

Agenda

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

February 2, 2017

Executive Conference Room
9:00 a.m.

ACTION RECOMMENDED

- A. ROLL CALL
- B. APPROVAL OF MINUTES - January 12, 2016 Approve
- C. COMMITTEE DISCUSSION ITEMS
1. Mid-Coast Corridor Transit Project Update (John Haggerty of SANDAG) Information
 2. Transit Optimization Plan (TOP) Update (Denis Desmond) Information
 3. CLOSED SESSION - PUBLIC EMPLOYEE PERFORMANCE
EVALUATION/CONFERENCE WITH LABOR NEGOTIATORS - CHIEF
EXECUTIVE OFFICER Pursuant to California Government Code Sections
54957 and 54957.6; Possible
Action
Agency-Designated Representative: Harry Mathis
Employee: Paul C. Jablonski
 4. CLOSED SESSION - CONFERENCE WITH REAL PROPERTY
NEGOTIATORS Pursuant to California Government Code Section 54956.8 Possible
Action
Property: Lots 1 and 2 of Map 14930 (aka 5175 Linda Vista Rd.; 5375 Napa
St.; 5395 Napa St.)
Agency Negotiators: Paul Jablonski, Chief Executive Officer; Karen Landers,
General Counsel; and Tim Allison, Manager of Real Estate Assets
Negotiating Parties: Morena Vista LLC
Under Negotiation: Price and Terms of Payment
- D. REVIEW OF DRAFT February 16, 2017 BOARD AGENDA



- E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA
Review of SANDAG Transportation Committee Agenda and discussion regarding any items pertaining to MTS, San Diego Transit Corporation, or San Diego Trolley, Inc. Relevant excerpts will be provided during the meeting.
- F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS
- G. PUBLIC COMMENTS
- H. NEXT MEETING DATE: March 2, 2017
- I. ADJOURNMENT

Possible
Action

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

January 12, 2017

MINUTES

A. ROLL CALL

Chairman Mathis called the Executive Committee meeting to order at 9:04 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 1, 2016, MTS Executive Committee meeting. Mr. McClellan seconded the motion, and the vote was 4 to 0 in favor with Ms. Cole absent.

C. COMMITTEE DISCUSSION ITEMS

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

This item takes 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 2017 calendar year as the primary representative. Ms. Rios seconded the motion, and the vote was 3 to 0 in favor with Ms. Cole absent and Mr. Mathis abstaining.

Mr. McClellan moved to nominate Lorie Bragg from the MTS Board to serve on the SANDAG Transportation Committee for the 2017 calendar year as the alternate representative. Ms. Rios seconded the motion, and the vote was 4 to 0 in favor with Ms. Cole absent.

F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS (TAKEN OUT OF ORDER)

Mr. Jablonski provided a brief update on the recent issues with fraudulent activity on Webtix (MTS's online website to purchase fare products). He stated that internal staff just completed creating a new in-house Webtix program which contains more security features. Mr. Jablonski noted that by creating the program in-house instead of having Cubic update the program, it saved MTS approximately \$900,000 and six months of time. He stated that the new program was launched last night and is working well.

C. COMMITTEE DISCUSSION ITEMS (continued)

2. San Diego Transit Corporation (SDTC) Pension Investment Status (Jeremy Miller, Representative from RVK and Larry Marinesi)

Larry Marinesi, Chief Financial Officer, introduced Jeremy Miller with RVK and Anne Harper with Cheiron Inc. He noted that Mr. Miller will provide the first presentation regarding pension investment and Ms. Harper will provide the second presentation regarding the actuarial valuation.

Mr. Miller provided a presentation on the SDTC Pension Investment Status. He prefaced the presentation by noting that the past year of the plan has not been ideal however the entire life of the plan has done well. Mr. Miller continued the presentation and discussed the investment structure as of June 30, 2016; the investment details of the plan; fiscal year performance for 2016; performance details as of June 30, 2016; and performance details for fiscal year to date in 2017.

Action Taken

No action taken. Information item only.

3. San Diego Transit Corporation (SDTC) Employee Retirement Plan's Actuarial Valuation as of July 1, 2016 (Anne Harper of Cheiron Inc. and Larry Marinesi)

Ms. Harper provided a presentation on the SDTC employee retirement plan's actuarial valuation as of July 1, 2016. She provided an overview of the actuarial experience study which was completed in April 2016. Ms. Harper reviewed the plan cost changes as well as the breakdowns for plan costs by source including normal costs, UAL payments and administrative expenses. Alice Alsberghe of Cheiron Inc. continued the presentation and discussed the plan history related to contributions, funding, and active membership. Ms. Harper discussed the plan's composition and the plan's future projections. Lastly, she reviewed the projected total contributions and projected funded ratio.

Action Taken

Ms. Rios moved to forward a recommendation to the Board of Directors to receive the SDTC Employee Retirement Plan's (Plan) actuarial valuation as of July 1, 2016, and adopt the pension contribution amount of \$15,087,407 for fiscal year 2018. Mr. McClellan seconded the motion, and the vote was 4 to 0 in favor with Ms. Cole absent.

4. Potential for MTS Sales Tax Ballot Measure (Karen Landers)

Karen Landers, General Counsel, provided a presentation on the potential for MTS to issue a sales tax ballot measure. She reviewed specific sections in the California Constitution and MTS's enabling legislation which states that MTS is not authorized to pursue its own sales tax measure. Ms. Landers noted that SANDAG is allowed to pursue a tax measure on behalf of MTS. She stated that current state law does not authorize MTS-only sales tax measure and a statutory amendment would be required to allow for an MTS-only sales tax measure. Ms. Landers said that there are two options MTS could take which would amend either the MTS statute or the SANDAG statute to either

authorize MTS to directly pursue a sales tax measure to fund MTS projects and operations; or authorize SANDAG to pursue a more narrow sales tax measure (non-county-wide) within the existing framework.

Ms. Landers noted that in her research she found a 1965 code section that would allow the County of San Diego to create the San Diego County Transit District which would then be allowed to issue a property tax. She explained that she is still researching this option however there could be a few issues regarding jurisdiction and establishment of the Board. Mr. Roberts suggested possibly looking into amending that specific statute. Ms. Landers said that she will continue to research this matter and bring it back to the Board. She said there was also another potential item in MTS's existing legislation that says MTS could fall under a special benefit assessment district however that legislation is set to expire in 2021. This option, if done quickly, would allow funds from property taxes to be used for capital projects and equipment only. Ms. Landers stated that this item will be provided to the Board at next week's meeting for further discussion.

Action Taken

No action taken.

D. REVIEW OF DRAFT January 19, 2017 BOARD AGENDA (TAKEN BEFORE CLOSED SESSION)

Recommended Consent Items

6. Solar Powered Rail Lubricators - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1342.0-17 with Zemarc Corporation for the provision of up to 16 solar powered rail lubricator kits.
7. Proposed Revisions to San Diego Metropolitan Transit System (MTS) Board Policy No. 44, "Travel Expense Policy"
Action would approve the proposed revisions to MTS Board Policy No. 44, "Travel Expense Policy".
8. Siemens Industry, Inc. (Siemens) Traction Power Substations (TPSS) Procurement: Release for Exercising TPSS Option Notice - Up to an Additional 17 TPSS
Action would authorize the Chief Executive Officer (CEO) to issue a Release for Exercising TPSS Options Notice to Siemens for the purchase of up to 17 TPSS.
9. MTS Sale of 2014 Ford E450 Starcraft Paratransit Bus to First Transit Inc.
Action would authorize the negotiated sale of MTS Vehicle No. 3936 (2014 Ford E450 Starcraft, VIN #1FD4E4FS7EDB17985) to First Transit, Inc.
10. Green Line Train to Wayside Communications (TWC) System Upgrade - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL214.0-17 with Global Signals Group, Inc. (GSG) for TWC system upgrade.
11. Courthouse Station - Purchase New Shelters - Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1328.0-17 with Tolar Manufacturing Company, Inc. for the purchase of Courthouse Station Shelters.

12. Investment Report - November 2016

13. 2017 State and Federal Legislative Programs

Action would approve staff recommendations for 2017 federal and state legislative programs.

14. Fare Collection Concept of Operations - Contract Award

Action would: (1) Ratify the Chief Executive Officer's approval of a contract (MTS Doc. No. G1923.1-16) with CH2M for Support for Fare Collection System Design Decision Process in the amount of \$38,594.70; and (2) authorize the Chief Executive Officer (CEO) to extend the contract with CH2M (MTS Doc. No. G1923.1-16) for an additional \$252,596.00, consistent with draft Amendment No. 2.

15. San Diego Trolley, Inc. (SDTI) Internal Revenue Service-Required Pension Resolution

Action would adopt the Resolution No. 17-1 that would allow SDTI employees to make pension contributions on behalf of the Employer on a pre-tax basis.

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 10:05 a.m.

- C5. CLOSED SESSION – CONFERENCE WITH LABOR NEGOTIATORS Pursuant to California Government Code Section 54957.6
Agencies: San Diego Transit Corporation (SDTC) and San Diego Trolley, Inc. (SDTI)
Employee Organization: Public Transit Employees Association (PTEA) (Representing SDTI Train Operators, Electromechanics, Servicers and Clerical Staff)
Employee Organization: International Brotherhood of Electrical Workers, Local 465 (Representing SDTC Mechanics and Servicers)
Employee Organization: International Brotherhood of Electrical Workers, Local 465 (Representing SDTI Flaggers)
Agency-Designated Representative: Jeff Stumbo

The Executive Committee reconvened from Closed Session at 10:20 a.m.

Oral Report on Final Actions Taken in Closed Session

C5. Staff gave a report to the Executive Committee and received direction.

H. NEXT MEETING DATE

The next Executive Committee meeting is scheduled for February 2, 2017, at 9:00 a.m. in the Executive Committee Conference Room.

I. ADJOURNMENT

Chairman Mathis adjourned the meeting at 10:20 a.m.

A handwritten signature in black ink, appearing to read "Zach Mathis", written over a horizontal line.

Chairman

Attachment: A. Roll Call Sheet

EXECUTIVE COMMITTEE
SAN DIEGO METROPOLITAN TRANSIT SYSTEM

ROLL CALL

MEETING OF (DATE) January 12, 2017

CALL TO ORDER (TIME) 9:04 a.m.

RECESS _____

RECONVENE _____

CLOSED SESSION 10:05 a.m.

RECONVENE 10:20 a.m.

ADJOURN 10:20 a.m.

BOARD MEMBER (Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
COLE <input type="checkbox"/> (Gomez) <input type="checkbox"/>		
MATHIS <input checked="" type="checkbox"/>	9:04 a.m.	10:20 a.m.
MCCLELLAN <input checked="" type="checkbox"/> (McWhirter) <input type="checkbox"/>	9:04 a.m.	10:20 a.m.
RIOS <input checked="" type="checkbox"/> (Salas) <input type="checkbox"/>	9:04 a.m.	10:20 a.m.
ROBERTS <input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:04 a.m.	10:20 a.m.
Transportation Committee Rep Slot (Mathis)		

SIGNED BY THE CLERK OF THE BOARD: Julia Tuer

CONFIRMED BY THE GENERAL COUNSEL: Fanny Card



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Agenda Item No. C1

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

February 2, 2017

SUBJECT:

MID-COAST CORRIDOR TRANSIT PROJECT UPDATE (JOHN HAGGERTY OF
SANDAG)

INFORMATIONAL ONLY

Budget Impact

None.

DISCUSSION:

The Mid-Coast Corridor Transit Project is being developed by the San Diego Association of Governments (SANDAG) with MTS's assistance. The Mid-Coast Project will extend Trolley service from Old Town Transit Center to the University City community, serving major activity centers such as the Veterans Administration Medical Center, the University of California San Diego, and Westfield UTC. The project is funded by SANDAG and the Federal Transit Administration New Starts Program. SANDAG staff will provide an update on the project.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com



Mid-Coast Corridor Transit Project MTS Executive Committee Update #1 February 2, 2017

John Haggerty
*SANDAG Mid-Coast
Corridor Director*



Mid-Coast Project

- *Extension of Blue Line from Downtown to UTC Transit Center*
- *10.9 miles of new LRT tracks*
- *4 plus miles of elevated guideway & bridges*
- *Green Line wye, LOSSAN fly over*
- *4 at-grade and 5 aerial stations*
- *Traction power, signals & communications*
- *Utility relocation*





Mid-Coast Program CM/GC Method

- ☐ *Mid-Coast Light Rail Transit Project*
- ☐ *Wet Utility Relocation*
- ☐ *Elvira to Morena Double Track Project*
- ☐ *San Diego River Bridge Project*
- ☐ *Rose Creek Bike Path*
- ☐ *Voigt Drive Bridge and Street Improvements*
- ☐ *Gilman Drive Bridge*

CM/GC Construction Supplements

CM/GC Construction Services Agreement

Supplement 1 - Wet Utilities/CP Rose

Supplement 2 - San Diego River Bridge (LOSSAN)

Supplement 3 - Gilman Drive Bridge

Supplement 4 - Mid-Coast LRT

Supplement 5 - Elvira to Morena Double Track

Supplement 6 - Voigt Bridge & Street

Supplement 7 - Rose Creek Bikeway

GMP
Supplements

Elvira to Morena Double Track Project



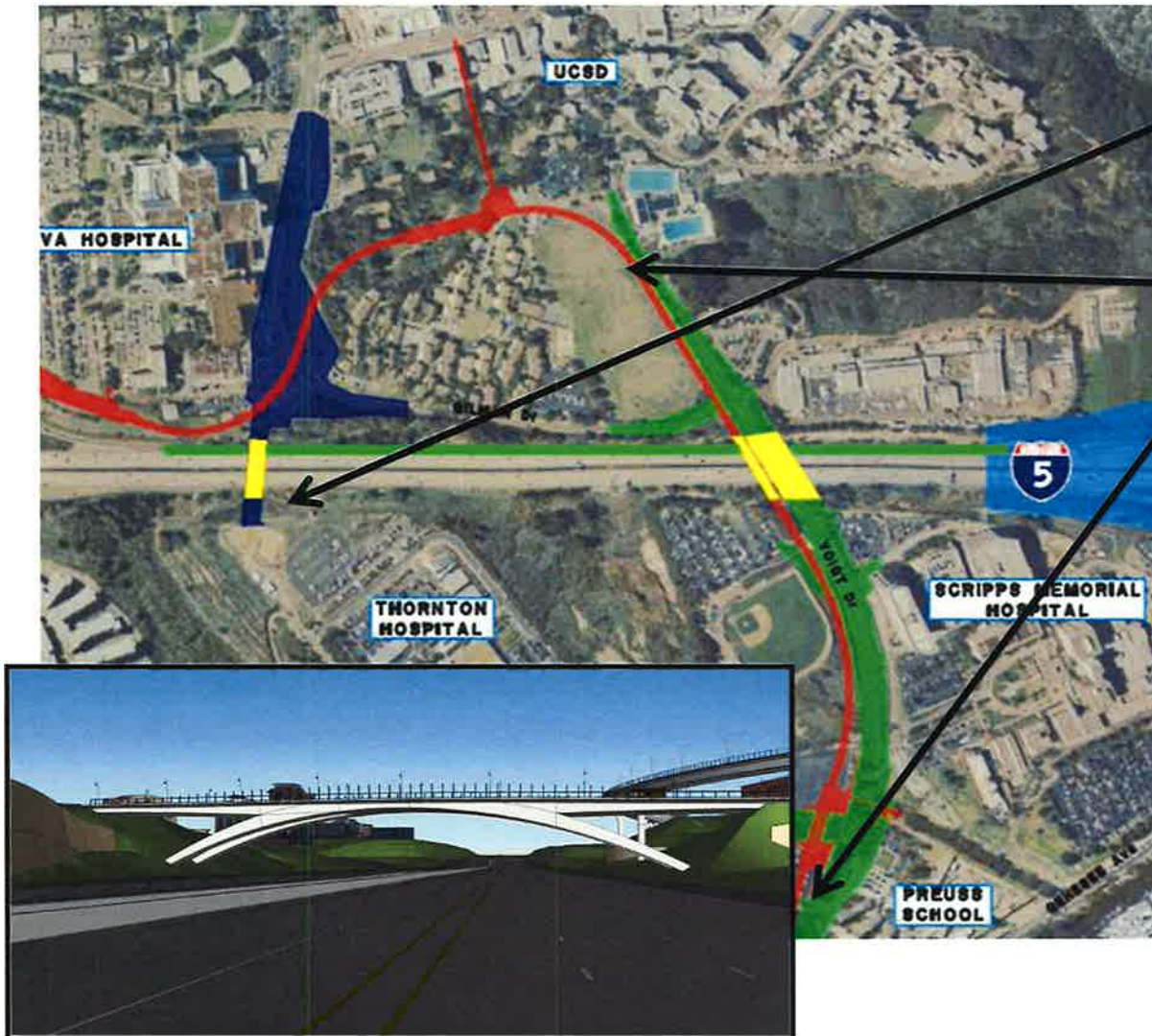
- *Rebuild four single track bridges with new double track bridges*
- *2.6 miles of track work*
- *On operating LOSSAN tracks*
- *Adjacent to Mid-Coast Project*



San Diego River Bridge Project

- *Rebuild single track bridge with new double track bridge*
- *Adjacent to Mid-Coast Project*

Voigt & Gilman Drive Bridges



- *Gilman Bridge – Distinctive Arch*
- *Voigt Bridge and Roadway Improvements*

Mid-Coast Timeline

- *CM/GC Pre-Construction* *Sep 2014 – Aug 2016*
- *FFGA* *Sept 14, 2016*
- *CM/GC Contract* *Sept 14, 2016*
- *Utilities Relocation* *Fall 2015 – Fall 2018*
- *Light Rail Civil/Track* *Fall 2016 – Fall 2020*
- *Stations* *Fall 2017 – Summer 2020*
- *System Power/OCS/Comm* *Fall 2018 – Spring 2021*
- *Vehicle Manufacture* *Oct 2018 – Oct 2020*
- *Test & Start Up* *Early 2021 – Fall 2021*

Risks

- *Utility Relocation Schedule and Agreements*
- *Right of Way – Several Properties & Settlements*
- *Construction Limitations*
 - *Seasonal – Birds & Rainy*
 - *Flagging & Track Time*
 - *Street Work, Noise, Continued Use Access*
- *One Substation Location*

LOSSAN Track North of SR52

Shifting LOSSAN: Shoofly, Realignment



Thermite Welding at Drainage System During AWW Weekend



Installing 36" RCP at Drainage System During AWW Weekend



Future Update Topics

- Station Design Review
- Old Town Station Connection
- CM/GC Contracting
- Construction Level of Detail
- Project Expenditure
- Project Communications
- Other





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Agenda Item No. C2

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

February 2, 2017

SUBJECT:

TRANSIT OPTIMIZATION PLAN (TOP) UPDATE (DENIS DESMOND)

INFORMATIONAL ITEM

Budget Impact

None.

DISCUSSION:

In summer 2016, MTS began the Transit Optimization Plan (TOP), a ten-year update to the Comprehensive Operational Analysis that evaluated services and reallocated resources according to a strategy that emphasized sustainability and productivity.

The initial public outreach, market analysis, and service evaluation phases of the plan are complete. MTS is now in the middle of the service implementation phase of the TOP. Information and data collected to date are now being used to formulate concepts for public comment and refinement. Staff will present an update of the TOP work to date and a schedule of next steps.

A handwritten signature in black ink, appearing to read 'Paul C. Jablonski', is written over a horizontal line.

Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, sharon.cooney@sdmts.com





Transit Optimization Plan Project Update

MTS Executive Committee
February 2, 2017



Background

Purpose:

- Update to the 2004-2007 Comprehensive Operational Analysis
- After ridership peak in FY15, metrics starting to trend downward
 - Ridership, fare revenue, productivity, and farebox recovery

On the Horizon:

- South Bay Rapid opens in 2018
- Mid-Coast LRT opens in 2021
- Failure of Measure A means few additional resources for transit in the near term



Project Schedule

- **Fall 2016 :**
 - Public outreach and survey
 - Data collection and review
- **Now:**
 - Develop service proposals
 - Service implementation plan
 - Public outreach with concepts
- **Spring 2017:** Major Service Change Process
 - Title VI Analysis
 - Public Hearing
- **Summer 2017:** Begin service adjustments
- **Late 2017/early 2018:** Implement major changes



Market Analysis

Some key findings:

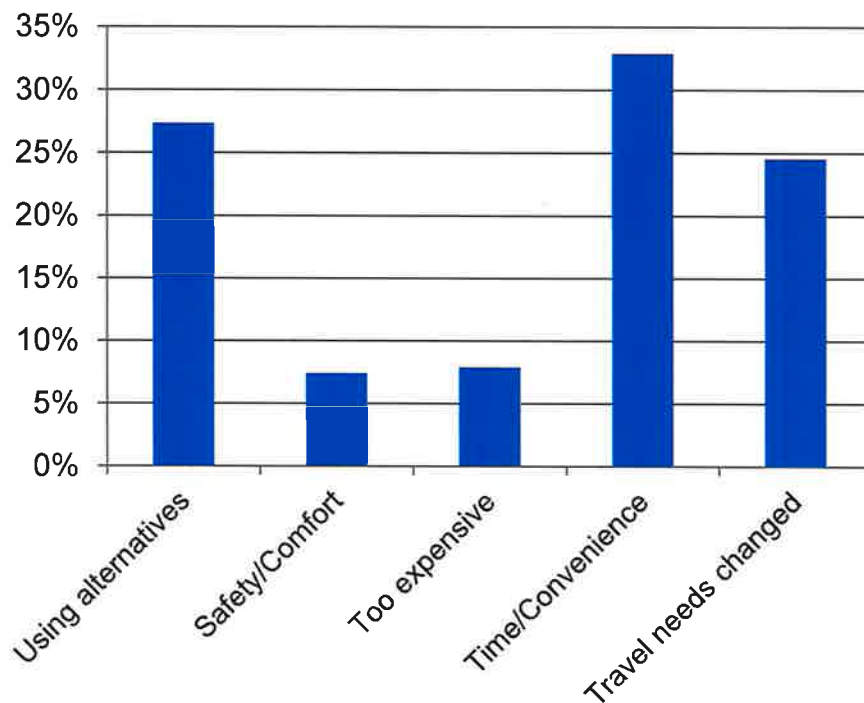
- Regional growth patterns now expected to be more dense and concentrated than predicted during COA
- Low jobs-to-population ratios for most cities indicates long commutes and lack of land use diversification
- Youth and Senior Densities are highly dispersed throughout the region – challenging to offer tailored services
- Areas of high transit propensity have not substantially shifted since the COA



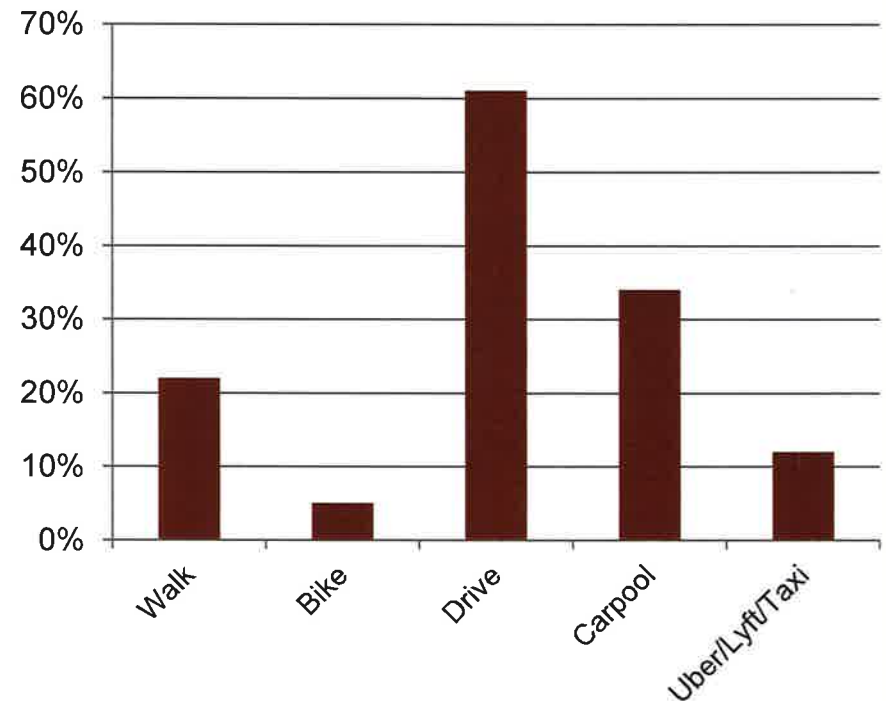
Ridership: TOP Community Survey

	Current MTS riders (2,063)	All respondents (3,791)
Ride about the same as last year	48.3%	26.3%
Ride more frequently	33.8%	18.4%
Ride less frequently	10.2%	5.7%
No answer (includes all non-riders)	7.8%	49.8%

Why?



Instead...



Community Survey

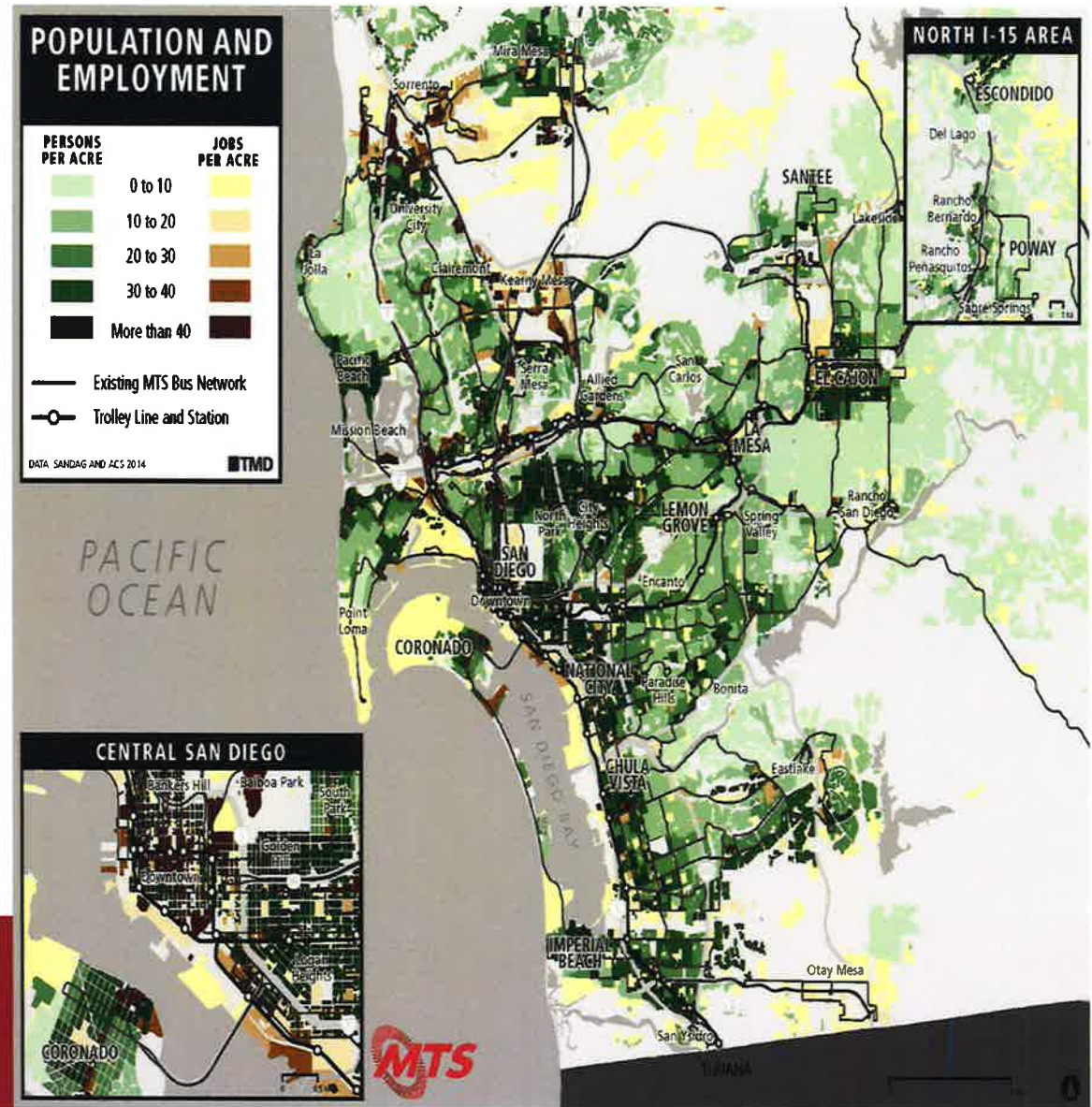
What is/are the primary reason(s) you don't ride MTS? (Up to three answers)

Trip takes too long/has too many transfers	979
Transit doesn't get close to my start or end point	632
Other (security, cleanliness, etc.)	481
Transit doesn't operate frequently enough	389
I don't have enough information about transit	331
Too expensive	293
Doesn't run early or late enough	219
Not enough parking available	86



Population and Employment

- Most of service area characterized by low density, suburban development.
- Some employment concentration but most spread across the service area.
 - University City – 8%
 - Mira Mesa – 7%
 - Kearny Mesa – 8%
 - Downtown San Diego – 6%
- Large residential areas with few employment opportunities.



Service Analysis

Some key findings:

- 8 bus routes above 40 P/RH; 12 routes below 15 P/RH
- Ridership patterns have remained similar over last ten years, with some specific markets showing notable expansion (UC San Diego, Otay Mesa POE)
- 6 bus routes with weekday average speeds below 10 mph (4 are Urban Frequent routes)
- 19 MTS bus routes are below 80% OTP
- ***A reinvestment approach***



Service Implementation Plan

Approach:

- Board Policy 42 system fundamentals:
 - **Customer-Focused:** Services reflect needs and priorities of our riders.
 - **Competitive:** Services competitive with other travel options by meeting market expectations.
 - **Integrated:** An integrated network rather than a collection of individual routes.
 - **Sustainable:** Appropriate and financially maintainable service types/levels consistent with market demands.
- Consider “Ground-up” development
 - How would you start from scratch?
 - Market-based vs. Coverage-based
- Outreach & survey results
- Robust data and market analysis



Service Implementation Plan

Concept Development:

- Strengthen the core frequent service network
 - Enhance frequencies
 - Extend reach of frequent routes
- Simplify the system
 - Streamline & combine routes where possible
- Increase reliability
 - Shorten or split very long routes
- Allocate resources to most productive use
 - Restructure to combine segments with similar demand
 - Reduce underutilized services
- Provide the best service to the greatest number of riders



Next Steps

- ☒ **Community Survey**
- ☒ Market Analysis
- ☒ Service Analysis
- ☒ Service Implementation Plan - NOW
- ☐ **Public Outreach**
- ☐ Scheduling
- ☐ Implementation
- ☒ Designing for Transit Manual
- ☐ Feeder Bus Studies



Questions?



DRAFT

Agenda

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

9:00 a.m.

James R. Mills Building
Board Meeting Room, 10th Floor
1255 Imperial Avenue, San Diego

This information will be made available in alternative formats upon request. To request an agenda in an alternative format, please call the Clerk of the Board at least two working days prior to the meeting to ensure availability. Assistive Listening Devices (ALDs) are available from the Clerk of the Board/Assistant Clerk of the Board prior to the meeting and are to be returned at the end of the meeting.

ACTION RECOMMENDED

1. Roll Call
2. Approval of Minutes - January 19, 2017 Approve
3. Public Comments - Limited to five speakers with three minutes per speaker. Others will be heard after Board Discussion items. If you have a report to present, please give your copies to the Clerk of the Board.

Please SILENCE electronics
during the meeting



CONSENT ITEMS

- | | | |
|-----|---|-------------|
| 6. | <u>Excess Insurance Renewals for Liability and Workers' Compensation Program</u> | Approve |
| 7. | <u>Semiannual Uniform Report of Disadvantaged Business Enterprise (DBE) Awards and Payments</u> | Information |
| 8. | <u>San Diego and Arizona Eastern (SD&AE) Railway Company Quarterly Reports and Ratification of Action Taken by the SD&AE Board of Directors at its Meeting on January 17, 2017</u>
Action would 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. | Receive |
| 9. | <u>Operations and Maintenance Services for Compressed Natural Gas Fueling Facilities - Contract Amendment</u>
Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 2 to MTS Doc. B0522.0-09 with Trillium USA LLC to upgrade compressed natural gas (CNG) dispensers. | Approve |
| 10. | <u>Investment Report - December 2016</u> | Information |
| 11. | <u>Orange Line Track Improvements - Change Order Amendments 1 - 5</u>
Action would: (1) Ratify Construction Change Order Amendments 1 - 4 to MTS Doc. No. PWL211.0-16, with Herzog Contracting Corp. (Herzog), for \$89,669.42, which was previously issued under the Chief Executive Officer's (CEO) authority, for Orange Line Track Improvements on MTS's Orange Line Light Rail Vehicle (LRV) service route; and (2) Authorize the CEO to execute MTS Doc. No. PWL211.5-16 - Change Order 5, with Herzog, for \$98,850.97. | Approve |
| 12. | <u>SDSU Tunnel Ventilation Jet Fans and Dampers Service - Award Work Order Under a Job Order Contract</u> | Approve |

CLOSED SESSION

24.

Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

- | | | |
|-----|-------------------------|--------------------|
| 30. | <u>Ballot Measure A</u> | Possible
Action |
| 31. | | |



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Agenda Item No. 6

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS

February 16, 2017

Draft for
Executive Committee
Review Date: 2/2/17

SUBJECT:

EXCESS INSURANCE RENEWALS FOR LIABILITY AND WORKERS'
COMPENSATION PROGRAM

AGENDA ITEM & ATTACHMENT WILL BE PROVIDED WITH BOARD MATERIALS

Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619-557-4513, Sharon.Cooney@sdmts.com

Attachment: A. MTS 2017-18 Excess Liability & Excess Workers' Compensation Insurance Proposal

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Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc. and San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations). MTS is the taxicab administrator for seven cities.

MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego.





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Agenda Item No. 7

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

**Draft for
Executive Committee
Review Date: 2/2/17**

SUBJECT:

SEMIANNUAL UNIFORM REPORT OF DISADVANTAGED BUSINESS ENTERPRISE
(DBE) AWARDS AND PAYMENTS

INFORMATIONAL ONLY

Budget Impact

None.

DISCUSSION:

As a Federal Transit Administration (FTA) grantee, MTS complies with the federal regulations set forth in 49 CFR Part 26 regarding participation by DBEs in the U.S. Department of Transportation (DOT) Program.

I. Goals of MTS's DBE Program

The goals of MTS's DBE program are:

1. to ensure nondiscrimination in the award and administration of DOT-assisted contracts;
2. to create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
3. to ensure that the DBE program is narrowly tailored in accordance with applicable law;
4. to ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs;
5. to help remove barriers to the participation of DBEs in DOT-assisted contracts;
6. to assist the development of firms that can compete successfully in the marketplace outside of the DBE program; and
7. to provide appropriate flexibility to recipients of federal financial assistance in establishing and providing opportunities for DBEs.



II. MTS's DBE Triennial Overall Goal

The DBE regulations requires MTS to prepare DBE Triennial Overall Goals based upon the number of ready, willing, and able DBE-certified contractors available to bid on certain categories of MTS's federally assisted procurements. For the current triennial reporting period (October 1, 2015 to September 30, 2018), MTS has a race-neutral program with an aspirational triennial overall goal of **3.75%** DBE participation.

III. Participation by certified DBEs

For purposes of reporting DBE participation to the FTA, MTS may only count participation by certified DBE contractors. In order to be certified as a DBE through the California Unified Certification Program (CUCP), contractors must:

- (1) have a majority owner who is **socially and economically disadvantaged** (Native Americans, African Americans, Hispanics, Asian-Pacific, Subcontinent Asian Americans and women are currently presumed to be socially and economically disadvantaged by the DOT); and
- (2) the majority owner must have a personal net worth of less than **\$1,320,000**; and
- (3) the business must be a small business and, for most types of businesses, have average annual gross receipts less than **\$23,980,000**.

MTS **may not** count participation from certified minority owned businesses (MBE), disabled veteran owned businesses (DVBE), women owned businesses (WBE), small businesses (SB) or lesbian gay bisexual transgender owned businesses (LGBT) toward meeting its DBE Triennial Overall Goal per DOT DBE Regulations.

IV. Race-Neutral Measures to Increase DBE Participation

A race-neutral DBE program means that there are no contract specific goals or advantages provided to DBE contractors. Successful bidders are chosen using race-neutral means, generally through a low-bid or best-value procurement process.

To increase DBE participation on MTS's federally assisted procurements, MTS conducts outreach to DBE and other small businesses in an effort to inform them of upcoming MTS procurements and provides assistance in overcoming limitations such as the inability to obtain bonding or financing. The following are some of the race-neutral measures MTS has implemented:

1. outreach to past and current MBE, DVBE, WBE, SB and LGBT to discuss the benefits of DBE certification and what qualifications are necessary to become DBE certified, as some may already qualify;
2. outreach to past and current DBEs, MBE, DVBEs, WBE, SB and LGBT requesting that they register on PlanetBids so they can receive automatic notification of upcoming MTS formal procurements;
3. for those procurements in which MTS must seek out three bids, MTS will request at least one bid from a DBE, MBE, DVBE, WBE, SB or LGBT, if such a contractor is available to perform the work; and

4. attend and actively promote small business conferences and programs to alert DBE, MBE, DVBE, WBE, SB or LGBT of upcoming MTS procurements.

V. Federally Funded Procurements

MTS generally reserves federal funds for capital projects (e.g. transit vehicle procurements and transit facility improvements) and state-of-good-repair vehicle or system preventative maintenance projects. Only contracts awarded and paid by MTS using federal funds (or a portion of federal funds) are reported to the FTA per DOT DBE Regulations.

VI. Summary of Semi-Annual DBE Report Findings (Federal Funds Only)

The FTA Semi-Annual Report for April 1, 2016 to September 30, 2016 is the second of six reports that will be completed in the current triennial period. For this reporting period, MTS **exceeded** its DBE Triennial Overall Goal of 3.75% for both contracts awarded and contracts completed.

MTS awarded the following federally assisted contracts to certified DBE primes within this reporting period:

1. A.B. Hashmi (*DBE*)- landscaping services (installing artificial ivy on substations);
2. Epic Pest Control & Landscape (*DBE*) - pest control services;
3. Paradigm Mechanical (*DBE*) - HVAC preventative maintenance services; and
4. Erica Farrar (*DBE*) - paratransit bus inspection services.

	Contract Awards/Commitments			Goal
<u>REPORTING PERIOD</u>	<u>Total Federal \$\$</u>	<u>DBE \$\$</u>	<u>DBE %</u>	<u>vs 3.75%</u>
Federal Funds: Apr 1, 2016 to Sept 30, 2016	\$6,418,545.41	\$255,760.97	3.98%	+0.23%

	Contracts Completed (Actual Payments)			Goal
<u>REPORTING PERIOD</u>	<u>Total Federal \$\$</u>	<u>DBE \$\$</u>	<u>DBE %</u>	<u>vs 3.75%</u>
Federal Funds: Apr 1, 2016 to Sept 30, 2016	\$2,300,973.59	\$493,660.84	21.45%	+17.70%

VII. Summary of DBE Participation (Local Funds Only)

MTS generally uses local and state funds for MTS administrative costs and other operating expenses (e.g., marketing expenses, land management, office supplies). SANDAG is responsible for most of the MTS-related construction projects. Some small construction projects are completed by MTS using Job Order Contracts originally awarded as part of SANDAG's construction contracting program. Most of these MTS small construction projects are paid using local and state funds.

MTS awarded the following locally funded contracts to certified DBE primes within this reporting period:

1. Pacific Railway Enterprises (*DBE*) – engineering services
2. Erica Farrar (*DBE*) – minibus inspection services

3. Teresa Gonzalez White (DBE) – labor compliance consulting services
4. 711 Print Enterprises (DBE) – printing services
5. Paradigm Mechanical (DBE) - ductwork maintenance services

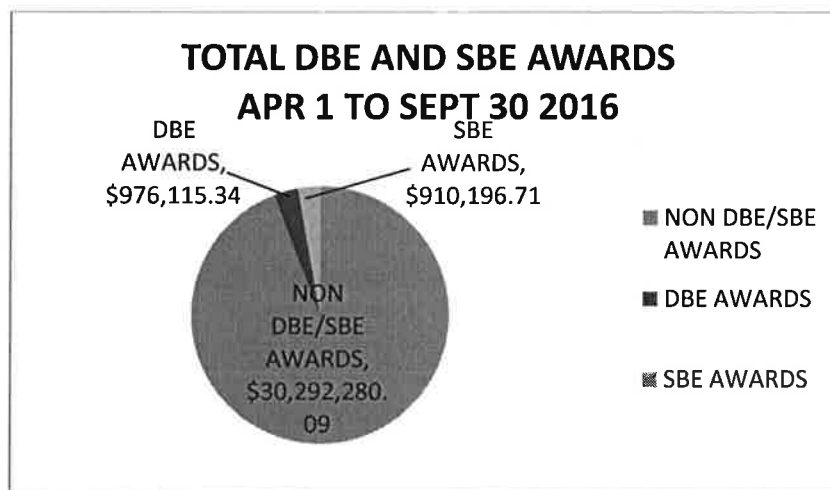
	Contract Awards/Commitments		
REPORTING PERIOD	Total \$\$	DBE \$\$	DBE %
Local Funds: Apr 1, 2016 to Sept 30, 2016	\$25,760,046.73	\$720,354.37	2.80%

	Contracts Completed (Actual Payments)		
REPORTING PERIOD	Total \$\$	DBE \$\$	DBE %
Local Funds: Apr 1, 2016 to Sept 30, 2016	\$28,042,249.97	\$725,006.39	2.59%

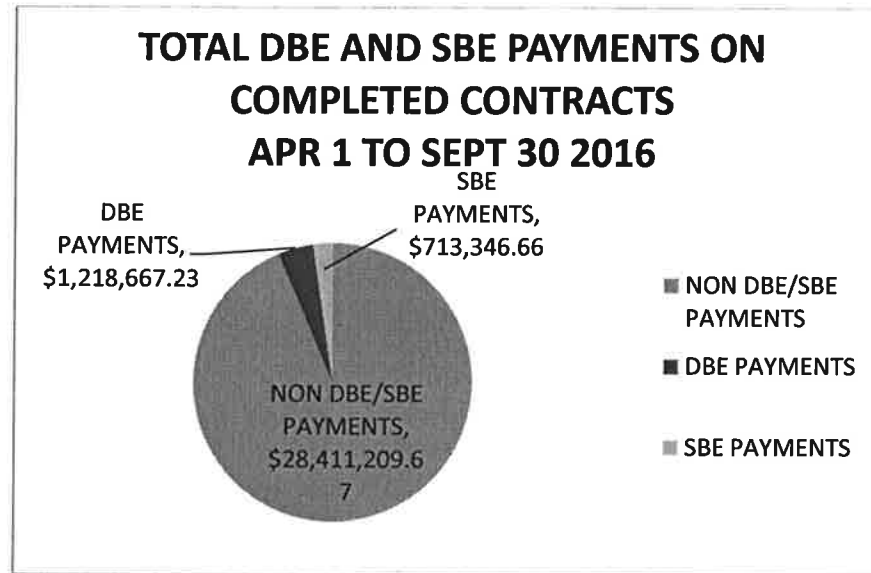
VIII. Summary of DBE, WBE, MBE, DVBE and SB Participation for all Contracts (Regardless of Funding Source)

Although MTS cannot report to the FTA the participation of MBE, DVBE, WBE, SB and LGBT (together referred to as SBEs) for its FTA DBE Semi Annual Report, MTS does record the participation of these businesses to gauge the success of its program to foster small business participation. MTS encourages the participation of these businesses on all of its contracts, no matter the funding source. MTS's DBE and small business participation rates for the reporting period, using both local and federal funds, were as follows:

	Contract Awards/Commitments				
REPORTING PERIOD	Total \$\$	DBE \$\$	DBE %	SBE \$\$	SBE %
Total Funds: Apr 1, 2016 to Sept 30, 2016	\$32,178,592.14	\$976,115.34	3.03%	\$910,196.71	2.83%



REPORTING PERIOD	Contracts Completed (Actual Payments)				
	Total \$\$	DBE \$\$	DBE %	SBE \$\$	SBE %
Total Funds: Apr 1, 2016 to Sept 30, 2016	\$30,343,223.56	\$1,218,667.23	4.02%	\$713,346.66	2.35%




Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com

Attachments: A. History of Semi-Annual Reports for Contracts Awarded
B. History of Semi-Annual Reports for Contracts Completed

Hisotry of of DBE and SBE Participation on Contract Awards/Commitments

	DBE GOAL	REPORTING PERIOD	TOTAL DOLLARS AWARDED (fed & local)	DBE \$\$	DBE %	SBE\$\$	SBE%	Total Federal \$\$	DBE \$\$	DBE %	SBE \$\$	SBE %	Total Local \$\$	DBE	DBE %	SBE	SBE %
FY 04		Oct 1 03 to Mar 31 04						\$ 68,933,772.00	\$ 3,789,506.00	5.50%							
		Apr 1 04 to Sept 30 04						\$ 1,019,427.00	\$ 22,298.00	2.19%							
FY 05	13.80%	Oct 1 04 to Mar 31 05						\$ 15,427,536.00	\$ 258,655.00	1.68%							
		Apr 1 05 to Sept 30 05						\$ 7,309,808.00	\$ 626,128.00	8.57%							
FY 06	2.30%	Oct 1 05 to Mar 31 06						\$ 16,025,156.00	\$ 1,231,189.00	7.68%							
		Apr 1 06 to Sept 30 06						no report	no report	n/a							
FY07	1.60%	Oct 1 06 to Mar 31 07						\$ 249,875,613.13	\$ 40,700.00	0.02%							
		Apr 1 07 to Sept 30 07						\$ 14,531,851.03	\$ 144,000.00	0.99%							
FY08	3.60%	Oct 1 07 to Mar 31 08						\$ 41,995,633.95	\$ -	0.00%							
		Apr 1 08 to Sept 30 08						\$ 29,945,298.82	\$ 30,000.00	0.10%							
FY09	1.60%	Oct 1 08 to Mar 31 09						\$ 55,246,022.46	\$ -	0.00%							
		Apr 1 09 to Sept 30 09						\$ 23,987,652.82	\$ 135,836.00	0.57%							
FY10	1.72%	Oct 1 09 to Mar 31 10						\$ 3,008,808.00	\$ -	0.00%							
		Apr 1 10 to Sept 30 10						\$ 170,230,393.00	\$ 12,000.00	0.01%							
FY11	12.6%	Oct 1 10 to Mar 31 11						\$ 11,545,746.55	\$ -	0.00%							
		Apr 1 11 to Sept 30 11						\$ 22,286,323.98	\$ 3,550,437.92	15.93%							
Oct 1 11 to Mar 31 12*							\$ 154,463,950.06	\$ 1,460,173.40	0.95%								
11 to Mar 12 w/o Veolia contract						\$ 17,415,594.11	\$ 1,460,173.40	8.38%									
		Apr 1 12 to Sept 30 12						\$ 10,678,545.64	\$ 30,254.07	0.28%							
FY13	4.1%	Oct 1 12 to Mar 31 13	\$ 20,565,498.83	\$ 812,417.51	3.95%	\$ 157,030.00	0.76%	\$ 18,372,446.95	\$ 759,369.25	4.13%	\$ 62,535.00	0.34%	\$ 2,193,051.88	\$ 53,048.26	2.42%	\$ 94,495.00	4.31%
		Apr 1 13 to Sept 30 13	\$ 34,460,457.63	\$ 898,221.82	2.61%	\$ 1,200,261.58	3.48%	\$ 15,870,139.09	\$ 898,221.82	5.66%	\$ 877,362.58	5.53%	\$ 18,590,318.54	\$ -	0.00%	\$ 322,899.00	1.74%
Oct 1 13 to Mar 31 14		\$ 30,396,564.63	\$ 1,045,587.65	3.44%	\$ 778,423.64	2.56%	\$ 24,982,372.54	\$ 1,041,961.65	4.17%	\$ 679,320.38	2.72%	\$ 5,414,192.09	\$ 3,626.00	0.07%	\$ 99,103.26	1.83%	
Apr 1 14 to Sept 30 14		\$ 36,667,958.68	\$ 2,901,661.10	7.91%	\$ 1,412,502.45	3.85%	\$ 22,871,104.47	\$ 2,699,042.86	11.80%	\$ 1,151,923.37	5.04%	\$ 13,796,854.21	\$ 202,618.24	1.47%	\$ 260,579.08	1.89%	
Oct 1 14 to Mar 31 15		\$ 406,896,924.96	\$ 115,969.00	0.03%	\$ 2,073,475.82	0.51%	\$ 60,000,489.70	\$ -	0.00%	\$ 352,186.97	0.59%	\$ 346,896,435.26	\$ 115,969.00	0.03%	\$ 1,721,288.85	0.50%	
Apr 1 15 to Sept 30 15		\$ 23,961,456.64	\$ 1,032,738.82	4.31%	\$ 1,066,325.73	4.45%	\$ 3,006,532.71	\$ 89,113.74	2.96%	\$ 134,572.59	4.48%	\$ 20,954,923.93	\$ 943,625.08	4.50%	\$ 931,753.14	4.45%	
FY15*	3.75%	Oct 1 15 to Mar 31 16	\$ 63,883,438.52	\$ 298,902.02	0.47%	\$ 2,929,504.04	4.59%	\$ 4,094,298.13	\$ 11,859.89	0.29%	\$ 246,645.99	6.02%	\$ 59,789,140.39	\$ 287,042.13	0.48%	\$ 2,682,858.05	4.49%
		April 1 16 to Sept 30 16	\$ 32,178,592.14	\$ 976,115.34	3.03%	\$ 910,196.71	2.83%	\$ 6,418,545.41	\$ 255,760.97	3.98%	\$ 148,325.08	2.31%	\$ 25,760,046.73	\$ 720,354.37	2.80%	\$ 761,871.63	2.96%

In FY15, MTS began reporting the breakdown of how many federal dollars and how many local/state dollars were awarded and spent on each individual contract.

In FY16, MTS began using SAP which is capable of accurately reporting more expense procurements than previously was allowed using prior systems.

Cumulative October 1, 2015 to September 30, 2018																	
FY16-18	3.75%	Oct 1, 2015 thru Sept 30, 2018 (6 total semi-annual reports)	\$ 96,062,030.66	\$ 1,275,017.36	1.33%	\$ 3,839,700.75	4.00%	\$ 10,512,843.54	\$ 267,620.86	2.55%	\$ 394,971.07	3.76%	\$ 85,549,187.12	\$ 1,007,396.50	1.18%	\$ 3,444,729.68	4.03%

TOTAL DBE
AWARDED

TOTAL SBE
AWARDED

FEDERAL DBE
AWARDED

FEDERAL
SBE
AWARDED

LOCAL DBE
AWARDED

LOCAL SBE
AWARDED

History of DBE and SBE Participation on Contracts Completed

	DBE GOAL	REPORTING PERIOD	TOTAL DOLLARS COMPLETED (fed & local)	DBE \$\$	DBE %	SBE\$\$	SBE%	Total Federal \$\$	DBE \$\$	DBE %	SBE \$\$	SBE %	Total Local \$\$	DBE	DBE %	SBE	SBE %
FY 04		Oct 1 03 to Mar 31 04						\$ 253,216.00	\$ 67,220.00	26.55%							
		Apr 1 04 to Sept 30 04						\$ -	\$ -	n/a							
FY 05	13.80%	Oct 1 04 to Mar 31 05						\$ 88,441,868.00	\$ 10,158,403.00	11.49%							
		Apr 1 05 to Sept 30 05						\$ 53,609,229.00	\$ 821,053.00	1.53%							
FY 06	2.30%	Oct 1 05 to Mar 31 06						\$ 7,041,539.00	\$ 898,523.00	12.76%							
		Apr 1 06 to Sept 30 06						no report	no report	n/a							
FY07	1.60%	Oct 1 06 to Mar 31 07						\$ 35,600.00	\$ 35,600.00	100.00%							
		Apr 1 07 to Sept 30 07						\$ 1,182,111.63	\$ -	0.00%							
FY08	3.60%	Oct 1 07 to Mar 31 08						\$ 5,057,656.55	\$ -	0.00%							
		Apr 1 08 to Sept 30 08						\$ 6,158,102.32	\$ -	0.00%							
FY09	1.60%	Oct 1 08 to Mar 31 09						\$ 60,644,404.46	\$ -	0.00%							
		Apr 1 09 to Sept 30 09						\$ 7,013,082.98	\$ 135,836.00	1.94%							
FY10	1.72%	Oct 1 09 to Mar 31 10						\$ 4,011,752.00	\$ -	0.00%							
		Apr 1 10 to Sept 30 10						\$ 19,397,031.00	\$ 12,000.00	0.06%							
FY11	12.6%	Oct 1 10 to Mar 31 11						\$ 16,092,041.86	\$ -	0.00%							
		Apr 1 11 to Sept 30 11						\$ 7,766,822.30	\$ 3,690,492.22	47.52%							
Oct 1 11 to Mar 31 12*							\$ 11,459,415.06	\$ 4,800.00	0.04%								
Oct 11 to Mar 12 w/o Veolia contract							n/a	n/a	n/a								
		Apr 1 12 to Sept 30 12						\$ 12,002,553.56	\$ 25,334.07	0.21%							
FY13	4.1%	Oct 1 12 to Mar 31 13	\$ 4,101,792.33	\$ 206,245.24	5.03%	\$ 75,180.00	1.83%	\$ 2,407,395.30	\$ 84,745.24	3.52%	\$ 6,135.00	0.25%	\$ 1,694,397.03	\$ 121,500.00	7.17%	\$ 69,045.00	4.07%
		Apr 1 13 to Sept 30 13	\$ 13,663,022.32	\$ 319,170.50	2.34%	\$ 46,176.20	0.34%	\$ 7,977,919.62	\$ 319,170.50	4.00%	\$ 2,771.20	0.03%	\$ 5,685,102.70	\$ -	0.00%	\$ 43,405.00	0.76%
Oct 1 13 to Mar 31 14		\$ 13,649,354.70	\$ 293,289.20	2.15%	\$ 135,927.37	1.00%	\$ 6,823,674.29	\$ 292,533.65	4.29%	\$ 115,167.05	1.69%	\$ 6,825,680.41	\$ 755.55	0.01%	\$ 20,760.32	0.30%	
Apr 1 14 to Sept 30 14		\$ 17,416,560.55	\$ 3,910,674.11	22.45%	\$ 701,129.62	4.03%	\$ 8,885,583.71	\$ 3,768,706.60	42.41%	\$ 14,654.00	0.16%	\$ 8,530,976.84	\$ 141,967.51	1.66%	\$ 686,475.62	8.05%	
Oct 1 14 to Mar 31 15		\$ 4,358,155.38	\$ 10,891.00	0.25%	\$ 1,290,954.40	29.62%	\$ 1,209,954.09	\$ -	0.00%	\$ 40,960.72	3.39%	\$ 3,148,201.29	\$ 10,891.00	0.35%	\$ 1,249,993.68	39.71%	
Apr 1 15 to Sept 30 15		\$ 204,192,796.67	\$ 309,784.63	0.15%	\$ 379,786.82	0.19%	\$ 47,336,783.90	\$ -	0.00%	\$ 44,373.93	0.09%	\$ 156,856,012.77	\$ 309,784.63	0.20%	\$ 335,412.89	0.21%	
FY16	3.75%	Oct 1 15 to Mar 31 16	\$ 5,768,931.07	\$ 26,502.82	0.46%	\$ 591,017.84	10.24%	\$ 1,206,599.18	\$ 3,916.70	0.32%	\$ 344,129.82	28.52%	\$ 4,562,331.89	\$ 22,586.12	0.50%	\$ 246,888.02	5.41%
		April 1 16 to Sept 30 16	\$ 30,343,223.56	\$ 1,218,667.23	4.02%	\$ 713,346.66	2.35%	\$ 2,300,973.59	\$ 493,660.84	21.45%	\$ 126,072.16	5.48%	\$ 28,042,249.97	\$ 725,006.39	2.59%	\$ 587,274.50	2.09%
Cumulative																	
October 1, 2015 to September 30, 2018																	
FY16-18	3.75%	Oct 1, 2015 thru Sept 30, 2018 (6 total semi-annual reports)	\$ 36,112,154.63	\$ 1,245,170.05	3.45%	\$ 1,304,364.50	1.83%	\$ 3,507,572.77	\$ 497,577.54	14.19%	\$ 470,201.98	13.41%	\$ 32,604,581.86	\$ 747,592.51	2.29%	\$ 834,162.52	2.56%
					TOTAL DBE COMPLETED		TOTAL SBE COMPLETED			FEDERAL DBE COMPLETED		FEDERAL SBE COMPLETED			LOCAL DBE COMPLETED		LOCAL SBE COMPLETED



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
(619) 231-1466 • FAX (619) 234-3407

Agenda Item No. 8

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

**Draft for
Executive Committee
Review Date: 2/2/17**

SUBJECT:

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 JANUARY 17, 2017

RECOMMENDATION:

That the Board of Directors receive the San Diego and Imperial Valley Railroad (SD&IV),
Pacific Southwest Railway Museum Association (Museum), and Pacific Imperial
Railroad, Inc. (PIR) quarterly reports (Attachment A) for information.

Budget Impact

None.

DISCUSSION:

Pursuant to the Agreement for Operation of Freight Rail Services, SD&IV, Museum, and
PIR have provided operations reports during the fourth quarter of 2016 (Attachment A).



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com

Attachment: A. Copy of Final Meeting Materials from 1/17/2017 SD&AE Meeting





SAN DIEGO & ARIZONA
EASTERN RAILWAY
COMPANY

A NEVADA NONPROFIT
CORPORATION

1255 IMPERIAL AVE., STE. 1000
SAN DIEGO, CA
92101-7490
(619) 231-1466

BOARD OF DIRECTORS
PAUL JABLONSKI, CHAIRPERSON
MATT DOMEN
JARED GOOCH

OFFICERS

PAUL JABLONSKI, PRESIDENT
MATT DOMEN, SECRETARY
ERIN DUNN, TREASURER

LEGAL COUNSEL
KAREN LANDERS

AGENDA

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

January 17, 2017

9:00 a.m.

Executive Committee Room
James R. Mills Building
1255 Imperial Avenue, 10th Floor

This information will be made available in alternative formats upon request. To request an agenda in an alternative format, please call the Clerk of the Board at least five working days prior to the meeting to ensure availability. Assistive Listening Devices (ALDs) are available from the Clerk of the Board prior to the meeting and are to be returned at the end of the meeting.

ACTION RECOMMENDED

1. Approval of the Minutes of October 11, 2016
Action would approve the SD&AE Railway Company Minutes of October 11, 2016. Approve
2. Statement of Railway Finances (Erin Dunn)
Action would receive a report for information. Receive
3. Report on San Diego and Imperial Valley (SD&IV) Railroad Operations (Matt Domen)
Action would receive a report for information. Receive
4. Report on Pacific Southwest Railway Museum (Diana Hyatt)
Action would receive a report for information. Receive
5. Report on the Desert Line (Arturo Alemany)
Action would receive a report for information. Receive
6. Real Property Matters (Tim Allison)
 - a. Summary of SD&AE Documents Issued Since October 11, 2016
Action would receive a report for information. Receive
7. Board Member Communications
8. Public Comments
9. Next Meeting Date: April 11, 2017
10. Adjournment

*San Diego and Arizona Eastern Railway Company*January 17, 2017*Sign-in Sheet (VOLUNTARY)*

<i>Name</i>	<i>Company</i>
1. Diana Hyatt	Pac. SW Rwy
2. LYATT DOWEN	SDIV
3. Jared Goodh	SOIV
4. DAN DAVIS	RailPROC
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MINUTES

BOARD OF DIRECTORS MEETING OF THE SAN DIEGO & ARIZONA EASTERN RAILWAY COMPANY

October 11, 2016

A meeting of the Board of Directors of the San Diego & Arizona Eastern (SD&AE) Railway Company, a Nevada corporation, was held at 1255 Imperial Avenue, Suite 1000, San Diego, California 92101, on October 11, 2016, at 9:03 a.m.

The following persons, constituting the Board of Directors, were present: Paul Jablonski, Matt Domen, and Jared Gooch. Also in attendance were members from:

San Diego Metropolitan Transit System:	Tim Allison, Karen Landers, Wayne Terry, Erin Dunn, Mark Olson
Pacific Southwest Railway Museum:	Diana Hyatt
City of Imperial Beach:	Steve Dush
Pacific Imperial Railroad, Inc.:	Arturo Alemany, Tim Doolittle, Manuel Hernandez
Other:	R. Mitchel Beauchamp

1. Approval of Minutes

Mr. Domen moved to approve the Minutes of the July 19, 2016, SD&AE Railway Board of Directors meeting. Mr. Gooch seconded the motion, and it was unanimously approved.

2. Statement of Railway Finances

Erin Dunn reviewed Statement of Railway Finances for the third quarter of 2016 (attached to the agenda item). Karen Landers added that revenues will be used for future unallocated expenses on the Desert Line, such as work completed by RailPros.

Action Taken

Mr. Jablonski moved to receive the report. Mr. Domen seconded the motion, and it was unanimously approved.

3. Report on San Diego & Imperial Valley Railroad (SD&IV) Operations

Matt Domen reviewed the SD&IV Periodic Report for activities for the third quarter of 2016 (attached to the agenda item). Mr. Domen explained some of the enhancements to the San Ysidro Yard, including switches, track-lengthening, turn-around times, lighting, cameras, increased car capacity, and ramps for transloading. Mr. Gooch reviewed the improvements made to the drainage to prevent flooding and the layout of the transload operations. He also discussed new and potential customers and marketing efforts. Board members agreed that the benefits of the enhancements greatly improve operations, and potential new customers are excited about using the facility.

Mr. Jablonski asked about the operations at the Palomar siding. Mr. Terry responded that the FRA will be conducting fitness testing after which staff training will be conducted and an addendum to the FRA waiver would be submitted for absolute block operation. He stated that the absolute block allows freight to move after the last trolley goes out of service and saves

about 30 minutes from previous procedures. Mr. Domen added that this is a huge time savings for freight operations.

Action Taken

Mr. Jablonski moved to receive the report. Mr. Domen seconded the motion, and it was unanimously approved.

4. Report on Pacific Southwest Railway Museum Operations

Diana Hyatt reviewed the Pacific Southwest Railway Museum (PSRM) report for the third quarter of 2016, which was provided at the meeting (attached).

Action Taken

Mr. Jablonski moved to receive the report. Mr. Domen seconded the motion, and it was unanimously approved.

5. Report on the Desert Line

Arturo Alemany reviewed the Report on the Desert Line (attached to the agenda item). Mr. Alemany discussed the investment challenges and progress made in efforts to get operations up and running over the Desert Line. He discussed a recent survey of the rail, bridges, and tunnels with a team of representatives from collaborating agencies and the positive working relationships that have been formed between all parties. Mr. Alemany stated that they are awaiting Dan Davis' return next week to review the Reconstruction Plan. He added that Baja California Railroad (BJRR) has submitted all of its required payments. Manuel Hernandez discussed new business and commodities and anticipates beginning operations next year.

Mr. Jablonski stated that he was in Washington DC recently and met with the Ambassador to Mexico and representatives from the Department of Commerce and the Department of State. The topic of transload with Mexico over the Desert Line was positive and has much support. Mr. Hernandez added that lobbying assistance is being sought and will help to keep progress going on the right track. He added that a presentation should be ready for review by Ms. Landers next week. Ms. Landers stated that staff met with Washington DC representatives and also residents of Alpine in an effort to work together to get the project completed on a short track.

Action Taken

Mr. Jablonski moved to receive the report. Mr. Gooch seconded the motion, and it was unanimously approved.

6. Real Property Matters

a. Summary of SD&AE Documents Issued Since July 19, 2016

Since the July 19, 2016, SD&AE Railway Company Board of Directors meeting, the documents described below have been processed by staff.

October 11, 2016

SD&AE Railway Company Board Meeting Minutes

- S200-16-638: Right of Entry Permit to the San Diego Bicycle Coalition for the Bike the Bay bike-ride event.
- S200-17-640: Right of Entry Permit to Like a Shot Entertainment for the filming of a documentary segment at the Goat Canyon Trestle on the Desert Line.
- S200-17-641: Right of Entry Permit to Baja California Railroad for Desert Line reconstruction-related activities.
- S200-17-642: Right of Entry Permit to Flatiron West, Inc. for reconstructing the SR 94 Campo Creek Bridge in Campo.

Action Taken

Mr. Jablonski moved to waive a staff report. Mr. Domen seconded the motion, and it was unanimously approved.

b. License for Community Dog Park in Imperial Beach

Karen Landers presented the item in Tim Allison's absence. She introduced Steve Dush with the City of Imperial Beach. Ms. Landers stated that the license being requested would have the caveat that it would be revocable with a 120-day notice if rail operations were needed; however, there are no foreseeable plans to operate in the SD&AE right-of-way. She added that the City of Imperial Beach would also maintain the right-of-way. Mr. Dush clarified that he wasn't aware of any structures that would be added on SD&AE's property, but if so, they would be easily removable.

Action Taken

Mr. Jablonski moved to approve issuing a license to the City of Imperial Beach for the portion of the proposed community dog park within SD&AE right-of-way located approximately between the intersection of 11th Street and Cherry Avenue and the intersection of Florida Street and Boulevard Avenue in Imperial Beach. Mr. Domen seconded the motion, and it was unanimously approved.

c. License Amendment for Bayshore Bikeway Bike Path Connection in Imperial Beach

Ms. Landers stated that all that is being requested is to add a notch-out to connect the bike path to the Bayshore Bikeway. She stated that the existing 1999 license would be updated to include indemnification language stating that it would be revocable if rail operations were ever needed and the property would be restored.

Action Taken

Mr. Jablonski moved to approve issuing a license amendment to the City of Imperial Beach for the proposed Bayshore Bikeway bike path connection located northwest of the intersection of 7th Street and Boulevard Avenue in Imperial Beach. Mr. Gooch seconded the motion, and it was unanimously approved.

October 11, 2016

7. Approval of the 2017 SD&AE Board of Directors Meeting Schedule

Ms. Landers presented the SD&AE meeting schedule recommended for 2017:

Tuesday, January 17, 2017	9:00 a.m.	(Fourth Quarter 2016 Reports)
Tuesday, April 11, 2017	9:00 a.m.	(First Quarter 2017 Reports)
Tuesday, July 18, 2017	9:00 a.m.	(Second Quarter 2017 Reports)
Tuesday, October 10, 2017	9:00 a.m.	(Third Quarter 2017 Reports)

Upon approval of the above meeting dates, additional information regarding materials due dates and mail-outs are as follows:

<u>Materials Due to Clerk</u>	<u>Materials Mailed</u>
Friday, January 6, 2017	Wednesday, January 11, 2017
*Thursday, March 30, 2017	Wednesday, April 5, 2017
Friday, July 7, 2017	Wednesday, July 12, 2017
Friday, September 29, 2017	Wednesday, October 4, 2017

(*Day changed due to Cesar Chavez holiday on March 31)

Action Taken

Mr. Jablonski moved to approve the 2017 SD&AE Board of Directors meeting schedule. Mr. Gooch seconded the motion, and it was unanimously approved.

8. Board Member Communications

There were no Board member communications.

9. Public Comments

There were no public comments.

10. Next Meeting Date

The next meeting of the SD&AE Railway Company Board of Directors is on Tuesday, January 17, 2017.

11. Adjournment

The meeting was adjourned at 9:45 a.m.



President

General Counsel



Pacific Southwest Railway Museum

La Mesa Depot 4695 Hebo Drive La Mesa, CA 91941 619-465-7776

October 9, 2016

SD&AE Board
c/o Metropolitan Transit System
1255 Imperial Avenue, Suite 1000
San Diego, CA 92101

Re: Third Quarter 2016

Dear SD&AE Board:

During the third quarter of 2016, utilizing all volunteer crews, the Pacific Southwest Railway Museum ran 88 Valley Flyer passenger trains carrying 183 passengers during 16 operating days. There were no FRA reportable accidents or injuries during the third quarter, 2016. Total income from SD&AE property for third quarter, 2016 was \$7,160.85. Our check for \$143.22 will follow under separate cover. By comparison, PSRM carried 658 passengers during the third quarter of 2015 and total income from SD&AE property was \$14,160.

Passenger ridership by comparison to the same quarter in previous years:

658 passengers during the third quarter of 2015
1,031 passengers during the third quarter of 2014
1,254 passengers during the third quarter of 2013
1,012 passengers during the third quarter of 2012
1,294 passengers during the third quarter of 2011
1,468 passengers during the third quarter of 2010

When planning the operating schedule for 2016, a decision was made to extend our summer schedule into the beginning of October when in past years the summer schedule ended on Labor Day weekend. Additionally, trains were operated on Sundays only during the summer season schedule as opposed to Saturdays only during the summer for the two previous years. The train rides operated during the third quarter of this year were two mile round-trip caboose trains, within the Campo Valley at a lower fare. The results of this experiment did not yield favorable results in some areas and the data will be used in determining the 2017 summer schedule. The last day of the summer schedule was Sunday, October 2. Pumpkin Trains will operate every

Saturday and Sunday through the end of October. Every Saturday and Sunday from November 5 through the 20th, the museum will operate caboose trains. Every Friday and Saturday evening beginning Friday, November 25, 2016 through Saturday, December 17th the museum will operate its popular North Pole trains; pre-sales are strong with first class sold out.

PSRM continues to maintain both signalized railroad crossings within our right of way limits performing the monthly and quarterly inspections. PSRM also performs routine track inspections between MP 59.9 and 66.77. Our volunteer track crew continues to perform track maintenance tasks, particularly tie replacement on the mainline.

I would like to invite the members of this board and staff, Pacific Imperial Railroad and Baja Railroad to join us on one of two North Pole train rides on the private Pullman Robert Peary Friday, December 16, 2016 at the 5:00 pm or 7:00 pm departure. Both time slots have been reserved for you with a capacity of twenty persons per train departure.

Sincerely,

A handwritten signature in cursive script that reads "Diana Hyatt". The signature is written in dark ink and is positioned above the printed name and title.

Diana Hyatt
President

Agenda Item No. 2

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

January 17, 2017

SUBJECT:

STATEMENT OF RAILWAY FINANCES

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors receive a financial report for the period ending November 30, 2016.

Budget Impact

None

DISCUSSION:

Attached are SD&AE's financial results for the period ending November 30, 2016.

As of November 30, 2016, fiscal year-to-date revenues are \$421,000 favorable to budget primarily due to the Desert Line Lease revenue not included in the budget.

Expenses are \$40,000 favorable to budget due to a favorable variance in Personnel Costs.

The Net Income for the period ending November 30, 2016, was \$450,000.

Attachment: SD&AE Operating Statement for period ending November 30, 2016

SD&AE Operating Statement FY2017-16

	FY 2017					FY 2016	
	Q1 Actual	Oct - Nov Actual	YTD Actual (Jul - Nov)	YTD Budget (Jul - Nov)	Variance	Q1 - Q2 Actual (Jul - Nov)	Variance
Revenues							
Right of Entry Permits	\$ 3,000	\$ 6,888	\$ 9,888	\$ 12,500	\$ (2,612)	\$ 4,900	4,988
Lease Income	19,103	17,753	36,856	29,165	\$ 7,691	31,314	5,542
Desert Line Lease Revenue	250,000	166,667	416,667	-	\$416,667	416,667	(0)
Operator Income - SD&IV 1% Freight Fee	8,500	5,667	14,167	14,585	\$ (418)	14,200	(33)
Total Revenue	280,603	196,974	477,577	56,250	421,327	467,081	10,496
Expenses							
Personnel Costs	2,752	3,528	6,280	42,602	36,322	25,413	19,133
Outside Services	14,059	156	14,215	18,809	4,594	17,433	3,218
Risk Management	3,762	2,646	6,408	6,670	262	5,993	(415)
Misc. Operating Expenses	1,146	-	1,146	210	(936)	406	(740)
Total Expense	21,719	6,330	28,048	68,291	40,243	49,245	21,197
Net Income/(Loss)	\$ 258,884	\$ 190,644	\$449,529	\$(12,041)	\$461,570	\$ 417,836	\$ 31,693

Reserve Balance July 1, 2016	\$1,581,452
Allocated Interest Earnings - Estimated	4,167
Operating Profit/(Loss) - YTD	449,529
Reserve Balance as of Nov 30, 2016	\$2,035,147

Agenda Item No. 3

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

October 11, 2016

SUBJECT:

REPORT ON SAN DIEGO AND IMPERIAL VALLEY (SD&IV) RAILROAD OPERATIONS

RECOMMENDATION:

That the SD&AE Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

An oral report will be given during the meeting.

Attachment: Periodic Report for the 4th Quarter of 2016



a Genesee & Wyoming Company

SD&AE Board
C/O MTS
1255 Imperial Avenue, Suite 1000
San Diego, California 92101

January 3, 2017

Periodic Report

In accordance with Section 20 of the Agreement for Operational Freight Service and Control through Management of the San Diego and Arizona Eastern Railway Company activities of interest for the 4th Quarter of 2016 are listed as follows:

1. Labor

At the end of December 31, 2016 the San Diego & Imperial Railroad had 9 employees:

1 General Manager

1 Trainmaster
1 Manager - Marketing & Sales
1 Office Manager
1 Mechanical Manager
1 Maintenance of Way Employee
3 Train Service Employees

2. Marketing

Volume in the 4th Quarter increased 56% as compared to 2015. Bridge traffic into Mexico had a 69% increase, primarily driven by increases in LPG. Traffic terminating or originating on the SDIY was up 23% versus last year. Increase is due primarily to the addition and expansion of a new transload operation in San Ysidro handling ethanol and lumber.

3. **Reportable Injuries/Environmental**
 Days through year to date, Dec 31, 2016, there were no FRA Reportable injuries or Environmental incidents on the SDIV Railroad.
 Days FRA Reportable Injury Free: 7211

4. **Summary of Freight**

	2016	2015	2014
Total rail carloads that moved by SDIY Rail Service in the quarter.	1440	923	826
Total railroad carloads Terminating/Originating Mexico in the quarter.	1110	655	622
Total railroad carloads Terminating/Originating El Cajon, San Diego, National City, San Ysidro, California in the quarter.	330	268	204
Total customers directly served by SDIY in the quarter	11	10	11
Regional Truck trips that SDIY Railroad Service replaced in the quarter	4320	2769	2478

Respectfully,
 Matt Domen
 General Manager

Agenda Item No. 4

**San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting**

January 17, 2017

SUBJECT:

REPORT ON PACIFIC SOUTHWEST RAILWAY MUSEUM

RECOMMENDATION:

That the SD&AE Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

An oral report will be given during the meeting.

Attachment: Quarterly Report



Pacific Southwest Railway Museum

La Mesa Depot 4695 Nebo Drive La Mesa, CA 91941 619-465-7776

January 10, 2017

**SD&AE Board
c/o Metropolitan Transit System
1255 Imperial Avenue, Suite 1000
San Diego, CA 92101**

Re: Fourth Quarter 2016

Dear SD&AE Board:

During the fourth quarter of 2016, utilizing all volunteer crews, the Pacific Southwest Railway Museum ran 90 passenger trains carrying 6,736 passengers during 23 operating days. There were no FRA reportable accidents or injuries during the fourth quarter, 2016. Ticket revenue from SD&AE property for fourth quarter, 2016 was \$234,413; this figure is not inclusive of retail sales income for this time period and these figures will be adjusted accordingly. Our check for upwards of \$4,688 will follow under separate cover. By comparison, PSRM carried 7,110 passengers during the fourth quarter of 2016 and total income from SD&AE property was \$234,294.

Passenger ridership by comparison to the same quarter in previous years:

6,736	Passengers during the fourth quarter of 2016
7,110	Passengers during the fourth quarter of 2015
6,765	Passengers during the fourth quarter of 2014
6,535	Passengers during the fourth quarter of 2013
6,889	Passengers during the fourth quarter of 2012
6,109	Passengers during the fourth quarter of 2011
4,284	Passengers during the fourth quarter of 2010
3,268	Passengers during the fourth quarter of 2009
4,554	Passengers during the fourth quarter of 2008

The slight difference in ridership can be attributed to a slight decrease in Pumpkin Train attendance while North Pole Train ridership remained steady. The private Pullman car Robert Peary, once used by Franklin Delano Roosevelt during his third presidential tour across the United States was reserved for all SD&AE partners to experience on Friday, December 16, 2016.

The twentieth annual Christmas Train/Three Kings Train event was held on Sunday, January 8, 2017 at Estadio Manuel Cecena in Tecate, B.C., Mexico. This was the eighth year that a train from Campo to Tecate, B.C., Mexico was unable to make the fourteen mile trip by rail and participants crossed the border as pedestrians. Nevertheless, four to five thousand underprivileged children from Tecate and outlying areas received a gift bag of useful items that included a notebook, blanket, toothbrush, an orange and a small toy. The event is hosted by DIF: El Desarrollo Integral de la Familia and is led by the mayor's spouse. The new mayor of Tecate assumed office in late November, 2016 and her husband will be the new director of DIF.

PSRM continues to maintain both signalized railroad crossings within our right of way limits performing the monthly and quarterly inspections. PSRM also performs routine track inspections between MP 59.9 and 66.77. Our volunteer track crew continues to perform track maintenance tasks, particularly tie replacement on the mainline.

Sincerely,

A handwritten signature in cursive script, appearing to read "Diana Hyatt".

Diana Hyatt
President

Agenda Item No. 5

**San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting**

January 17, 2017

SUBJECT:

REPORT ON THE DESERT LINE

RECOMMENDATION:

That the SD&AE Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

An oral report will be given during the meeting.

Attachment: Quarterly Report



PERIODIC REPORT

January 1, 2017

The periodic report to the SD&AE Railway Company is produced quarterly by the Pacific Imperial Railroad, Inc. for the SD&AE Board, in fulfillment of contractual requirements and to document activity in the restoration of the line to regional service along with its ongoing improvement for future generations.

Pacific Imperial Railroad, Inc.

SD&AE 1/1/2017

First Quarter 2016

CONTENTS

- I. BJRR RECONSTRUCTION PLAN**
- II. CHAPTER 11 REORGANIZATION**
- III. REPORTABLE INJURIES / ACCIDENTS / ENVIRONMENTAL INCIDENTS**
- IV. FREIGHT ACTIVITY**
- V. MTS LEASE PAYMENT**

SD&AE 1/1/2017

I. BJRR RECONSTRUCTION PLAN

Reconstruction Plan Deadline Extension. Under the Cali-Baja Joint Venture Sublease and Operating Agreement ("Cali-Baja Sublease"), Baja California Railroad, Inc. ("BJRR") originally had 150 days from the effective date of the agreement (November 7, 2016) to submit to PIR a Reconstruction Plan for the BJRR Segment, which must be submitted to SD&AE/MTS for approval. On November 8, 2016, Karen Landers, General Counsel of SD&AE/MTS agreed to extend the deadline for submitting the reconstruction plan to January 9, 2017. The plan is being developed by rail engineers from BJRR in coordination with Grupo DLG, an experienced railroad engineering and design firm based in Monterrey, Mexico.

II. CHAPTER 11 REORGANIZATION

On October 13, 2016, PIR filed a voluntary petition for reorganization under Chapter 11 of the United States Bankruptcy Code for the Southern District of California in order to facilitate the further development of its primary asset. Various claims arising from creditors and prior management have resulted in a chilling effect on PIR's ability to raise capital. The Chapter 11 proceeding will enable PIR to maximize the value of its assets, provide an effective forum for resolving any disputes regarding the claims, and enable PIR to complete its goal of securing a strategic partner with the necessary capital and expertise to develop the remainder of PIR's railway assets in a manner that will pay PIR's creditors and further the interests of the public at large.

III. FREIGHT ACTIVITY

There has been no freight activity.

IV. REPORTABLE INJURIES / ACCIDENTS / ENVIRONMENTAL INCIDENTS

- i. There have not been any reportable injuries.
- ii. There were no reportable accidents during the third quarter.
- iii. There were no environmental incidents during the third quarter.

V. LEASE PAYMENT

- i. On January 1, 2017, the semi-annual lease payment of \$500,000 was due to MTS, which PIR paid. To date, PIR has made 8 lease payments totaling \$4,000,000.
- ii. BJRR has paid the full amount of \$3,000,000 as consideration for the Cali-Baja Sublease.

Agenda Item No. 6a

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

January 17, 2017

SUBJECT:

SUMMARY OF SD&AE DOCUMENTS ISSUED SINCE OCTOBER 11, 2016

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

Since the October 11, 2016, SD&AE Railway Company Board of Directors meeting, the documents described below have been processed by staff.

- S200-16-635: Right of Entry Permit to the HP Communications Inc. to install aerial fiber at 32nd Street and Harbor Drive in the City of San Diego.
- S200-17-647: License to Crown Castle NG West LLC for aerial fiber at 32nd Street and Harbor Drive in the City of San Diego.
- S200-17-648: Right of Entry Permit to AirX Utility Surveyors, Inc. for utility location at Elm Street in the City of San Diego.



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
(619) 231-1466 • FAX (619) 234-3407

Agenda Item No. 9

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

**Draft for
Executive Committee
Review Date: 2/2/17**

SUBJECT:

OPERATIONS AND MAINTENANCE SERVICES FOR COMPRESSED NATURAL GAS
FUELING FACILITIES – CONTRACT AMENDMENT

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute Amendment No. 2 to MTS Doc. No. B0522.0-09 (in substantially the same format as Attachment A) with Trillium USA LLC to upgrade compressed natural gas (CNG) dispensers.

Budget Impact

This amendment will increase the previously authorized contract amount by a not-to-exceed \$528,194.00, from \$15,994,773.00 to a new total of \$16,522,967.00. Funding is through the MTS Capital Improvement Program (CIP) project 3006101001 (CNG Dispenser Replacement) for fiscal year (FY) 2017.

DISCUSSION:

In June 2010, following a Request for Proposals and negotiated procurement process, the Board of Directors authorized the CEO to award a ten-year contract for operations and maintenance services to Trillium USA for \$8,998,084.00. In September 2013, the Board of Directors authorized an increase due to several factors, including service increases and the exchange of diesel powered buses to CNG powered buses, resulting in a new contract total of \$15,994,773.00. These services are performed at the Imperial Avenue Division, Kearny Mesa Division, and South Bay Maintenance Facilities (IAD, KMD, and SBMF, respectively).

The IAD and SBMF currently have legacy ANGI CNG Fuel Dispensers at their locations. These dispensers have reached the end of their useful lives. Replacement parts critical to their operations are no longer available and as a result, these dispensers require



immediate replacement. If and when the dispensers begin to experience failures, service operations will be impacted. The dispensers at IAD are fourteen years old and the dispensers at SBMF are fifteen years old.

This amendment is for the costs associated with the removal and replacement of two CNG dispensers at SBMF and the removal and replacement of five CNG Dispensers at IAD, including all related accessories and testing.

Therefore, based on the age of the dispensers and risk of a mechanical breakdown, staff recommends that the MTS Board of Directors authorize the CEO to execute Amendment No. 2 to MTS Doc. No. B0522.0-09 (in substantially the same format as Attachment A) with Trillium USA LLC to upgrade compressed natural gas (CNG) dispensers.



Paul G. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com

Attachments: A. Proposal and Scope
B. Draft MTS Doc. No. B0522.2-09



1111 Bagby, Suite 2400, Houston, TX 77002

January 9, 2017

Via email: eli.belknap@sdmts.com

San Diego MTS

Attn: Mr. Eli Belknap

100 16th Street

San Diego, CA 92101

RE: Quote for 5 New Dispensers - IAD

Mr. Belknap,

Trillium CNG is pleased to present a quote to perform the five-dispenser upgrade at your Imperial Avenue site. TGT, ANGI and Kraus provided dispenser quotes. We incorporated costing for and recommend use of TGT dispensers as they are the best choice for existing site equipment. TGT dispensers have stainless steel cabinets which guard against rust issues, a visual check system (an active and complete light built into them), and their control system integrates well with ours.

Attached are a scope of work summary, dispenser quotes and Buy America compliance certifications. All work will be performed in conformance with Exhibit A dated 1/9/17. We propose to perform this work at the following rates:

Item	Estimated Cost
1. Engineering and Project Management Labor	\$18,530.00
2. Construction Labor	\$33,588.00
3. Construction Materials	\$20,872.00
4. Equipment	\$206,662.00
Vendor Quote - (Five Single Hose Transit Dispensers \$186,775.00)	
Vendor Quote - (Five Customer Connection Out Top \$7,500.00)	
Vendor Quote - (Ten Transducers \$2,000.00)	
Trillium CNG Quote - (Valves \$10,387.00)	
5. Freight	\$4,000.00
6. 8% Sales Tax on Materials	\$18,203.00
7. 5% Contingency on Labor and Materials	\$14,182.00
8. 15% Mark-up on Labor and Materials	\$42,548.00
TOTAL ESTIMATED FEE	\$358,585.00

Assumptions and Clarifications:

1. Trillium CNG will replace five (5) Backlot Single Hose Dispensers.
2. Startup, Commissioning, Project Management, and Outfitting, External Design, Internal Engineering, and Internal Programming included.
3. External engineering and permitting not included.
4. Civil, Mechanical, and Electrical Construction for dispenser and I/O cards included.
5. All work will be performed by Trillium CNG.
6. Freight included.
7. The quote meets requirements for prevailing wage, Buy America and all other federal procurement regulation.
8. Assumes natural soils to have a bearing capacity of 2,000 psf and are not contaminated.
9. Assumes no underground obstructions including utilities and rock or environmental issues such as flood zone.
10. Assumes all driveways and pavements will be provided by others / existing.

Feel free to contact me if you have any questions. Look forward to working with you on this project.

Regards,

A handwritten signature in cursive script, appearing to read "Krishawnda Washington", enclosed within a large, loopy oval flourish.

Krishawnda Washington
Commercial Program Manager
713-332-4838



Transit Services
100 16th Street
P.O. Box 122511
San Diego, CA 92112-2511
(619)238-0100 • FAX (619)696-8159

1/9/17

IAD & SB CNG Dispenser Replacement Project Scope of Work Exhibit A

General: The Imperial Avenue Division (“IAD”) and South Bay Maintenance Facility (“SBMF”) currently have legacy ANGI CNG Fuel Dispensers at their locations. These dispensers have reached the end of their useful life and parts critical to their operations are no longer available and as a result require replacement. The dispensers at IAD are fourteen years old and the dispensers at IAD are fifteen years old. Existing dispenser system utilizes an electromagnetic solution to actuate; replacement system will use compressed air which is more reliable.

The IAD & SB CNG Dispenser Replacement project generally consists of replacing the five existing ANGI dispensers at IAD and two existing ANGI dispensers at SBMF with new Tulsa Gas Technologies Single-hose dispensers. New dispensers will utilize existing fuel management system and existing control system. Project will include installation of compressed air lines from existing air lines to the dispensers at both the IAD and SBMF locations.

All work is to occur at IAD and SBMF. Allowable working hours are 7:00AM – 4:00PM. All work must be completed by 4:00PM each working day and the work area must be cleaned up by 4:00PM to allow for afternoon fueling.

Schedule: The project duration is one hundred twenty-five (125) calendar days from issuance of Notice to Proceed. As stated in Section 8-1.04 of the original contract, the Contractor shall pay to MTS as liquidated damages, **two hundred fifty dollars (\$250.00)** per calendar day per listed work element required to achieve substantial completion beyond the dates stated above, and any authorized extension thereof. Substantial completion shall be determined by the MTS Project Manager.

Staging: All staging and storage of materials are limited to the area inside the Trillium station. All vehicles and equipment associated with the dispenser replacement are to park adjacent to the Trillium station in a way not to inhibit any bus movements.

Temp Facilities: The contractor may use the restrooms at the divisions during the course of construction.

Waste: The contractor is responsible for legally disposing of all waste in relation to the work. The contractor shall not use any MTS or Transdev receptacles to dispose of material generated during the performance of this contract. Contractor is responsible for cleanup at the end of each work day.

Submittals: The contractor is to provide red-line as-built drawings to the MTS Project Manager for approval depicting the locations of any additional piping added as part of this work or changed conditions per Section 5-



1.05 of the original contract. The red-lines shall be overlaid on the IAD or SBMF original station construction as-built drawings.

General Scope of Work:

Dispenser Replacement - The project consists of the removal and replacement of seven total CNG dispensers. The contractor is responsible for the removal, disposal, hauling and legal disposal of the existing dispensers. The sequencing shall be that only one dispenser can be removed at a time to ensure MTS is not without any more than one dispenser at a time at each division during the course of this work. The removal and replacement of each dispenser duration shall not be greater than seventy-two (72) hours. Contractor is to coordinate the sequencing and scheduling of each dispenser replacement with the MTS Project Manager. The Contractor is responsible for the install of the compressed air lines to the new dispensers utilizing existing air from the fuel island or existing equipment. The contractor is responsible for all associated power shut downs, safe lockout & tag out during construction, valve removal, valve replacements, fuel management system & control system tie-ins, piping connections, and electrical connections as needed to accommodate the complete removal and replacement of each dispenser. The contractor shall coordinate all power shut downs with the MTS Project Manager. All compressed air and piping installs shall occur prior to the dispenser removal to ensure the total duration of the dispenser being down is as short as possible. Upon replacement of each dispenser the contractor is to commission, test and verify proper operation of each dispenser with the MTS Project Manager.



1111 Bagby, Suite 2400, Houston, TX 77002

January 9, 2017

Via email: eli.belknap@sdmts.com

San Diego MTS

Attn: Mr. Eli Belknap

100 16th Street

San Diego, CA 92101

RE: Quote for 2 New Dispensers - SBMF

Mr. Belknap,

Trillium CNG is pleased to present a quote to perform the two-dispenser upgrade at your South Bay Maintenance Facility. TGT, ANGI and Kraus provided dispenser quotes. We incorporated costing for and recommend use of TGT dispensers as they are the best choice for existing site equipment. TGT dispensers have stainless steel cabinets which guard against rust issues, a visual check system (an active and complete light built into them), and their control system integrates well with ours.

Attached are a scope of work summary, dispenser quotes and Buy America compliance certifications. All work will be performed in conformance with Exhibit A dated 1/9/17. We propose to perform this work at the following rates:

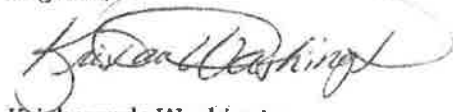
Item	Estimated Cost
1. Engineering and Project Management Labor	\$17,746.00
2. Construction Labor	\$13,100.00
3. Construction Materials	\$7,645.00
4. Equipment	\$83,429.00
Vendor Quote - (Two Single Hose Transit Dispensers \$74,710.00)	
Vendor Quote - (Two Customer Connection Out Top \$3,000.00)	
Vendor Quote - (Four Transducers \$800.00)	
Trillium CNG Quote - (Valves \$3,919.00)	
5. Freight	\$2,000.00
6. 8% Sales Tax on Materials	\$7,286.00
7. 5% Contingency on Labor and Materials	\$6,196.00
8. 15% Mark-up on Labor and Materials	\$32,207.00
TOTAL ESTIMATED FEE	\$169,609.00

Assumptions and Clarifications:

1. Trillium CNG will replace two (2) Backlot Single Hose Dispensers.
2. Trillium CNG will install new I/O cards.
3. Startup, Commissioning, Project Management, and Outfitting, External Design, Internal Engineering, and Internal Programming included.
4. External engineering and permitting not included.
5. Civil, Mechanical, and Electrical Construction for dispenser and I/O cards included.
6. All work will be performed by Trillium CNG.
7. Freight included.
8. The quote meets requirements for prevailing wage, Buy America and all other federal procurement regulation.
9. Assumes natural soils to have a bearing capacity of 2,000 psf and are not contaminated.
10. Assumes no underground obstructions including utilities and rock or environmental issues such as flood zone.
11. Assumes all driveways and pavements will be provided by others / existing.

Feel free to contact me if you have any questions. Look forward to working with you on this project.

Regards,



Krishawnda Washington
Commercial Program Manager
713-332-4838



Transit Services
100 16th Street
P.O. Box 122511
San Diego, CA 92112-2511
(619)238-0100 • FAX (619)696-8159

1/9/17

IAD & SB CNG Dispenser Replacement Project Scope of Work Exhibit A

General: The Imperial Avenue Division (“IAD”) and South Bay Maintenance Facility (“SBMF”) currently have legacy ANGI CNG Fuel Dispensers at their locations. These dispensers have reached the end of their useful life and parts critical to their operations are no longer available and as a result require replacement. The dispensers at IAD are fourteen years old and the dispensers at IAD are fifteen years old. Existing dispenser system utilizes an electromagnetic solution to actuate; replacement system will use compressed air which is more reliable.

The IAD & SB CNG Dispenser Replacement project generally consists of replacing the five existing ANGI dispensers at IAD and two existing ANGI dispensers at SBMF with new Tulsa Gas Technologies Single-hose dispensers. New dispensers will utilize existing fuel management system and existing control system. Project will include installation of compressed air lines from existing air lines to the dispensers at both the IAD and SBMF locations.

All work is to occur at IAD and SBMF. Allowable working hours are 7:00AM – 4:00PM. All work must be completed by 4:00PM each working day and the work area must be cleaned up by 4:00PM to allow for afternoon fueling.

Schedule: The project duration is one hundred twenty-five (125) calendar days from issuance of Notice to Proceed. As stated in Section 8-1.04 of the original contract, the Contractor shall pay to MTS as liquidated damages, **two hundred fifty dollars (\$250.00)** per calendar day per listed work element required to achieve substantial completion beyond the dates stated above, and any authorized extension thereof. Substantial completion shall be determined by the MTS Project Manager.

Staging: All staging and storage of materials are limited to the area inside the Trillium station. All vehicles and equipment associated with the dispenser replacement are to park adjacent to the Trillium station in a way not to inhibit any bus movements.

Temp Facilities: The contractor may use the restrooms at the divisions during the course of construction.

Waste: The contractor is responsible for legally disposing of all waste in relation to the work. The contractor shall not use any MTS or Transdev receptacles to dispose of material generated during the performance of this contract. Contractor is responsible for cleanup at the end of each work day.

Submittals: The contractor is to provide red-line as-built drawings to the MTS Project Manager for approval depicting the locations of any additional piping added as part of this work or changed conditions per Section 5-



1.05 of the original contract. The red-lines shall be overlaid on the IAD or SBMF original station construction as-built drawings.

General Scope of Work:

Dispenser Replacement - The project consists of the removal and replacement of seven total CNG dispensers. The contractor is responsible for the removal, disposal, hauling and legal disposal of the existing dispensers. The sequencing shall be that only one dispenser can be removed at a time to ensure MTS is not without any more than one dispenser at a time at each division during the course of this work. The removal and replacement of each dispenser duration shall not be greater than seventy-two (72) hours. Contractor is to coordinate the sequencing and scheduling of each dispenser replacement with the MTS Project Manager. The Contractor is responsible for the install of the compressed air lines to the new dispensers utilizing existing air from the fuel island or existing equipment. The contractor is responsible for all associated power shut downs, safe lockout & tag out during construction, valve removal, valve replacements, fuel management system & control system tie-ins, piping connections, and electrical connections as needed to accommodate the complete removal and replacement of each dispenser. The contractor shall coordinate all power shut downs with the MTS Project Manager. All compressed air and piping installs shall occur prior to the dispenser removal to ensure the total duration of the dispenser being down is as short as possible. Upon replacement of each dispenser the contractor is to commission, test and verify proper operation of each dispenser with the MTS Project Manager.

February 16, 2017

MTS Doc. No. B0522.2-09

Mr. Bill Cashmareck
Trillium CNG
1111 Bagby St, Suite 2400
Houston, TX 77002

Subject: AMENDMENT NO. 2 TO MTS DOC. NO. B0522.0-09 - OPERATIONS AND
MAINTENANCE FOR IAD, KMD, AND SBMF CNG FUELING STATIONS

Dear Mr. Cashmareck:

This amendment shall serve to modify our agreement for the procurement, installation, and maintenance of CNG vehicle fueling equipment, as further described below.

SCOPE OF SERVICES

Replace five fuel dispensers at the Imperial Avenue Division (IAD) facility and two fuel dispensers at the South Bay Maintenance Facility (SBMF) per Attachment A.

SCHEDULE

No change in schedule is provided in this amendment.

PAYMENT

The total cost for all work under this Amendment shall not exceed \$528,194.00, as reflected below, without prior written approval from MTS. The total value of this contract including this amendment shall not exceed \$16,522,967.00.

If you agree with the above, please sign in the space provided below and return the document marked "Original" to the Contracts Specialist at MTS. All other terms and conditions shall remain the same and in effect. Retain the other copy for your records.

Sincerely,

Accepted:

Paul C. Jablonski
Chief Executive Officer

Bill Cashmareck
Director

Date: _____



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
(619) 231-1466 • FAX (619) 234-3407

Agenda Item No. 10

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

Draft for

Executive Committee

Review Date: 2/2/17

SUBJECT:

INVESTMENT REPORT – DECEMBER 2016

INFORMATIONAL ONLY

Budget Impact

None.

DISCUSSION:

Attachment A comprises a report of the San Diego Metropolitan Transit System (MTS) investments as of December 31, 2016. The combined total of all investments has decreased month to month from \$123.1 million to \$121.7 million. This \$1.4 million decrease is attributable to \$4.3 million in capital expenditures, partially offset by \$2.7 million in State Transit Assistance (STA) Funds, as well as normal timing differences in other payments and receipts.

The first column provides details about investments restricted for capital improvement projects.

The second column, unrestricted investments, reports the working capital for MTS operations allowing payments for employee payroll and vendors' goods and services.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com

Attachment: A. Investment Report for December 2016

1255 Imperial Avenue, Suite 1000, San Diego, CA 92101-7490 • (619) 231-1466 • www.sdmts.com

Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc. and San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations). MTS is the taxicab administrator for seven cities.

MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego.



**San Diego Metropolitan Transit System
Investment Report
December 31, 2016**

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	<u>Average rate of return</u>
Cash and Cash Equivalents				
JP Morgan Chase - concentration account	-	23,385,016	23,385,016	0.00%
Total Cash and Cash Equivalents	-	23,385,016	23,385,016	
Cash - Restricted for Capital Support				
San Diego County Investment Pool				
Proposition 1B TSGP grant funds	8,307,969	245,181	8,553,150	
Total Cash - Restricted for Capital Support	8,307,969	245,181	8,553,150	
Investments - Working Capital				
Local Agency Investment Fund (LAIF)	12,507,336	77,208,074	89,715,410	0.719%
Total Investments - Working Capital	12,507,336	77,208,074	89,715,410	
 Total cash and investments	 <u>\$ 20,815,305</u>	 <u>\$ 100,838,271</u>	 <u>\$ 121,653,576</u>	



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
(619) 231-1466 • FAX (619) 234-3407

Agenda Item No. 11

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

**Draft for
Executive Committee
Review Date: 2/2/17**

SUBJECT:

ORANGE LINE TRACK IMPROVEMENTS – CHANGE ORDER AMENDMENTS 1 - 5

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors:

- 1) Ratify Construction Change Order Amendments 1 - 4 (Attachments B, C, D, E) to MTS Doc. No. PWL211.0-16, with Herzog Contracting Corp. (Herzog), for \$89,669.42, which was previously issued under the Chief Executive Officer's (CEO) authority, for Orange Line Track Improvements on MTS's Orange Line Light Rail Vehicle (LRV) service route; and
- 2) Authorize the CEO to execute MTS Doc. No. PWL211.5-16 - Change Order 5 (in substantially the same format as Attachment A), with Herzog, for \$98,850.97.

Budget Impact

The total associated with this request, inclusive of Change Order Amendments 1 - 4 will not exceed \$89,669.42. The costs associated with Change Order Amendment 5, exclusively, will total \$98,850.97. A summary of all Change Orders to date are as follows:

Description	Description Summary	Total Cost
Change Order 1 (ratify)	Community Outreach	\$7,537.83
Change Order 2 (ratify)	30 th St & Commercial Transition	\$46,862.63
Change Order 3 (ratify)	9-ft Timber Tie Change Out	\$10,978.96
Change Order 4 (ratify)	Horseshoe Rail Replacement	\$24,290.00
Change Order 5 (authorize)	Vehicular Crossing Transitions	\$98,850.97

The overall value of the contract will increase from the original \$3,916,490.00 to a revised \$4,105,010.39. Funding is included in the fiscal year (FY) 2017 Capital Improvement Program (CIP) budgets.



DISCUSSION:

MTS currently has an existing agreement with Herzog for construction related improvements on MTS's Orange Line Trolley service route. This agreement ensures MTS receives construction related improvements to its existing Orange Line Track pursuant to improvements awarded under contracts scope of work. A summary of all Change Order Amendments are as follows:

Ratification of Change Order Amendment No. 1:

This change order amendment was for community outreach services prior to vehicular crossing replacements at 1st Ave and C St, and Park Blvd & J St, and shall not exceed \$7,537.83.

Ratification of Change Order Amendment No. 2:

This change order amendment was to replace an additional eighty (80) track feet of track on the east side of the EB track at 30th St. and Commercial St. vehicular crossing. The purpose of this amendment was to remove rail defects. The total cost of this amendment shall not exceed \$46,862.63.

Ratification of Change Order Amendment No. 3:

This change order amendment was for the replacement of 600, 9-ft timber ties in lieu of 8-ft timber ties. The total cost of this amendment shall not exceed \$10,978.96.

Ratification of Change Order Amendment No. 4:

This change order amendment was for additional three hundred forty-seven (347) track feet of rail replacement. The purpose of this amendment was to remove additional rail defects within the horseshoe section of the Orange Line. The total cost of this amendment shall not exceed \$24,290.00.

Authorization of Change Order Amendment No. 5:

This change order amendment would authorize the replacement of an additional ninety-six (96) track feet of track at the 1st Ave. and C Street, and the Park Blvd and J Street vehicular crossings. The purpose of this change order is allow for a better transition from the vehicular crossings to the existing track, and to ensure that the new crossing panels line up properly to the existing curb ramps. The total cost of this amendment shall not exceed \$98,850.97.

MTS Policy No. 41, "Signature Authority", specifically under Section 41.4.4 "Change Orders", permits the CEO to approve change orders under \$100,000. As Change Orders 1 – 4 were cumulatively under \$100,000, MTS's CEO executed the Change Orders, pursuant to Policy 41. Contract change orders costing more than \$100,000 must be approved by the Board of Directors.

Therefore, staff recommends that the MTS Board of Directors ratify previous Change Order Amendments 1 – 4 (Attachments B – E) and authorize the CEO to execute Change Order Amendment 5 in the same format as Attachment A.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com

Attachments: A. Draft MTS Doc. No. PWL211.0-16 Change Order Amendment 5 Herzog
B. Change Order Amendment No. 1
C. Change Order Amendment No. 2
D. Change Order Amendment No. 3
E. Change Order Amendment No. 4

**CONSTRUCTION CHANGE ORDER**Project Name: **Orange Line Track Improvements**Date: **1/12/17**To: **MTS**Contract Number: **PWL 211.0-16**From (Contractor): **Herzog**CCO Number: **005****Description of Work**

This job order is for the replacement of a total of an additional ninety six (96) TF of rail, timber cross ties, 8" of asphalt concrete, 9" of ballast, filter fabric, and all other required incidentals at the vehicular crossings located at 1st Ave & C street and Park Blvd & J Street.

A. Contractor Cost of the Work

Payroll Costs (See attached supporting documentation.)	\$ 12,999.18	
Materials (See attached supporting documentation.)	\$ 15,515.80	
Material Tax	\$ 1,241.26	
Equipment (See attached supporting documentation.)	\$ 4,432.80	
Consultant Costs (See attached supporting documentation.)	\$ -	
Supplemental Costs (See attached supporting documentation.)	\$ -	
Other - describe services	\$ -	
Other - describe services	\$ -	
Subtotal A:	\$	34,189.04

B. Subcontractor Cost of the Work

Payroll Costs (See attached supporting documentation.)	\$ -	
Equipment (See attached supporting documentation.)	\$ -	
Materials (See attached supporting documentation.)	\$ -	
Consultant Costs (See attached supporting documentation.)	\$ -	
Supplemental Costs (See attached supporting documentation.)	\$ 56,185.60	
Subtotal B:	\$	56,185.60

C. Contractor Fee: (As per the Contract Documents)

Overhead and Profit on Labor and Material	15%	\$ 4,277.25	
Overhead and Profit on Equipment	10%	\$ 443.28	
Overhead and Profit on Subcontractors	5%	\$ 2,809.28	
Bonds and Insurance	1%	\$ 946.52	
Subtotal C:	\$	8,476.33	

Total = (A + B + C)

Total: \$ 98,850.97

Original Contract value:

Adjustment by Change Order No. 1 through Change Order 4 (if applicable)

Adjustment by this Change Order

New Contract Amount

Total:

The Contract Time due to this Change Order will be: ☐ Increased ☐ Decreased ☒ Unchanged by 0 days

Original Completion Date:

Adjustment by Change Order No. 1 through Change Order 4 (if applicable)

Adjustment by this Change Order

New Completion Date

Milestones Affected: Add Descriptions of any milestones affected as a result of a change in services, term, and/or price

Contractor

Date:

MTS Chief Executive Officer

Date:

Follow all applicable procedures and provide all appropriate documentation as required by the Contract Documents.



Transmittal

Transmittal Cover Sheet

Contract number: - Specification Number:

Date: 01/12/2017

Transmittal Number: 0060

Transmitted To:	Gabe McKee San Diego Metropolitan Transit System 1255 Imperial Avenue Suite 1000 San Diego, CA 92101 Tel: (619) 515-0931 Fax:	Transmitted By:	Patrick Watzke Herzog Corp 3760 Kilroy Airport Way Ste.120 Long Beach, Ca 90806 Tel: 562-595-7414 Fax: 562-595-7445
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Package No	Description	Due Date
00043 - - 0	Transmittal - Change Order 005 - Vehicular Crossing Transitions	

Transmitted For	Delivered Via	Station	Responsible Contact
Approval	E-mail	Track	Patrick Watzke

Item No	Description	Spec No	Responsible Co.
00001	Change Order - Vehicular Crossing Transitions	12-1 -	Herzog Corp

Remarks

Please see attached Change Order regarding Vehicular Crossing Transitions at Park & J Street and 1st & C Street.

Cc:	Contact Name	E-mail	Copies	Notes
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Signature:

Patrick Watzke

Date:

1/12/2017



Detailed Scope of Work

MTS DOC. No. PWL 211.0-16

Date: 1/12/17

To: Gene Chimits
Project Manager
Herzog Contracting Corporation
3760 Kilroy Airport Way, Suite 120
Long Beach, CA 90806
Phone: (619) 849-6990

From: Gabriel McKee
Project Engineer
San Diego Metropolitan Transit System
1255 Imperial Ave, Suite 900
San Diego, CA 92101
Phone: (619) 515-0931
Fax: (619) 230-6706

Project: Orange Line Track Improvements

MTS Work Order Number: PWL 211.0-16.05

Title: CCO #05 – Vehicular Crossing Transitions

Location: 1st Ave & C St and Park Blvd & J St

Railroad Protective: ☒ Yes ☐ No

Detailed Scope of Work

This job order is for the replacement of a total of an additional ninety six (96) TF of rail, timber cross-ties, 8" of asphalt concrete, 9" of ballast, filter fabric, and all other required incidentals at the vehicular crossings located at 1st Ave & C Street and Park Blvd & J Street.

Contractor Shall:

- Replace an additional twelve (12) TF of track on the east and west ends of the EB and WB track for an additional forty (48) TF at 1st Ave and C Street vehicular crossing. This includes the replacement of additional rail, 10' timber transition ties, 8" of asphalt concrete, 9" of ballast, and filter fabric. This additional (48) TF of track replacement shall be added to the (195) TF shown sheets 55 and 56 as provided by MTS.
 - Replace an additional twelve (12) TF of track on the east and west side of the EB and WB track for an additional forty (48) TF at Park Blvd and J Street vehicular crossing. This includes the replacement of additional rail, 10' timber transition ties, 8" of asphalt concrete, 9" of ballast, and filter fabric. This additional (48) TF of track replacement shall be added to the (198) TF shown on sheets 57 and 58 as provided by MTS.
- Contractor is responsible for disposal of all existing asphalt, rail, ties, ballast, soil spoils, OTM, and other required incidentals within work limits.

Specifications: All work should conform to the Special Provisions within the executed MTS executed Contract PWL 211.0-16.

Gabriel McKee, Project Engineer

1/12/17

Date

Gene Chimits, Project Manager

1-12-17

Date

CONSTRUCTION CHANGE ORDERProject Name: **Orange Line Track Improvements**Date: **1/10/17**To: **MTS**Contract Number: **PWL 211.0-16**From (Contractor): **Herzog**CCO Number: **001****Description of Work**

This job order is for community outreach prior to grade crossing replacements at 1st Ave & C St, and Park Blvd & J St.

A. Contractor Cost of the Work

Payroll Costs (See attached supporting documentation.)	\$ 1,109.79	
Materials (See attached supporting documentation.)	\$ -	
Equipment (See attached supporting documentation.)	\$ -	
Consultant Costs (See attached supporting documentation.)	\$ -	
Supplemental Costs (See attached supporting documentation.)	\$ -	
Other - describe services	\$ -	
Other - describe services	\$ -	
Subtotal A:	\$	1,109.79

B. Subcontractor Cost of the Work

Payroll Costs (See attached supporting documentation.)	\$ 5,895.10	
Equipment (See attached supporting documentation.)	\$ -	
Materials (See attached supporting documentation.)	\$ -	
Consultant Costs (See attached supporting documentation.)	\$ -	
Supplemental Costs (See attached supporting documentation.)		
Subtotal B:	\$	5,895.10

C. Contractor Fee: (As per the Contract Documents)

Overhead and Profit on Labor and Material	15%	\$ 166.47	
Overhead and Profit on Equipment	10%	\$ -	
Overhead and Profit on Subcontractors	5%	\$ 294.78	
Bonds and Insurance	1%	\$ 71.71	
Subtotal C:		\$	532.94

Total = (A + B + C)

Total: **\$ 7,537.83**

Original Contract value:

\$ 3,916,490.00

Adjustment by Change Order No. X through Change Order X (if applicable)

\$ -

Adjustment by this Change Order

\$ 7,537.83

New Contract Amount

Total: \$ 3,924,027.83

The Contract Time due to this Change Order will be: ☐ Increased ☐ Decreased ☒ Unchanged by 0 days

Original Completion Date:

6/7/2017

Adjustment by Change Order No. X through Change Order X (if applicable)

N/A

Adjustment by this Change Order

N/A

New Completion Date

6/7/2017

Milestones Affected:

 1-11-17

Contractor

Date:

MTS Chief Executive Officer

Date:

Follow all applicable procedures and provide all appropriate documentation as required by the Contract Documents.



Transmittal

Transmittal Cover Sheet

Contract number: - Specification Number:

Date: 01/11/2017

Transmittal Number: 0051

Transmitted To:	Gabe McKee San Diego Metropolitan Transit System 1255 Imperial Avenue Suite 1000 San Diego, CA 92101 Tel: (619) 515-0931 Fax:	Transmitted By:	Patrick Watzke Herzog Corp 3760 Kilroy Airport Way Ste.120 Long Beach, Ca 90806 Tel: 562-595-7414 Fax: 562-595-7445
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Package No	Description	Due Date
00037 - - 1	Transmittal - Change Order 001 - Community Outreach	1/25/17

Transmitted For	Delivered Via	Station	Responsible Contact
Approval	E-mail	Track	Patrick Watzke

Item No	Description	Spec No	Responsible Co.
00001	Community Outreach	12-1 -	Herzog Corp

Remarks

Please see attached Revised Change Order Pricing regarding Community Outreach. Please review & approve.

Cc:	Contact Name	E-mail	Copies	Notes
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Signature:

Patrick Watzke

Date:

1/11/2017

Detailed Scope of Work
MTS DOC. No. PWL 211.0-16.01

Date: 12/13/16

To: Gene Chimits
Project Manager
Herzog Contracting Corporation
3760 Kilroy Airport Way, Suite 120
Long Beach, CA 90806
Phone: (619) 849-6990

From: Gabriel McKee
Project Engineer
San Diego Metropolitan Transit System
1255 Imperial Ave, Suite 900
San Diego, CA 92101
Phone: (619) 515-0931
Fax: (619) 230-6706

Project: Orange Line Track Improvements

MTS Work Order Number: PWL 211.0-16.01

Title: Community Outreach - CCO #01

Location: 1st Ave & C St, and Park Blvd & J St in San Diego

Railroad Protective: ☐ Yes ☒ No

Detailed Scope of Work

This job order is for community outreach prior to grade crossing replacements at 1st Ave & C St, and Park Blvd & J St.

Contractor Shall:

- Procure and manage a communications specialist to provide Community Outreach prior to the replacement of the grade crossings at 1st Ave & C St, and Park Blvd & J St.

Specifications: All work should conform to the Special Provisions within the executed MTS executed Contract PWL 211.0-16.



Gabriel McKee, Project Engineer

12/13/16
Date



Gene Chimits, Project Manager

1-11-17
Date

**CONSTRUCTION CHANGE ORDER**Project Name: **Orange Line Track Improvements**Date: **1/12/17**To: **MTS**Contract Number: **PWL 211.0-16**From (Contractor): **Herzog**CCO Number: **002****Description of Work**

This job order is to replace an additional eighty (80) TF of track on the east side of the EB track at 30th and Commercial St vehicular crossing. This includes the replacement of additional rail, 10' timber transition ties, 8' standard timber ties, 8" of asphalt concrete, 9" of ballast, and filter fabric. This additional (80) TF shown on sheets 59 and 60 as provided by MTS.

A. Contractor Cost of the Work

Payroll Costs (See attached supporting documentation.)	\$ 12,944.84	
Materials (See attached supporting documentation.)	\$ 6,264.54	
Material Tax	\$ 501.16	
Equipment (See attached supporting documentation.)	\$ 5,177.52	
Consultant Costs (See attached supporting documentation.)	\$ -	
Supplemental Costs (See attached supporting documentation.)	\$ -	
Other - describe services	\$ -	
Other - describe services	\$ -	
Subtotal A:	\$	24,888.06

B. Subcontractor Cost of the Work

Payroll Costs (See attached supporting documentation.)	\$ -	
Equipment (See attached supporting documentation.)	\$ -	
Materials (See attached supporting documentation.)	\$ -	
Consultant Costs (See attached supporting documentation.)	\$ -	
Supplemental Costs (See attached supporting documentation.)	\$ 17,262.00	
Subtotal B:	\$	17,262.00

C. Contractor Fee: (As per the Contract Documents)

Overhead and Profit on Labor and Material	###	\$ 2,881.41	
Overhead and Profit on Equipment	###	\$ 517.75	
Overhead and Profit on Subcontractors	5%	\$ 863.10	
Bonds and Insurance	1%	\$ 450.31	
Subtotal C:	\$	4,712.57	

Total = (A + B + C)

Total: \$ 46,862.63

Original Contract value:

\$ 3,916,490.00

Adjustment by Change Order No. X through Change Order X (if applicable)

\$ 7,537.83

Adjustment by this Change Order

\$ 46,862.63

New Contract Amount

Total: \$ 3,970,890.46

The Contract Time due to this Change Order will be: ☒ Increased ☐ Decreased ☐ Unchanged

by 0 days

Original Completion Date:

6/7/2017

Adjustment by Change Order No. X through Change Order X (if applicable)

N/A

Adjustment by this Change Order

N/A

New Completion Date

6/7/2017

Milestones Affected:

Add Descriptions of any milestones affected as a result of a change in services, term, and/or price

Contractor

Date:

MTS Chief Executive Officer

Date:

Follow all applicable procedures and provide all appropriate documentation as required by the Contract Documents.



Transmittal

Transmittal Cover Sheet

Contract number: - Specification Number:

Date: 01/12/2017

Transmittal Number: 0058

Transmitted To:	Gabe McKee San Diego Metropolitan Transit System 1255 Imperial Avenue Suite 1000 San Diego, CA 92101 Tel: (619) 515-0931 Fax:	Transmitted By:	Patrick Watzke Herzog Corp 3760 Kilroy Airport Way Ste.120 Long Beach, Ca 90806 Tel: 562-595-7414 Fax: 562-595-7445
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Package No	Description	Due Date
00040 - - 2	Transmittal - Change Order 002R2 - Vehicular Crossing Transitions	

Transmitted For	Delivered Via	Station	Responsible Contact
Approval	E-mail	Track	Patrick Watzke

Item No	Description	Spec No	Responsible Co.
001	Change Order-Vehicular Crossing Transitions	12-1 -	Herzog Corp

Remarks

Please see attached Revised Change Order regarding Vehicular Crossing Transitions at 30th & Commercial Street. Please review & approve.

Cc:	Contact Name	E-mail	Copies	Notes
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Signature:

Patrick Watzke

Date:

1/12/2017

Detailed Scope of Work
MTS DOC. No. PWL 211.0-16

Date: 1/11/17

To: Gene Chimits
Project Manager
Herzog Contracting Corporation
3760 Kilroy Airport Way, Suite 120
Long Beach, CA 90806
Phone: (619) 849-6990

From: Gabriel McKee
Project Engineer
San Diego Metropolitan Transit System
1255 Imperial Ave, Suite 900
San Diego, CA 92101
Phone: (619) 515-0931
Fax: (619) 230-6706

Project: Orange Line Track Improvements

MTS Work Order Number: PWL 211.0-16.02

Title: CCO #02 - 30th St and Commercial Transition

Location: 30th & Commercial St

Railroad Protective: ☒ Yes ☐ No

Detailed Scope of Work


This job order is for the replacement of a total of an additional eighty (80) TF of rail, timber crossties, 8" of asphalt concrete, 9" of ballast, filter fabric, and all other required incidentals at the vehicular crossings located at 30th & Commercial Street.

Contractor Shall:

- Replace an additional eighty (80) TF of track on the east side of the EB track at 30th St and Commercial St vehicular crossing. This includes the replacement of additional rail, 10' timber transition ties, 8' standard timber ties, 8" of asphalt concrete, 9" of ballast, and filter fabric. This additional (80) TF is additional to the (180) TF shown on sheets 59 and 60 as provided by MTS.

Contractor is responsible for disposal of all existing asphalt, rail, ties, ballast, soil spoils, OTM, and other required incidentals within work limits.

Specifications: All work should conform to the Special Provisions within the executed MTS executed Contract PWL 211.0-16.



Gabriel McKee, Project Engineer

1/11/17
Date



Gene Chimits, Project Manager

1-12-17
Date

**CONSTRUCTION CHANGE ORDER**Project Name: **Orange Line Track Improvements**Date: **1/10/17**To: **MTS**Contract Number: **PWL 211.0-16**From (Contractor): **Herzog**CCO Number: **003****Description of Work**

This job order is for the replacement of 600 EA 9-ft timber ties in lieu of 8-ft timber ties under "Crosstie Replacement (Timber Ties)."

A. Contractor Cost of the Work

Payroll Costs (See attached supporting documentation.)	\$ 1,109.79	
Materials (See attached supporting documentation.)	\$ 7,800.00	
Material Tax	\$ 624.00	
Equipment (See attached supporting documentation.)	\$ -	
Consultant Costs (See attached supporting documentation.)	\$ -	
Supplemental Costs (See attached supporting documentation.)	\$ -	
Other - describe services	\$ -	
Other - describe services	\$ -	
Subtotal A:	\$	9,533.79

B. Subcontractor Cost of the Work

Payroll Costs (See attached supporting documentation.)	\$ -	
Equipment (See attached supporting documentation.)	\$ -	
Materials (See attached supporting documentation.)	\$ -	
Consultant Costs (See attached supporting documentation.)	\$ -	
Supplemental Costs (See attached supporting documentation.)	\$ -	
Subtotal B:	\$	-

C. Contractor Fee: (As per the Contract Documents)

Overhead and Profit on Labor and Material	15%	\$ 1,336.47	
Overhead and Profit on Equipment	10%	\$ -	
Overhead and Profit on Subcontractors	5%	\$ -	
Bonds and Insurance	1%	\$ 108.70	
Subtotal C:	\$	1,445.17	

Total = (A + B + C)

Total: **\$ 10,978.96**

Original Contract value:

\$ 3,916,490.00

Adjustment by Change Order No. 1 through Change Order 2 (if applicable)

\$ 54,400.46

Adjustment by this Change Order

\$ 10,978.96

New Contract Amount

Total: \$ 3,981,869.42

The Contract Time due to this Change Order will be: ☐ Increased ☒ Decreased ☒ Unchanged by 0 days

Original Completion Date:

6/7/2017

Adjustment by Change Order No. 1 through Change Order 2 (if applicable)

N/A

Adjustment by this Change Order

0

New Completion Date

6/7/2017

Milestones Affected: Add Descriptions of any milestones affected as a result of a change in services, term, and/or price

Contractor

Date:

MTS Chief Executive Officer

Date:

Follow all applicable procedures and provide all appropriate documentation as required by the Contract Documents.



Transmittal

Transmittal Cover Sheet

Contract number: - Specification Number:

Date: 01/13/2017

Transmittal Number: 0061

Transmitted To: Gabe McKee San Diego Metropolitan Transit System 1255 Imperial Avenue Suite 1000 San Diego, CA 92101 Tel: (619) 515-0931 Fax:	Transmitted By: Patrick Watzke Herzog Corp 3760 Kilroy Airport Way Ste. 120 Long Beach, Ca 90806 Tel: 562-595-7414 Fax: 562-595-7445
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Package No	Description	Due Date
00038 - - 2	Transmittal - Change Order 003R2 - 9-ft Timber Tie Change Out	

Transmitted For	Delivered Via	Station	Responsible Contact
Approval	E-mail	Track	Patrick Watzke

Item No	Description	Spec No	Responsible Co.
001	9-ft Timber Tie Change Out	12-1 -	Herzog Corp

Remarks

Please see attached Revised Change Order regarding 9-ft Timber Tie Change Out. Please review and approve.

Cc:	Contact Name	E-mail	Copies	Notes
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Signature: _____

Patrick Watzke

Date: _____

1/13/2017

Detailed Scope of Work
MTS DOC. No. PWL 211.0-16.03

Date: 12/13/16

To: Gene Chimits
Project Manager
Herzog Contracting Corporation
3760 Kilroy Airport Way, Suite 120
Long Beach, CA 90806
Phone: (619) 849-6990

From: Gabriel McKee
Project Engineer
San Diego Metropolitan Transit System
1255 Imperial Ave, Suite 900
San Diego, CA 92101
Phone: (619) 515-0931
Fax: (619) 230-6706

Project: Orange Line Track Improvements

MTS Work Order Number: PWL 211.0-16.03

Title: CCO #03 – 9-ft Timber Tie Change Out

Location: Between 43rd St and 47th St on the westbound track.

Railroad Protective: ☐ Yes ☒ No

Detailed Scope of Work

This job order is for the replacement of 600 EA 9-ft timber ties in lieu of 8-ft timber ties under "Crosstie Replacement (Timber Ties).

Contractor Shall:

- Replace six hundred (600) EA existing 7"x9" x9'-0" ties with new 7"x9" x 9'-0" timber crossties in lieu of 7"x9" x 8'-0" timber crossties between 43rd St and 47th St on the westbound track as directed by engineer.

Specifications: All work should conform to the Special Provisions within the executed MTS executed Contract PWL 211.0-16.



Gabriel McKee, Project Engineer

12/13/16

Date



Gene Chimits, Project Manager

11-12-17

Date

**CONSTRUCTION CHANGE ORDER**Project Name: **Orange Line Track Improvements**Date: **1/12/17**To: **MTS**Contract Number: **PWL 211.0-16**From (Contractor): **Herzog**CCO Number: **004****Description of Work**

This job order is for additional 347 TF of rail replacement under bid item no 12, Rail Replacement 115 lb to 115 lb rail in the Horse Shoe on the Orange Line.

A. Contractor Cost of the Work

Payroll Costs (See attached supporting documentation.)

Materials (See attached supporting documentation.)

Material Tax

Equipment (See attached supporting documentation.)

Consultant Costs (See attached supporting documentation.)

Supplemental Costs (See attached supporting documentation.)

Additional Work (Bid Item 12) - 347 TF @ \$70/TF

Other - describe services

\$	-
\$	-
\$	-
\$	-
\$	24,290.00
\$	-

Subtotal A: \$ 24,290.00

B. Subcontractor Cost of the Work

Payroll Costs (See attached supporting documentation.)

Equipment (See attached supporting documentation.)

Materials (See attached supporting documentation.)

Consultant Costs (See attached supporting documentation.)

Supplemental Costs (See attached supporting documentation.)

\$	-
\$	-
\$	-
\$	-
\$	-

Subtotal B: \$ -

C. Contractor Fee: (As per the Contract Documents)

Overhead and Profit on Labor and Material

15%

\$ -

Overhead and Profit on Equipment

10%

\$ -

Overhead and Profit on Subcontractors

5%

\$ -

Bonds and Insurance

1%

\$ -

Subtotal C: \$ -

Total = (A + B + C)

Total: \$ 24,290.00

Original Contract value:

\$ 3,916,490.00

Adjustment by Change Order No. 1 through Change Order 3 (if applicable)

\$ 65,379.42

Adjustment by this Change Order

\$ 24,290.00

New Contract Amount

Total: \$ 4,006,159.42

The Contract Time due to this Change Order will be: ☐ Increased ☐ Decreased ☒ Unchanged by 0 days

Original Completion Date:

6/7/2017

Adjustment by Change Order No. 1 through Change Order 3 (if applicable)

N/A

Adjustment by this Change Order

0

New Completion Date

6/7/2017

Milestones Affected: Add Descriptions of any milestones affected as a result of a change in services, term, and/or price

Contractor

Date:

MTS Chief Executive Officer

Date:

Follow all applicable procedures and provide all appropriate documentation as required by the Contract Documents.



Transmittal

Transmittal Cover Sheet

Contract number: - Specification Number:

Date: 01/12/2017

Transmittal Number: 0059

Transmitted To:	Gabe McKee San Diego Metropolitan Transit System 1255 Imperial Avenue Suite 1000 San Diego, CA 92101 Tel: (619) 515-0931 Fax:	Transmitted By:	Patrick Watzke Herzog Corp 3760 Kilroy Airport Way Ste.120 Long Beach, Ca 90806 Tel: 562-595-7414 Fax: 562-595-7445
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Package No	Description	Due Date
00042 - - 0	Transmittal - Change Order 004 - Horseshoe Rail Replacement	

Transmitted For	Delivered Via	Station	Responsible Contact
Approval	E-mail	Track	Patrick Watzke

Item No	Description	Spec No	Responsible Co.
00001	Change Order - Horseshoe Rail Replacement	12-1 -	Herzog Corp

Remarks

Please see attached Change Order regarding the Horseshoe Rail Replacement additional Track Feet. Please review & approve.

Cc:	Contact Name	E-mail	Copies	Notes
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Signature:

Patrick Watzke

Date: 1/12/2017



Detailed Scope of Work
MTS DOC. No. PWL 211.0-16.04

Date: 1/12/17

To: Gene Chimits
 Project Manager
 Herzog Contracting Corporation
 3760 Kilroy Airport Way, Suite 120
 Long Beach, CA 90806
 Phone: (619) 849-6990

From: Gabriel McKee
 Project Engineer
 San Diego Metropolitan Transit System
 1255 Imperial Ave, Suite 900
 San Diego, CA 92101
 Phone: (619) 515-0931
 Fax: (619) 230-6706

Project: Orange Line Track Improvements

MTS Work Order Number: PWL 211.0-16.04

Title: CCO #04 – Horseshoe Rail Replacement

Location: Horseshoe on the Orange Line

Railroad Protective: ☒ Yes ☐ No


Detailed Scope of Work

This job order is for the replacement of an additional 347 TF of rail under Bid Item No. 12, Rail Replacement 115 lb to 115 lb rail in the Horseshoe on the Orange Line.

Contractor Shall:

- Replace an additional 347 TF of rail under bid item No. 12, Rail Replacement 115 lb to 115 lb, for a total of 3200 TF.

Specifications: All work should conform to the Special Provisions within the executed MTS executed Contract PWL 211.0-16.


 Gabriel McKee, Project Engineer

1/12/17
 Date


 Gene Chimits, Project Manager

1-12-17
 Date



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
(619) 231-1466 • FAX (619) 234-3407

Agenda Item No. 12

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

**Draft for
Executive Committee
Review Date: 2/2/17**

SUBJECT:

SDSU TUNNEL VENTILATION JET FANS AND DAMPERS SERVICE – AWARD
WORK ORDER UNDER A JOB ORDER CONTRACT

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute Work Order No. MTSJOC7504-25 (in substantially the same format as Attachment A), under MTS Doc. No. PWL204.0-16 with ABC Construction, Inc., for the provision of labor, materials, equipment, and supplies for the repair, installation, and testing of eight jet fans and dampers at the SDSU underground station tunnel.

Budget Impact

The total cost for this work order will not exceed \$239,115.00 inclusive of a direct cost of \$236,723.85 and administrative fees totaling \$6,145.26 (contractor share \$2,391.15 and MTS share \$3,754.11). Funding will be from the fiscal year (FY) 2018 Capital Improvement Project (CIP) number 2006004702, SDSU Fire Alarm System.

DISCUSSION:

The MTS Green Line transit guideway includes a tunnel on the San Diego State University (SDSU) campus. The trolley tunnel includes specialized fire suppression systems to comply with fire/life/safety regulations and best practices. During fire system testing and inspection in May and July, significant deficiencies were identified. The system has twelve major fans – four emergency ventilation fans (EVF) and eight jet fans. The EVF deficiencies were deemed the most urgent by the State Fire Marshal. On this basis, MTS undertook emergency repairs to the EVFs, which were reported to the Board in Agenda Item No. 61 at the July 28, 2016 and September 15, 2016 board meetings.

The State Fire Marshal instructed MTS to repair the eight jet fans by March 31, 2017. Necessary repairs to the jet fans and dampers relate to over greasing of bearings, failed bearing seals, grease on the fan blades and fan housings, as well as dirt and debris



inside the fan housings. These issues could potentially pose safety concerns to the SDSU tunnel emergency smoke evacuation system. The jet fan motors must be removed for internal inspection and bearing replacement to remedy the situation. The system includes protections and diversions if an individual jet fan is not working; however the repairs are necessary to allow the fan system to work in its optimal manner.

This proposed work order for repair of the eight jet fans is the final phase of this fire/life/safety repair project. MTS staff is in the process of procuring a long-term maintenance contractor to inspect and maintain the SDSU tunnel fire suppression system. This will allow any future repair needs to be identified in a timely manner and before they reach a serious or dangerous condition.

On March 17, 2016, the Board authorized the execution of a job order contract (JOC) with ABC Construction, Inc. with \$3,000,000 in project capacity. JOCs act as as-needed contracts for smaller construction projects. As projects arise, the JOC contractor prepares a price based on the rates set in the JOC. A work order is issued to the contractor, including the scope of work and price. JOC work orders are processed according to Board Policy No. 41, "Signature Authority". The CEO is authorized to approve any JOC work order under \$100,000. All JOC work orders over \$100,000 must be approved by the Board of Directors.

ABC Construction, Inc. provided a cost proposal to repair the jet fans and dampers. The cost proposal is fair and reasonable and within the Engineer's Independent Cost Estimate (ICE).

Therefore staff recommends that the MTS Board of Directors authorize the CEO to execute Work Order No. MTSJOC7504-25 (in substantially the same format as Attachment A), under MTS Doc. No. PWL204.0-16 with ABC Construction, Inc., for the provision of labor, materials, equipment, and supplies for the repair, installation, and testing of eight jet fans and dampers at the SDSU underground station tunnel.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com

Attachments: A. Draft Work Order MTSJOC7504-25
B. Scope of Work and Price Breakdown

JOB ORDER CONTRACT
WORK ORDER

PWL204.0-16
CONTRACT NUMBER

MTSJOC7504-25
WORK ORDER NUMBER

THIS AGREEMENT is entered into this _____ day of _____ 2016, in the state of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following, hereinafter referred to as "Contractor":

Name: ABC Construction, Inc. Address: 3120 National Avenue

Form of Business: Corporation San Diego, CA 92113
(Corporation, partnership, sole proprietor, etc.)

Telephone: (619) 239-3428

Authorized person to sign contracts: Wayne Czubernat Project Manager
Name Title

Pursuant to the existing Job Order Contract (MTS Doc. No. PWL204.0-16), MTS issues a Work Order to Contractor to complete the detailed Scope of Work (attached as Exhibit A.), the Cost Breakdown for the Scope of Work (attached as Exhibit B.), and the subcontractor listing form applicable to this Work Order (attached as Exhibit C.)

Pursuant to the SANDAG JOC Contract Section 7-1.04A(3), 1% of the work order value has been deducted. MTS will pay both the Contractor (1%) and the MTS/Owner share of the Gordian Group license fee.

The total cost for this work order will not exceed \$239,115.00 inclusive of a direct cost of \$236,723.85 and a 1% Gordian Group license fee of \$2,391.15.

TOTAL PAYMENTS TO CONTRACTOR SHALL NOT EXCEED \$ 236,723.85

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CONTRACTOR AUTHORIZATION
By: _____ Chief Executive Officer	Firm: _____
Approved as to form:	By: _____ Signature
By: _____ Office of General Counsel	Title: _____

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
<u>\$ 236,723.85</u>	<u>2006004702</u>	<u>2017</u>

By: _____ Date
Chief Financial Officer

(____ total pages, each bearing contract number and work order number)

Detailed Scope of Work
Job Order Contract



Date: 01/05/2017

To: Jim Cappadocia
Contractor Project Manager
ABC Construction, Inc.
3120 National Ave
San Diego, Ca 92113
Phone: Fax: (619) 239-6614

From: Thang Nguyen
Systems Engineer
San Diego Metropolitan Transit System
1255 Imperial Ave, Suite 900
San Diego, CA 92101
Phone: (619) 557-4560
Fax:

Project: MTSJOC7504-25

MTS Work Order Number: MTSJOC7504-25

Title: SDSU Tunnel Jet Fans and Dampers Repair

Location: 1 Aztec Walk San Diego, CA 92115

Railroad Protective: ☒ Yes ☐ No

Detailed Scope of Work

The contractor shall complete the construction of this project in its entirety and shall provide all labor, materials, equipment, traffic control, and performing all other work necessary to complete the work. This work consists the testing and installation of new jet fan bearings and new track and backdrift dampers within the San Diego State University transit tunnel.

The work for 8 Jet Fans in total includes:

- Lock out and tag out electrical service to the fan.
- Provide a forklift on the low rail and use a jig to remove the fans from their mounts.
- Transport fan to shop for disassembly.
- Disassemble fan and remove the motor from fan housing.
- Remove existing bearings and seals from the motor.
- Clean motor interior as well as entire fan blade and housing.
- Provide and install new greaseless bearings and seals.
- Assemble all components back into fan housing.
- Check fan tolerances and adjust as necessary.
- Run an operational test, vibration analysis, and air displacement and velocity tests upon completion.
 - All testing must be coordinated with the MTS Maintenance of Wayside Department. Contact Fred Byle at (619) 454-7143.
 - See Attachment A for testing procedures.
 - Provide all test reports.

The work for the backdraft dampers in the four indicated EVF sections includes:

- o Take pictures of pre-existing damper condition before performing work.
- o Remove any foreign materials from dampers and screens..
- o Verify that hardware used to install damper does not contact moving parts of the damper.
- o Remove all failed, existing bushings and replace with new bushings.
 - There are 256 bushing for each main backdraft damper.
- o Reassemble damper linkage, test actuator, and adjust linkage as needed.
 - Check the blade linkage to assure blade shaft and blades rotate 90 degrees from fully open to fully closed.

- o Lubricate with lithium grease if needed.
- o Perform an operation test by running damper through all cycles in both local control and in remote.

The work for the track dampers in the four indicated EVF sections includes:

- o Take pictures of all track dampers pre-existing condition.
- o Remove any foreign materials from dampers and screens.
- o Check and adjust actuator rods and connection.
- o Check and secure all junction box screws and liquid tight fittings.
- o Correct and reshape blade ends that require a proper seal.
- o Verify the actuator motor travels freely with no binding.
- o Lubricate linkage and rod joints with lithium grease.
- o Perform an operation test by running damper through all cycles in both local control and in remote.
 - All testing must be coordinated with the MTS Maintenance of Wayside Department.
 - Contact Fred Byle at (619) 454-7143.

Warranty:

Contractor shall provide a one year limited warranty on all labor and material.

Submittals:

Schedule

Work Plan

Schedule:

All work shall be completed as soon as possible within 30 calendar days from issuance of NTP.

Flaggers:

The contractor shall request flaggers from MTS/SD trolley, 72 hours in advance of any work activity within the MTS right-of-way. The engineer shall furnish the necessary forms to request flaggers

All Contractor employees or representatives shall be trained through the MTS Railroad Worker Safety Training Program prior to the work. The training entails a 4 hour session held at MTS' 1255 Imperial Avenue and requires advance reservation per the link below:

<http://www.sdmmts.com/Business/documents/class-registration.pdf>

Class fees are waived for MTS projects.

Work Hours:

Weekdays 7am-4pm


Thang Nguyen, Systems Engineer

1-6-17
Date


Jim Cappadocia, Contractor Project Manager

1/9/17
Date

Job Order Contract

Contractor's Price Proposal Summary- CSI

Work Order #: MTSJOC7504-25
Title: SDSU Tunnel Jet Fan and Damper Repairs
Contractor: SANDAG - ABC Construction - MTSJOC7504
Proposal Value: \$239,115.00
Proposal Name: SDSU Tunnel Jet Fan and Damper Repairs

To: Thang Nguyen
 Project Manager - MTS
 255 Imperial Venue
 Suite 900
 San Diego, CA 92101

From: Jim Cappadocia
 Project Manager
 ABC Construction, Inc.
 3120 National Ave
 San Diego, CA 92113

15 - Mechanical:	\$239,115.00
Work Order Proposal Total	\$239,115.00
1% Contractor Licensing Fee Withheld	\$2,391.16
Total Job Order Amount	\$236,723.85

This work order proposal total represents the correct total for the proposal. Any discrepancy between line totals, sub-totals and the proposal total is due to rounding of the line totals and sub-totals.

The Percent of NPP on this Proposal: 100.00%


 Jim Cappadocia, Project Manager

1-12-15
 Date

Job Order Contract

Contractor's Price Proposal Detail- CSI

Work Order #: MTSJOC7504-25
Title: SDSU Tunnel Jet Fan and Damper Repairs
Contractor: SANDAG - ABC Construction - MTSJOC7504
Proposal Value: \$239,115.00
Proposal Name: SDSU Tunnel Jet Fan and Damper Repairs

CSI Number	Mod.	UOM	Description	Line Total	
15 - Mechanical					
1	15000-0006	LS	SDSU Tunnel Jet Fans and Dampers Repair	\$239,115.00	
NPP Tasks					
		Quantity	Unit Price	Factor	Total
Installation		1.00	x \$239,115.00	x 1.0000 =	\$239,115.00
NPP Item - SDSU Tunnel Jet Fans and Dampers Repair					
Subtotal for 15 - Mechanical:				\$239,115.00	
Work Order Proposal Total				\$239,115.00	

This work order proposal total represents the correct total for the proposal. Any discrepancy between line totals, sub-totals and the proposal total is due to rounding of the line totals and sub-totals.

The Percent of NPP on this Proposal: 100.00%

**Job Order Contract
Subcontractor Listing**


Date: 1/12/2017
Job Order Number: MTSJOC7504-25
Job Order Title: SDSU Tunnel Jet Fan and Damper Repairs

To: Thang Nguyen
 Project Manager - MTS
 255 Imperial Venue
 Suite 900
 San Diego, CA 92101

From: Jim Cappadocia
 Project Manager
 ABC Construction, Inc.
 3120 National Ave
 San Diego, CA 92113

Phone: (619) 557-4560

Phone: (619) 239-3428

Fax:

Fax: (619) 239-6614

Railroad Protective: ☒ Yes ☐ No

Race Conscious: ☐ Yes ☒ No

DBE/UDBE Goal: 0

Name of Contractor	Trade	UDBE \$	DBE \$	SB \$	Non UDBE/DBE/SB	%
Comfort Mechanical Inc.	Mechanical	\$0.00	\$0.00	\$0.00	\$189,600.00	79.29%
TOTALS		\$0.00	\$0.00	\$0.00	\$189,600.00	79.29%

Work Order Total:	\$239,115.00
% of Work to be performed by Certified UDBE/DBE/SB:	0.00%

Signature:

TAD

1/12/17

Jim Cappadocia

Title: Project Manager

Firm or Corporate Name: SANDAG - ABC Construction

Address: 3120 National Ave., San Diego, CA 92113

Telephone Number: (619) 239-3428