service Contract with Tyson & Mendes, LLP to Pay Projected Expenses
Action would authorize the Chief Executive Officer (CEO) to approve increasing the Tyson & Mendes, LLP contract by \$200,000 to cover anticipated legal expenses.
10. Work Order Contract Approval for Beech and Middletown Trackwork and Signaling Preliminary Engineering
Action would authorize the Chief Executive Officer (CEO) to execute Work Order 13.05 to MTS Doc. No. G1494.0-13 with Pacific Railway Enterprises, Inc. to perform Design Engineering Services for the Beech and Middletown Double Crossover project.
11. HASTUS Timekeeping Implementation for Non Driving Employees
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1883.1-16 with GIRO, Inc., for the purchase of additional licensing for Roster and Daily Crew with SignIn/SignOut and FMLA; and the options to exercise Employee Performance Management (EPM) and SelfService modules for non-driving employees.
12. Janitorial Services for San Diego Trolley, Inc. (SDTI) & San Diego Transit Corporation (SDTC) Buildings and Light Rail Vehicle (LRV) Fleet - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1931.0-16 with NMS Management, Inc. (NMS), a Disadvantaged Business Enterprise (DBE), for the provision of janitorial services for SDTI & SDTC buildings and the LRV fleet for three (3) base years with three (3) 1-year options, exercisable at MTS's sole discretion.
13. Centralized Train Control System Maintenance Services
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G0930.17-04.29.2 with San Diego Association of Governments (SANDAG), for the provision of preventative maintenance services on software and equipment for the Centralized Train Control (CTC) System.
14. Additional Funding for the Catenary Improvements to the Orange Line from 12th & Imperial to Main Street El Cajon, Broadway Wye
Action would authorize the Chief Executive Officer (CEO) to approve additional funding of \$2,950,000 for the installation of catch cable for Orange Line and Broadway Wye.
15. Proposed Revisions to MTS Board Policy No. 59, "Natural Gas and Energy Commodity Hedge Policy"
Action would approve the proposed revisions to MTS Board Policy No. 59, "Natural Gas and Energy Commodity Hedge Policy".

16. Trust Fund Administrator Position
Action would authorize the Chief Executive Officer (CEO) to add one (1) Trust Fund Administrator position to the FY17 budget, increasing the total Full Time Equivalent (FTE) position from 0 to 1.
17. SD8 Procurement Project - Funding Transfer
Action would approve the transfer of \$4,550,000 from the SD100 Light Rail Vehicle (LRV) Replacement project (MTS CIP No. 20020027) to the SD8 Procurement project (MTS CIP No. 20021029).
18. Proposed Revisions to MTS Board Policy No. 22
Action would approve the proposed revisions to MTS Board Policy No. 22, "Rules of Procedure for the San Diego Metropolitan Transit System (MTS) Board of Directors" related to the Audit Oversight Committee (Section 22.9).
19. Construction Support Services for Roadway Worker Protection Safety Training
Action would ratify previous actions and authorize the Chief Executive Officer (CEO) to execute Work Order No. 11.04.03 to MTS Doc. No. G1386.0-11 with PGH Wong Engineering, Inc.
20. Cubic Corporation: Fare System Software Upgrades
Action would authorize the Chief Executive Officer (CEO) to issue a purchase order to Cubic Transportation Systems, Inc. (Cubic), on a sole source basis, for the provision of professional services to program fare system software upgrades in an amount not to exceed \$350,000.

BOARD MEMBER COMMENTS

Mr. Alvarez requested to pull consent agenda item numbers 12, 17 and 20 for further discussion. Mr. McClellan requested to pull consent agenda item number 11 for discussion. Chairman Mathis stated that he will take a vote on the remaining consent items and then discuss the pulled consent items.

Action on Recommended Consent Items, Excluding Consent Items 11, 12, 17 & 20

Mr. Alvarez moved to approve Consent Agenda Item Nos. 6 – 20, excluding Nos. 11, 12, 17 & 20. Mr. McWhirter seconded the motion, and the vote was 13 to 0 in favor with Mr. Gloria and Mr. Minto absent.

DISCUSSION – CONSENT AGENDA ITEM NO. 11

Mr. McClellan made a suggestion for staff to look into using hand scanners for employees to check-in and check-out of work. He stated that his business used that method in the past and it was successful. This method ensured that employees' hours were logged correctly since the scanner had to read their personal hand/finger prints instead of a password login method.

DISCUSSION – CONSENT AGENDA ITEM NO. 12

Mr. Alvarez inquired about the previous contract holder and whether or not there were any enhanced scopes or services added to this contract. Andy Goddard, Superintendent of LRV Maintenance, replied that NMS Management, Inc. was the previous contractor and was also

awarded the current contract. He stated that there was a slight enhancement to the scope of work which included cleaning for the upholstered seating. He said that the remainder of the scope stayed relatively the same.

DISCUSSION – CONSENT AGENDA ITEM NO. 17

Mr. Alvarez inquired about the new SD8 LRV fleet and asked if the vehicles will be easily accessible for bicycles and wheelchairs. Mr. Jablonski replied that the center sections of these vehicles will be new and will be reconfigured with peripheral seating which will widen out the standing room for people with bicycles or wheelchairs. He noted that there will not be a loss of seating with the new peripheral seats versus the front and back facing seats.

DISCUSSION – CONSENT AGENDA ITEM NO. 20

Mr. Alvarez inquired if the fare system software updates were an expected expense to the program. Mr. Jablonski replied that this expense is related to updating the software for Webtix, which is the software for the public to load their compass cards online. The update will include enhanced software to improve credit card security.

Action on Consent Item Nos. 11, 12, 17 & 20

Mr. Alvarez moved to approve Consent Agenda Item Nos. 11, 12, 17 & 20. Mr. McWhirter seconded the motion, and the vote was 13 to 0 in favor with Mr. Gloria and Mr. Minto absent.

CLOSED SESSION – PUBLIC COMMENTS

Mike Aguirre – [Verbatim Transcription] Trolley head Jablonski pays himself over \$358,000 yearly, but he refuses to pay overtime to trolley workers who work more than eight hours a day. He cuts health and vacation benefits by mislabeling full time workers as part time. He places those hoping to be supervisors in a suspended animation status called auxiliary supervisors. Trolley workers have worked under their latest collective bargaining agreement since 2012. Under its terms, the contract rolled over for additional years after each December if a new contract was not made. After the PTEA was certified, Jablonski refused to honor the contract's roll over terms. Jablonski now claims the contract that he treated in force and effect for two years expired in 2014. Meanwhile, Jablonski took a 3.5 pay increase to pay for the past two years and more in deferred compensation. PTEA proposed Jablonski give current and retroactive pay increases of 9.75%, pay overtime after eight hours of work, treat workers who work full time as full time workers, reform the auxiliary supervisor system, and collect dues for PTEA. He refused all of those and made us go out and have to collect signatures even though we are a closed agency shop, we had to go out and collect signatures from all the members, because he refused to collect our dues. Now, for the IBEW, while they were supporting what Jablonski wanted in a contract, he collected their dues every month, and he paid them. He paid the union representatives \$20,000 a month so that they would then support his contract. And when the workers said hey, no, we need to have fairness here, he said no, I'm not going to do that, so I'm going to defund you. That's what he's done. Now I know that some of you may know that I oppose public employees who rip off the system. Like for example, when Mr. Mathis was with the city, he voted to increase benefits and decrease contributions and he voted for compensation for himself and other councilmembers that allowed them to give themselves retroactive pension increases 3.5%. People are retiring millionaires at the City of San Diego.

There is almost no pension to speak of for trolley workers. It is appalling that the people that are primarily minorities, work eight hours a day and don't get overtime. Week after week after week they work full time, but they're not given full time status so they don't have to pay in vacation pay. (Chairman Mathis: your three minutes are up sir.) Okay let me just close by saying this, we want to help make MTS the very best it can be. We don't want to ask for anything unreasonable. We are committed, and this is what we told Jablonski's coordinator, we're committed to working with you. And Mr. Mathis is pulling the plug here very aggressively, but I want to tell you that's not the right way to open up a dialogue with people that are trying to work with you. And this kind of closed... (Chairman Mathis: Mr. Aguirre, your time is up). Thank you Councilmember Mathis, former Councilmember Mathis for your courtesy this morning in recognition to the fact that I was the City Attorney of San Diego, I really appreciate the fact that you have the dignity of giving that courtesy to me. Thank you very much everyone. (Chairman Mathis: you're welcome sir).

Nate Fairmen – Mr. Fairmen stated that he is the business manager for IBEW Local 465. He commented that he had the privilege and honor to attend the apprenticeship graduation for the journeyman mechanics the previous day. He said that the apprenticeship program is a great program which was implemented by MTS partnered with the IBEW about 12 years ago. Mr. Fairmen stated that he is not going to make a public comment about the PTEA. He stated that the IBEW used to represent the 170 employees at San Diego Trolley and they hope to represent them again one day.

Juan Gonzalez – Mr. Gonzalez stated that he is the President of the PTEA. He commented that they are looking forward to working with MTS to improve training, working conditions and working environment at San Diego Trolley. Mr. Gonzalez said that he was disappointed when he first started working for San Diego Trolley and that's why the employees voted in the new union, PTEA, in order to make the San Diego Trolley the best system in the country.

Joshua Stolz – Mr. Stolz stated that he is the Vice President of the PTEA. He commented that there are many weeks that he works overtime. He said that his family is a single-income household and there are days when he has to call out of work for doctor's appointments and he loses money every time he calls out. He stated that there are family issues that will take precedent over work and the employees should not lose out on overtime pay when doing so. Mr. Stolz stated that they are looking forward to working with MTS on finalizing a contract.

Kiko Diaz – Mr. Diaz stated that he is the IBEW Local 465 business representative. He commented that while he doesn't agree with what the PTEA did, he wishes them good luck. He also thanked MTS for the relationship that they built with the IBEW. Mr. Diaz stated that contrary to what Mr. Aguirre said, the IBEW does not get paid to keep quiet, but they get paid dues which in turn go back to the employees they represent. Lastly, he commented that between 2008 and 2013, when many other companies were laying off employees and reducing benefits, there were no layoffs under the IBEW Local 465.

Mr. Jablonski commented that the issues discussed today relative to the labor contract will be addressed in closed session. He stated that he and the Board highly value the work, commitment and dedication that everybody in the organization does. He noted that MTS's trolley system is well respected and won the award as the best system in the country and that is because we have great employees. Mr. Jablonski stated that all they have wanted is to get a raise into the hands of the employees and we will continue to work together to do that.

CLOSED SESSION

24. Closed Session Items

The Board convened to Closed Session at 9:35 a.m.

- a. CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS Pursuant to California Government Code Section 54957.6
Agency: San Diego Trolley, Inc. (SDTI)
Employee Organization: Public Transit Employees Association (Representing SDTI Train Operators, Electromechanics, Servicers and Clerical Staff)
Agency-Designated Representative: Jeff Stumbo

The Board reconvened to Open Session at 10:12 a.m.

Oral Report of Final Actions Taken in Closed Session

Karen Landers, General Counsel, reported the following:

- a. The Board received a briefing and gave direction to staff.

NOTICED PUBLIC HEARINGS

25. Public Hearing for Route 950 Major Service Changes (Denis Desmond)

Denis Desmond, Manager of Planning, provided a report on the Route 950. The Route 950 is nonstop service between the Otay Mesa border and Iris Avenue Transit Center. He stated that the Route 950 was implemented in 2013 to supplement the local Route 905 service. Since 2013, there has been a very high demand for Route 950 and more trips have been incrementally added over the past three years to accommodate the heavy loads. In January 2016, a pilot of expanded service was implemented to accommodate the high demand. Mr. Desmond stated that the pilot was successful and continues to grow in use. He noted that Board Policy 42 requires a public hearing, Title VI analysis, and Board approval for major changes to be made permanent. Mr. Desmond stated that the Board agenda packet includes the Title VI analysis, which is a federally required analysis to make sure that any major change that MTS implements does not have a disparate impact on minority populations or a disproportionate burden on low income populations. He noted that the analysis shows that it does not have either. In the packet, there are also maps which show the demographics of low-income and minority populations. He noted that the Board received an email handout from a supporter of the changes to Route 950. Mr. Desmond also presented graphs detailing the increase in ridership for the Route 905 and 950. Lastly, he reviewed the Route 950 timeline and reviewed today's action to conduct the hearing, receive testimony and provide direction.

Mr. Alvarez stated that the Otay community and business community appreciates this service. He inquired about the Otay Mesa transit station and how it will be configured in order to accommodate space for the increase in riders. Mr. Desmond replied that SANDAG is building a new Otay Mesa Transit Center which will be larger to accommodate the increase in riders. The new transit center is set to open in 2018.

Action Taken

Mr. McWhirter moved to: (1) Receive public testimony; and (2) Provide direction to staff for any changes prior to approval at a later Board of Directors meeting. Ms. Bragg seconded the motion and the vote was 13 to 0 in favor with Mr. Gloria and Mr. Minto absent.

DISCUSSION ITEMS:

30. Fiscal Year 2016 Comprehensive Annual Financial Report (CAFR) (Erin Dunn and Larry Marinesi; Kenneth Pun and Gary Caporicci of The Pun Group)

Ernie Ewin, Chairman of the Audit Oversight Committee (AOC), introduced the discussion of the CAFR. He noted that there are questions that will be asked at the end of the presentation. Erin Dunn, Controller, introduced Ken Pun and Gary Caporicci of The Pun Group to provide a presentation on the CAFR. Mr. Pun discussed the management responsibilities, auditors' responsibilities and the approach to the audit. The Pun Group's audit approach included detailed planning; risk based review of internal controls over systems and compliance; validation of account balances; and review of financial statements and the issuance of the audit report opinion. Mr. Pun discussed the implementation of the new ERP system, SAP Account Software. He stated that they tested the new system and found no issues. Mr. Pun discussed the IT controls review and stated that they used an IT Specialist to review MTS's IT policy and security. He discussed the recommendations from the result of the IT controls review. Mr. Pun reviewed the financial statements including the summary statements of net position; summary statements of revenues, expenses and changes in net position; and summary statements of cash flows.

Mr. Alvarez inquired about the potential security weaknesses in the fare system ticket vending machines and their recommendation. Mr. Pun replied that the Microsoft 2000 version is currently phasing out on a lot of systems and their recommendation is to upgrade that software to a newer and more compatible system. Mr. Alvarez asked about the recommendations on a going forward basis. Mr. Pun replied that the recommendations from a previous year will be reviewed the following year to ensure that there has been action to move forward on those recommendations. Mr. Jablonski stated the issue of the fare collection system is well known by staff. He said that the current system is about 14 years old and staff is coming back to the Board in December with a discussion about the future of MTS's fare collection system. He stated that staff is looking into possibly updating the current system or going out for a completely new system. Mr. Alvarez inquired what level of risk the auditors would assign in the fare system technology. Mr. Pun replied that it is low risk.

Mr. Caporicci continued the presentation and discussed the key pension and OPEB information including net pension liability; pension expenses; and other postemployment benefits plan. Mr. Caporicci reviewed the audit results and stated that they had an unmodified opinion including the following: financial statements are fairly presented in all material respects; significant accounting policies have been consistently applied; estimates are reasonable; and disclosures are properly reflected in the financial statements. Lastly, he discussed the upcoming changes to GASB and the current technical agenda projects.

Mr. Ewin commented that the Board has had an opportunity to read the letters from management and the auditors. He stated that he hopes these letters will raise thoughts and questions for going forward.

Mr. McClellan asked if the return percentage of 7.0% is low enough. Mr. Caporicci replied that his opinion is that the return percentage should be approximately 6.0%; however the pension liabilities are long term and not next year payments, so there is time to adjust in the future. Mr. Marinesi commented that this was addressed at the Budget Development Committee earlier in the year where the recommendation was to decrease from 7.5% to 7.0%. He stated that staff will continue to look at this number on an annual basis. Mr. Marinesi stated that in January, the actuarial evaluation report and the pension investment results will be presented to the Executive Committee and the Board.

Mr. Ewin noted that MTS received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the 10th consecutive year.

Mr. Cunningham stated that the Board's responsibility is to make sure that this audit was done with full compliance by MTS. Mr. Cunningham asked Mr. Pun if during the audit they were given full access to any MTS employee that they needed to talk to for purposes of preparing their audit. Mr. Pun replied yes. Mr. Cunningham asked if they were ever denied access to any employee that they needed to talk to for preparing for the audit. Mr. Pun replied no. Mr. Cunningham asked if they were given full access to any or all documents including accounting ledgers or any documentation that they needed for purposes of preparing the audit. Mr. Pun replied yes. Mr. Cunningham asked if they were ever denied any documents that they asked to see by any MTS employees. Mr. Pun replied no. Mr. Cunningham asked if they found anything other than what they stated here this morning that they felt were not consistent with the best practices of accounting as it applies to MTS. Mr. Pun replied no.

Action Taken

Mr. Cunningham moved to receive the Fiscal Year (FY) 2016 Comprehensive Annual Financial Report (CAFR). Mr. McClellan seconded the motion, and the vote was 13 to 0 in favor with Mr. Gloria and Mr. Minto absent.

31. Fiscal Year 2016 Final Budget Comparison (Mike Thompson)

Mike Thompson, Director of Financial Planning and Analysis, provided a presentation on the Fiscal Year 2016 final budget comparison. He reviewed the results of the operating revenues, operating expenses and subsidies. Mr. Thompson stated that the Budget Development Committee met to discuss what to do with the remaining excess revenues from Fiscal Year 2016. He noted that in order to reach MTS's contingency reserve balance of 12.5%, an additional \$4.3 million was needed, which left \$4.7 million in revenues to be programmed elsewhere. The recommendation from the Budget Development Committee was to add \$4.3 million to the contingency reserve balance; add \$2.7 million to the fare collection system upgrades capital project; and carry-over \$2.0 million for the Fiscal Year 2017 operating budget.

Action Taken

Mr. Gastil moved to: (1) add \$4.3 million to the contingency reserve balance; (2) add \$2.7 million to the fare collection system upgrades capital project; and (3) carry-over \$2.0 million for the Fiscal Year 2017 operating budget.. Mr. Woiwode seconded the motion, and the vote was 12 to 0 in favor with Mr. Gloria, Mr. Minto and Ms. Salas absent.

REPORT ITEMS

45. Operations Budget Status Report for August 2016 (Mike Thompson)

Mr. Thompson discussed the operations budget status report for August 2016. He reviewed the total operating revenues; total operating expenses; and total operating variance. Mr. Thompson also reviewed ongoing concerns including sales tax subsidy revenue, State of California budget, passenger levels, and energy prices.

Action Taken

No action taken. Informational item only.

46. Year End Operations Report (Denis Desmond, Bill Spraul & Wayne Terry)

Mr. Desmond began the year end operations report. He reviewed the results for annual total passengers; ridership; passengers per revenue hour; on-time performance; mean distance between failures; preventable accidents per 100,000 miles; complaints per 100,000 passengers; and farebox recovery.

Wayne Terry, Chief Operating Officer – Rail, provided a presentation on the Fiscal Year 2016 year-end review for the Rail Division. He discussed the following results related to Rail contracts, projects and updates: Master Concessionaire Services contract; ticket vending machine transactions between failures; Fiscal Year 2016 event statistics; Alvarado Creek flooding; Grossmont Station flooding; Alvarado Creek clean-out; sink hole rehabilitation; railroad bridge 2.72 repair; 69th Street grade crossing; Morena/Linda Vista Station rehabilitation; Seaward Traction Power Substation ivy installation; SD100 LRV coupler replacement; station monument sign installation; next train arrival signs; Courthouse Trolley Station; San Ysidro Yard improvements; Mid-Coast extension; approval of the FFGA for the Mid-Coast extension project; LRV vehicle purchase; status of decommissioned U-2 LRVs; U-2 LRV vehicle deliver to TSA; PCC 531 recommission project; and enhanced signage for accident prevention.

David Bagley, System Safety Manager, provided the Rail System Safety report for Fiscal Year 2016. He discussed the following information: rail accidents per month; MTS comparison to other systems; safety data acquisition and analysis; MAP 21 Safety Management Systems (SMS) implementation requirements; vision for safety culture; SMS components and sub-components; new hire rail safety training; Department of Transportation TSI training; 3-year agency preparedness training program; MTS staff teaching on national level; CPR AED training; FEMA independent study courses; County Office of Emergency Services table top exercises; multi-threat response training; San Diego Regional table top exercise participants; emergency responder training; and heavy rescue training.

Bill Spraul, Chief Operating Officer – Transit Services, provided a report on the Fiscal Year 2016 Transit Services highlights. Mr. Spraul reviewed the following results: service quality highlights; safety program; safety and security; fleet technology highlights; East Count Bus Operations and Maintenance Facility; new Transit Store; new solar shelters; new pylons; new benches; installation of Real-Time Management System (RTMS) – Computer Aided Dispatch (CAD)/Automatic Vehicle Location (AVL) systems; installation of Automatic Vehicle Annunciators; and the incorporation of SuperLoop into RAPID service.

Ms. Cole inquired how staff is addressing the issue that riders are not riding the system as often due to time and convenience factors. Mr. Desmond commented that staff is currently conducting the Transit Optimization Plan (TOP) which will help guide staff to make necessary changes to address these issues.

Ms. Bragg requested for a list of the new bus shelters to be sent to each of the Board Members.

Mr. Cunningham commented on how it's great to hear how proud staff is of their respective employees and their work. He said this statement is very well received by the Board and he appreciates everyone's hard work.

Ms. Zapf commented that it is great to see and hear all of the hard work that MTS has done over the past year.

Mr. Jablonski noted that the Board will begin to receive more comprehensive reports on safety in their future meetings due to new requirements at the federal level to reinforce safety first.

Action Taken

No action taken. Informational item only.

60. Chairman's Report

Chairman Mathis stated that he was proud to attend the apprentice graduation program at the Kearny Mesa Division yesterday.

61. Chief Executive Officer's Report

Mr. Jablonski reported the following business travel: on October 26th, he traveled to Diamond Bar for a meeting with the California Air Resources Board for a transit subcommittee meeting; and on October 28th, he traveled to Washington D.C. for a TOPS Committee meeting, which is fully paid for by that outside committee.

62. Board Member Communications

There were no Board Member Communications.

63. Additional Public Comments on Items Not on the Agenda

Roger Andersen – Mr. Andersen made a suggestion to move the terminus for the Route 1 bus to Mercy Hospital. He also suggested for the Route 7 bus to end its service at 2:30am for the

service industry riders. He also commented that staff should look into raising the age for the senior discount pass. Chairman Mathis responded that unfortunately, the age for the senior discount pass was set by the TransNet tax and cannot be changed.

64. Next Meeting Date

The next regularly scheduled Board meeting is December 8, 2016.

65. Adjournment

Chairman Mathis adjourned the meeting at 11:55 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): November 10, 2016

CALL TO ORDER (TIME): 9:02 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 9:35 a.m.

RECONVENE: 10:12 a.m.

PUBLIC HEARING: 10:13 a.m.

RECONVENE: 10:22 a.m.

ORDINANCES ADOPTED: _____

ADJOURN: 11:55 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ALVAREZ	<input checked="" type="checkbox"/> (Cate) <input type="checkbox"/>	9:02 a.m.	11:07 a.m.
BRAGG	<input checked="" type="checkbox"/> (Spriggs) <input type="checkbox"/>	9:02 a.m.	11:55 a.m.
COLE	<input checked="" type="checkbox"/> (Cate) <input type="checkbox"/>	9:02 a.m.	11:55 a.m.
CUNNINGHAM	<input checked="" type="checkbox"/> (Mullin) <input type="checkbox"/>	9:02 a.m.	11:55 a.m.
GASTIL	<input checked="" type="checkbox"/> (Jones) <input type="checkbox"/>	9:02 a.m.	11:55 a.m.
GLORIA	<input type="checkbox"/> (Cate) <input type="checkbox"/>		
MATHIS	<input checked="" type="checkbox"/>	9:02 a.m.	11:55 a.m.
MCCLELLAN	<input checked="" type="checkbox"/> (Ambrose) <input type="checkbox"/>	9:02 a.m.	11:55 a.m.
MCWHIRTER	<input checked="" type="checkbox"/> (Arapostathis) <input type="checkbox"/>	9:02 a.m.	11:55 a.m.
MINTO	<input type="checkbox"/> (McNelis) <input type="checkbox"/>		
RIOS	<input checked="" type="checkbox"/> (Sotelo-Solis) <input type="checkbox"/>	9:02 a.m.	11:20 a.m.
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:07 a.m.	11:22 a.m.
SALAS	<input checked="" type="checkbox"/> (Miesen) <input type="checkbox"/>	9:05 a.m.	10:56 a.m.
WOIWODE	<input checked="" type="checkbox"/> (Sandke) <input type="checkbox"/>	9:02 a.m.	11:55 a.m.
ZAPF	<input checked="" type="checkbox"/> (Cate) <input type="checkbox"/>	9:02 a.m.	11:55 a.m.

SIGNED BY THE CLERK OF THE BOARD: Julia Turner

CONFIRMED BY THE GENERAL COUNSEL: Chad Cook