

1255 Imperial Avenue, Suite 1000 San Diego, CA 92101-7490

02-10-17 P02:35 IN

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
- Approval of Minutes January 19, 2017

Approve

3. <u>Public Comments</u> - 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

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Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trofley, 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

CONSENT ITEMS

6. Excess Insurance Renewals for Liability and Workers' Compensation Program
Action would approve the purchase of excess liability insurance (at limits of \$75
million less at \$2 million self-insured retention [SIR]) and excess workers'
compensation insurance (at statutory limits less a \$1 million SIR). The new policies
would be in effect from March 1, 2017 through March 1, 2018.

Approve

7. <u>Semiannual Uniform Report of Disadvantaged Business Enterprise (DBE) Awards</u> and Payments

Information

8. 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

Action would receive the San Diego and Imperial Valley Railroad (SD&IV) Pacific

Receive

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.

9. Operations and Maintenance Services for Compressed Natural Gas Fueling
Facilities - Contract Amendment
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. Investment Report - December 2016

12.

Information

11. Orange Line Track Improvements - Change Order Amendments 1 - 5
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

a Job Order Contract
Action would 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.

SDSU Tunnel Ventilation Jet Fans and Dampers Service - Award Work Order Under

Approve

13. San Diego Gas & Electric Company (SDG&E) Relocation Cost Sharing Agreement (Courthouse Station Project)

Approve

Action would authorize the Chief Executive Officer (CEO) to execute an agreement(s) with SDG&E to pay for new service connections and share in the costs of relocating SDG&E utility facilities as part of the MTS Courthouse Station Project.

14. Federal Communications Commission-Mandated 800 MHz Band Reconfiguration Reprogramming Services for San Diego State University (SDSU) Tunnel BiDirectional Amplifier

Approve

Action would: (1) Authorize the Chief Executive Officer (CEO) to negotiate pricing with Axel Wireless Limited, doing business as Cobham Wireless, for hardware and services required to reprogram the SDSU tunnel bi-directional amplifier in an amount not to exceed \$200,000; and (2) Approve a sole source contract with Axel Wireless Limited, doing business as Cobham Wireless, for hardware and implementation services required to reprogram the SDSU tunnel bi-directional amplifier based on the final negotiated price.

CLOSED SESSION

a. CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL - EXISTING 24 LITIGATION Pursuant to California Government Code Sections 54656.6 Case: In Re Pacific Imperial Railroad, Inc., US Bankruptcy Court, SD Cal, Bankruptcy No. 16-06253-LT11

Possible Action

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

Possible Action

Employee: Paul C. Jablonski

Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

30. Measure A Report (Rob Rundle with SANDAG) Action would receive a report and provide direction. Possible Action

Security Services Agreement - Contract Amendment (Mike Thompson and Manny 31. Guaderrama)

Approve

Action would: (1) Receive a report on updated negotiations with Universal Protection Services (UPS) and a reallocation of UPS contracted officers to internal Code Compliance Officers: (2) Approve the increased contract spend to the UPS security services contract, MTS Doc. No. G1828.0-15, as a result of the latest minimum wage modifications and negotiations with UPS; and (3) Approve reducing a total of fifty (50) full time equivalent (FTE) UPS contracted officers (27 Unarmed Officers, 20 Armed Officers and 3 Armed Sergeants) from the existing UPS contract and increasing internal Code Compliance Officers by 30 FTEs.

REPORT ITEMS

46.

Information 45 Transit Optimization Plan (TOP) Update (Denis Desmond) On Board Transit Passenger Survey (Brian Lane with SANDAG) Information

Operations Budget Status Report for December 2016 (Mike Thompson) 47.

Information

60. Chairman's Report Information

61. Chief Executive Officer's Report

Information

62. Board Member Communications

63. Additional Public Comments Not on the Agenda If the limit of 5 speakers is exceeded under No. 3 (Public Comments) on this agenda, additional speakers will be taken at this time. If you have a report to present, please furnish a copy to the Clerk of the Board. Subjects of previous hearings or agenda items may not again be addressed under Public Comments.

- 64. Next Meeting Date: March 9, 2017
- 65. Adjournment

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

1255 Imperial Avenue, Suite 1000 San Diego, CA 92101

MINUTES

January 19, 2017

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

1. Roll Call

Chairman Mathis called the Board meeting to order at 9:10 a.m. A roll call sheet listing Board member attendance is attached.

Approval of Minutes

Ms. Salas moved to approve the minutes of the December 8, 2016, MTS Board of Directors meeting. Mr. Sandke seconded the motion, and the vote was 11 to 0 in favor with Mr. Alvarez, Ms. Bragg, Mr. Minto, and Ms. Zapf absent.

4. <u>Elect Vice Chair, Chair Pro Tem, and Committee Appointments (Sharon Cooney) (TAKEN OUT OF ORDER)</u>

Sharon Cooney, Chief of Staff, introduced the item and noted that the Ad Hoc Nominating Committee met to propose the slate of committee appointments as well as to make a recommendation on the Vice Chair and Chair Pro Tem. Chairman Mathis stated that the recommendations for Vice Chair and Chair Pro Tem are Supervisor Roberts and Mayor Salas, respectively, and the recommendation for committee appointments is listed on the attachment. He asked for a motion for approval with the understanding that those members who are on the slate of committees will not be voting for themselves.

Action Taken

Ms. Zapf moved to elect Ron Roberts as Vice Chairman, Mary Salas as Chair Pro Tem, and approve the Ad Hoc Nominating Committee's proposed slate for the appointment of representatives to MTS committees for 2017. Ms. Cole seconded the motion, and the votes were as follows:

Accessible Services Advisory Committee (ASAC)

 Lorie Bragg, Chairman: 12 to 0 in favor, with Mr. Alvarez, Ms. Bragg and Mr. Minto absent.

Airport Authority Advisory Committee

- Harry Mathis, Committee Representative: 11 to 0 in favor, with Mr. Mathis abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- Ron Roberts, Alternate: 11 to 0 in favor, with Mr. Roberts abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.

Audit Oversight Committee

- Ernie Ewin, Chairman: 12 to 0 in favor, with Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- Harry Mathis, Committee Representative: 11 to 0 in favor, with Mr. Mathis abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- Ron Roberts, County Representative: 11 to 0 in favor, with Mr. Roberts abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- Myrtle Cole, City of San Diego Representative: 11 to 0 in favor, with Ms. Cole abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- Mona Rios, South Bay Representative: 11 to 0 in favor, with Ms. Rios abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- Bob McClellan, East County Representative: 11 to 0 in favor, with Mr. McClellan abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.

Budget Development Committee

- Harry Mathis, Committee Representative: 11 to 0 in favor, with Mr. Mathis abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- Ron Roberts, Committee Representative: 11 to 0 in favor, with Mr. Roberts abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- Bob McClellan, Committee Representative: 11 to 0 in favor, with Mr. McClellan abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- John Minto, Committee Representative: 12 to 0 in favor, with Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- Lorie Zapf, Committee Representative: 11 to 0 in favor, with Ms. Zapf abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.

Executive Committee (Set by Board Policy No. 21)

- Harry Mathis, Chair
- Ron Roberts, County Representative
- Myrtle Cole, City of San Diego Representative
- Mona Rios, South Bay Representative
- Bob McClellan, East County Representative

Los Angeles - San Diego Rail Corridor Agency (LOSSAN)

- Lorie Bragg, Committee Representative: 12 to 0 in favor, with Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- Harry Mathis, Alternate: 11 to 0 in favor, with Mr. Mathis abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.

Public Security Committee

- Harry Mathis, Committee Representative: 11 to 0 in favor, with Mr. Mathis abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- Myrtle Cole, Committee Representative: 11 to 0 in favor, with Ms. Cole abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- Jim Cunningham, Committee Representative: 12 to 0 in favor, with Mr. Alvarez, Ms. Bragg and Mr. Minto absent (note: Jim Cunningham's alternate, John Mullin, attended this meeting).
- John Minto, Committee Representative: 11 to 0 in favor, with Mr. Alvarez, Ms. Bragg and Mr. Minto absent.

- Guy McWhirter, Committee Representative: 11 to 0 in favor, with Mr. McWhirter abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- Bill Sandke, Committee Representative: 11 to 0 in favor, with Mr. Sandke abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.

SANDAG Board

- Harry Mathis, Advisory Representative: 11 to 0 in favor, with Mr. Mathis abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- Mona Rios, Alternate: 11 to 0 in favor, with Ms. Rios abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.

SANDAG Regional Planning Committee

- Mona Rios, Committee Representative: 11 to 0 in favor, with Ms. Rios abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- Guy McWhirter, Alternate: 11 to 0 in favor, with Mr. McWhirter abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.

Taxicab Advisory Committee

- Lorie Zapf, Chair: 11 to 0 in favor, with Ms. Zapf abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.
- Bob McClellan, Alternate: 11 to 0 in favor, with Mr. McClellan abstaining, and Mr. Alvarez, Ms. Bragg and Mr. Minto absent.

3. Public Comments

Gretchen Newsom – Ms. Newsom spoke on behalf of IBEW Local 569. She stated that she spoke to the Board last month regarding their public safety concerns about the installation of the new bus shelters. Ms. Newsom said that a letter with specific details about their concerns was provided to MTS and a follow up meeting was requested. She said that a meeting was not scheduled and the Director of Marketing sent a response letter instead. Ms. Newsom asked for the inspection reports and documentation be shared with their office and the general public to ensure public safety, accountability and transparency.

Kristen Victor – Ms. Victor spoke on behalf of the community group, Beautiful Pacific Beach (PB), to ask again about the PB Farmers Market. She said that about five months ago, they came to the Board meeting with a signed petition to shift the PB Farmers Market to Garnet Avenue. She noted that since that time another pedestrian has been killed on Garnet Avenue. Ms. Victor stated that Garnet Avenue has been reported as one of the most dangerous streets in San Diego. She said that the community and businesses have come together and signed the petition previously presented to the Board to request for the buses to be diverted two blocks away during the time of the PB Farmers Market which only takes place once a week, on Tuesdays, from 2:00pm – 7:00pm. Ms. Victor said she does not know why this has not been made possible and urged the Board Members to consider their request again.

CHAIRMAN - SPECIAL PRESENTATION

Chairman Mathis presented a distinguished service award to MTS bus driver, Robert Dempsey, recognizing his extraordinary action on December 5, 2016, to protect the life of another citizen. Mr. Dempsey witnessed a car accident and stopped to help the citizen involved in the accident.

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He was able to pull the citizen out of the car before the car caught on fire. Chairman Mathis presented Mr. Dempsey with a plaque for distinguished service.

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".
- 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 #1FDFE4FS7EDB17985) 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. PWL214.017 with Global Signals Group, Inc. (GSG) for TWC system upgrade.
- 11. <u>Courthouse Station Purchase New Shelters Contract Award</u>
 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. <u>2017 State and Federal Legislative Programs</u>
 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. <u>San Diego Trolley, Inc. (SDTI) Internal Revenue Service-Required Pension Resolution</u>
 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.

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Action on Recommended Consent Items

Mr. McWhirter moved to approve Consent Agenda Item Nos. 6 - 15. Ms. Rios seconded the motion, and the vote was 12 to 0 in favor with Mr. Alvarez, Ms. Bragg, and Mr. Minto absent.

CLOSED SESSION - PUBLIC COMMENTS

Michael Aguirre – Mr. Aguirre commented on behalf of the Public Transit Employee Association. He said that they were happy to have a tentative agreement in place. He noted that they look forward to continue working with management in the future and to address other issues related to the working environment, part time workers versus full time workers, and auxiliary supervisor status. Mr. Aguirre stated that they appreciated the work done by the mediator and look forward to working with management next year on an even better agreement. He urged the Board to approve the tentative agreement.

CHAIRMAN - SPECIAL COMMENT

Chairman Mathis briefly took the time to welcome the newly appointed Board Members – Councilmember Georgette Gomez, Primary Board Member representing the City of San Diego, and Councilmember Jennifer Mendoza, Alternate Member representing the City of Lemon Grove. Ms. Gomez introduced herself and also thanked everyone for the opportunity to serve on the MTS Board.

CLOSED SESSION

24. Closed Session Items

The Board convened to Closed Session at 9:30 a.m.

a. 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, Servicepersons 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 Board reconvened to Open Session at 9:46 a.m.

Oral Report of Final Actions Taken in Closed Session

Karen Landers, General Counsel, reported the following:

a. The Board voted to ratify three separate tentative agreements, one with each of those agencies, on a vote of 12 in favor and 3 absent. The absent members were Mr. Alvarez, Ms. Bragg and Mr. Minto, and all others were in favor.

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NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS:

 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 to provide the SDTC Pension Investment Status presentation. Mr. Miller prefaced the presentation by noting that the past year was a poor year for returns however the life of the plan has done well. He continued the presentation and discussed the plan's investment structure, investment details, fiscal year performance, and performance details.

Mr. Mullin inquired about the underperformance compared to the agency's peer plans. Mr. Miller replied that the best peer plan performed at 1.4%. He said that specific peer plan is also a much larger plan and did not do significantly better, 1.4% compared to -0.09%. Mr. Marinesi commented that once the plan was closed, staff made the decision to become much more conservative with their investment approaches.

Mr. Roberts inquired about the low performance results related to the Real Return Composite and the Absolute Return Composite. Mr. Miller replied that those items generally do well during inflationary periods, however the last several years we have seen inflation go down. He noted that they believe those numbers will start to improve, because inflation is beginning to rise in calendar year 2017.

Mr. Sandke inquired about the length of MTS's relationship with RVK. Mr. Marinesi replied that RVK has worked with MTS since approximately 1997. He noted that MTS did go through a negotiated procurement in 2015, and RVK received the highest technical scores and more favorable cost to the agency. Mr. Sandke asked how much RVK is paid each year for their services. Mr. Marinesi replied that RVK is paid about \$95,000 per year.

Action Taken

Informational item only. No action taken.

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

Mr. Marinesi introduced Anne Harper and Alice Alsberghe with Cheiron Inc. to provide a report on the SDTC Employee Retirement Plan's Actuarial Valuation. Ms. Harper provided an overview of the actuarial experience study that was completed in April 2016. She noted that investment return assumption was decreased from 7.5% to 7.0%. Ms. Harper discussed the plan cost changes and the plan cost by source including UAL payments, normal costs and administrative expenses. Ms. Alsberghe continued the presentation and discussed the plan history related to contributions, funding and active membership. Ms. Harper reviewed the plan composition related to the plan head counts and liabilities. She also discussed the plan future and projections for going forward, including projected total contributions and projected funded ratio.

Mr. Mullin inquired about the 7.0% return and asked if that number should be lowered. Mr. Marinesi replied that over the course of the last ten years, that number has been lowered from 8.0% to 7.0%. The last time that number was lowered was in April 2016, when the Board approved moving the number from 7.5% to 7.0%. Mr. Marinesi noted that staff will continue to look at that number and report back to the Budget Development Committee and the Board.

Mr. Sandke inquired about the good takeaways from this report. Mr. Marinesi replied that there are fewer people in the plan, and the biggest takeaway is that because the Board closed the plan, we will be able to pay off debt over the next 20 years.

Action Taken

Mr. McClellan moved to receive the SDTC Employee Retirement Plan's actuarial valuation as of July 1, 2016, and adopt the pension contribution amount of \$15,087,407 for fiscal year 2018. Ms. Rios seconded the motion, and the vote was 12 to 0 in favor with Mr. Alvarez, Ms. Bragg and Mr. Minto absent.

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

Karen Landers, General Counsel, provided a presentation regarding the potential for an MTS sales tax ballot measure. She stated that tax rules are set forth under the California Constitution. She noted that only local governments may impose a tax for municipal purposes. She reviewed MTS's enabling legislation and stated that MTS does not have express authority to issues its own sales tax measure; however, SANDAG is allowed to pursue a sales tax on behalf of MTS for transportation purposes. She reviewed SANDAG's enabling legislation which expresses its authority for issuing a sales tax measure. Ms. Landers said that current State law does not authorize an MTS-only sales tax measure. She said that an MTS-only sales tax measure would require a statutory amendment for either the MTS statute or the SANDAG statute. Ms. Landers reviewed the current staff recommendation to coordinate additional research with SANDAG and report back to the Board for further direction as a policy or legislative proposal is developed.

Ms. Salas asked for clarification that there are two options available including MTS amending its enabling legislation or SANDAG amending its enabling legislation. Ms. Landers confirmed that both options would require amendments to the enabling legislation. Ms. Salas stated that we would have to look closely at the public's interest in a transit-only measure. Ms. Salas agreed that looking into pursuing a sales tax measure on an ad-hoc level would be of benefit.

Ms. Gomez asked what it would take to explore the legislative requirements to move forward. Ms. Landers replied that more legal research would need to be done first and then crafting the language for exactly what we are looking for in the measure.

Mr. Roberts commented that SANDAG is currently undergoing an extensive review and analysis of Measure A. He stated that there is more work to do before we ask the legislature to move forward on a possible tax measure.

Ms. Rios stated that she would like to make a motion to create an Ad-Hoc Committee for further discussion. Ms. Gomez seconded that motion.

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Mr. Roberts noted that the SANDAG Board Retreat will have an in depth analysis report about the results of Measure A. He recommended for that report to be presented at February's Board meeting before moving forward on creating an Ad-Hoc Committee. The report will give more insight and information regarding Measure A and help drive the next steps of this discussion.

Ms. Rios retracted her previous motion to wait until after the Board has received the report from SANDAG.

Action Taken

The Board agreed unanimously to hear the SANDAG report regarding Measure A during the February Board meeting before moving forward with any next steps.

REPORT ITEMS

46. Storm Water Briefing (Karen Landers & Mylene Noceda) (TAKEN OUT OF ORDER)

Ms. Landers provided a briefing regarding California Storm Water Regulation. She stated that MTS is in the process of becoming an MS4 Phase II permittee under the San Diego Regional Water Quality Control Board. This MS4 Phase II permit covers all MTS property including railroad right of way, MTS-owned transit stations, and Industrial General Permit (IGP)/No Exposure Certification (NEC) maintenance facilities. Ms. Landers reviewed the MS4 Phase II schedule and components. She reviewed the IGP requirements and ongoing compliance under the IGPs. Ms. Landers provided examples of recent IGP remediation projects that took place at Imperial Avenue Division and Kearny Mesa Division properties as well as the trolley yard. She reviewed the Phase II and IGP anticipated costs during the 6 year implementation plan as well as the Parsons Brinkerhoff MS4 Phase II expenses. Lastly, Ms. Landers discussed the storm water compliance program challenges and action plans.

Action Taken

Informational item only. No action taken.

45. MTS Security Update Report (Manny Guaderrama)

Manny Guaderrama, MTS Chief of Police, provided a security update report. He reviewed the components that make up the transit enforcement department which include Code Compliance Inspectors, contract security officers and the Joint Agency Task Force (JATF). Mr. Guaderrama discussed the new security contract which went into effect on July 1, 2016. He reviewed the results for Part I reported crimes related to trolley; Part I reported crime comparisons for the trolley compared to LA Metro; Part II crimes related to trolley; calls for service for bus; Part I crimes related to bus; and assaults. Mr. Guaderrama discussed the JATF and the results from the task force for the first six months of 2016. He reviewed the results for fare inspections and citations; fare evasion rates for trolley; SDM inspections; and quality of life details for transient encampments.

Ms. Zapf commented that she enjoyed serving on the Public Security Committee in 2016 and said that Security has been doing a great job and appreciates all of their hard work.

Ms. Cole inquired if CCIs are uniformed officers. Mr. Guaderrama replied that CCIs are uniformed, but they are unarmed. She asked about the screening and hiring of contracted security officers. Mr. Guaderrama replied that about 50% of the contracted officers are armed and 50% are unarmed. He said that the contractor hires their officers and they have to go through different training programs. Ms. Cole asked if she could be provided a breakdown of the crimes per district. Ed Musgrove, Deputy Director of Transit Enforcement, replied that they do have that information and can provide it to the Board. Ms. Cole inquired if the officers complete diversity training. Mr. Guaderrama replied that the officers don't go through a specific diversity training course, however they do go through training that contains that component.

Action Taken

Informational item only. No action taken.

47. Operations Budget Status Report for November 2016 (Mike Thompson)

Mike Thompson, Director of Financial Planning and Analysis, provided a report on the operations budget status for November 2016. He reviewed total operating revenues; total operating expenses; total operating variance and ongoing concerns including sales tax subsidy revenue, State of California budget, passenger levels and energy prices.

Ms. Zapf inquired if the budgeted number related to passenger levels was a year-to-date estimate or a full fiscal year estimate. Mr. Thompson replied that the budgeted number related to passenger levels is a full fiscal year estimate.

Action Taken

Informational item only. No action taken.

60. Chairman's Report

There was no Chairman report.

Chief Executive Officer's Report

There was no Chief Executive Officer report.

62. Board Member Communications

There were no Board Member communications.

63. Additional Public Comments on Items Not on the Agenda

There were no additional public comments on items not on the agenda.

Next Meeting Date

The next regularly scheduled Board meeting is February 16, 2017.

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65. Adjournment

Chairman Mathis adjourned the meeting at 11:30 a.m.

Chairperson

San Diego Metropolitan Transit System

Filed by:

Approved as to form:

Clerk of the Board

San Diego Metropolitan Transit System

Attachment: Roll Call Sheet

General Counsel

San Diego Metropolitan Transit System

SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS ROLL CALL

MEETING OF (DATE):			17	CALL TO ORDER (TIME): 9:10 a.m.		
RECESS:				RECONVENE:		
CLOSED SESSION: 9:30 a.m.				RECONVENE:	9:46 a.m.	
PUBLIC HEARING:				RECONVENE:		
ORDINANCES ADOPTED:				ADJOURN:	11:30 a.m.	
BOARD MEMBER (Alternate)				PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)	
ALVAREZ		(Cate)				
ARAMBULA		(Mendoza)		9:10 a.m.	11:30 a.m.	
BRAGG		(Spriggs)				
COLE	×	(Cate)		9:10 a.m.	11:30 a.m.	
CUNNINGHAM		(Mullin)		9:10 a.m.	11:30 a.m.	
GOMEZ	⊠	(Cate)		9:10 a.m.	11:30 a.m.	
MATHIS	\boxtimes			9:10 a.m.	11:30 a.m.	
MCCLELLAN	⊠	(Goble)		9:10 a.m.	11:30 a.m.	
MCWHIRTER		(Arapostathi	s) 🗆	9:10 a.m.	11:30 a.m.	
MINTO		(McNelis)				
RIOS	×	(Sotelo-Solis	s) 🗆	9:10 a.m.	11:00 a.m.	
ROBERTS	×	(Cox)		9:10 a.m.	11:30 a.m.	
SALAS	×	(Diaz)		9:10 a.m.	11:12 a.m.	
SANDKE	\boxtimes	(Donovan)		9:10 a.m.	11:30 a.m.	
ZAPF	×	(Cate)		9:12 a.m.	11:30 a.m.	

SIGNED BY THE CLERK OF THE BOARD:

CONFIRMED BY THE GENERAL COUNSEL

AGENDA ITEM NO.

3

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

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PLEASE SUBMIT THIS COMPLETED FORM (AND YOUR WRITTEN STATEMENT) TO THE CLERK OF THE BOARD PRIOR TO DISCUSSION OF YOUR ITEM

1. INSTRUCTIONS

This Request to Speak form <u>must be filled out and submitted in advance of the discussion of your item</u> to the Clerk of the Board (please attach any written statement to this form). Communications on hearings and agenda items are generally limited to three minutes per person unless the Board authorizes additional time; however, the Chairperson may limit comment to one or two minutes each if there are multiple requests to speak on a particular item. General public comments on items not on the agenda are limited to three minutes. Please be brief and to the point. No yielding of time is allowed. Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.

(PLEASE PRINT)

(FLEASE FRINT)	
DATE 2/14/12	
Name	Gretchen Newson (Gretchen Newson)
Address	1545 Viringo Am SD
Telephone	619-2 08-4283
Email	goms ancibar 827. y
Organization Represented	1BEN 521
Subject of Your Remarks	Bus Sheller loshleting 1 Philic Sely.
Regarding Agenda Item No.	floten linn
Your Comments Present a Position of:	SUPPORT OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

At Public Hearings of the Board, persons wishing to speak shall be permitted to address the Board on any issue relevant to the subject of the Hearing.

3. DISCUSSION OF AGENDA ITEMS

The Chairman may permit any member of the public to address the Board on any issue relevant to a particular agenda item.

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Public comment on matters not on the agenda will be limited to five speakers with three minutes each, under the Public Comment Agenda Item. Additional speakers will be heard at the end of the Board's Agenda.

NOTE: Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.



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

Agenda Item No. 6

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

SUBJECT:

EXCESS INSURANCE RENEWALS FOR LIABILITY AND WORKERS' COMPENSATION PROGRAM

RECOMMENDATION:

That the Board of Directors approve the purchase of excess liability insurance (at limits of \$75 million less a \$2 million self-insured retention [SIR]) and excess workers' compensation insurance (at statutory limits less a \$1 million SIR). The new policies would be in effect from March 1, 2017 through March 1, 2018.

Budget Impact

The combined proposed premium for both lines of coverage, including taxes and fees, would not exceed \$1,531,913 for the one year period. The total premium for the excess liability insurance and the excess workers' compensation insurance represents a 1.4% (or \$21,615) decrease over the expiring policies. Terrorism coverage is included in both lines.

The specific allocation among MTS, San Diego Transit Corporation (SDTC), San Diego Trolley, Inc. (SDTI), and San Diego and Arizona Eastern (SD&AE) Railway Company is based on the underwriting exposure. Costs associated with the excess insurance policies are allocated across two fiscal years. For fiscal year 2017, staff estimates that the agencies will be within budget. Fiscal year 2018 budgets are currently being developed. Funds for this coverage will be designated and included within them.

The approximate annual breakdown between the agencies is noted within the table below.

COMBINI	ED TOTAL EX	CESS INSUR	ANCE PREM	IIUMS	
AGENCY	MTS	SDTC	SDTI	SD&AE	TOTAL
Excess Liability	\$158,069	\$586,173	\$559,829	\$13,172	\$1,317,243
Excess Workers' Comp.	\$25,760	\$95,528	\$91,235	\$2,147	\$214,670
Total Excess Premium	\$183,829	\$681,701	\$651,064	\$15,319	\$1,531,913
Combined Excess Split	12.0%	44.5%	42.5%	1.0%	



DISCUSSION:

MTS, SDTC, SDTI, and SD&AE jointly purchase commercial general liability insurance to finance large catastrophic losses for bodily injury, property damage and other damage claims in excess of a self-insured retention of \$2 million per occurrence. The agencies also jointly purchased an excess workers' compensation policy to supplement the self-insured program of \$1 million per occurrence. The existing policies will expire on March 1, 2017. MTS's insurance broker, Alliant Insurance Services, Inc., has worked extensively with staff and several insurance companies to obtain the best coverage possible for the forthcoming year. Staff is very pleased with the results this year.

Current Program

MTS currently has excess liability coverage within four layers of insurance limits from various insurance companies. These layers provide for a total general liability limit of \$75 million. The policies each contain coverage for acts of terrorism. The current cost of these policies, including taxes and fees, is \$1,338,755. In addition, MTS purchases excess workers' compensation insurance at statutory limits (i.e., the maximum benefit the State would allow for a single accident/injury) for a cost of \$214,773. These premiums totaled \$1,553,528 under the current program structure.

Proposed Program

The proposed liability insurance program is also anticipated to include four policy layers and would carry a self-insured retention of \$2 million for general liability and public entity excess liability. All of this coverage (including MTS's self-insured retention) would provide full limits up to \$75 million at an annual cost not to exceed \$1,317,243. There is a recommended change in the first two layers of the proposed liability insurance program. The incumbent carrier on the lead layer recently announced that it will no longer be underwriting coverage at the lower attachment points. Therefore, MTS's brokers found a replacement carrier for this layer. Similarly, the second layer carrier is being replaced by a comparable one for premium pricing reasons.

An excess workers' compensation policy is also being recommended for purchase at statutory limits less a \$1 million insurance deductible. The premium cost for this policy is \$214,670, which represents a slight decrease over last year's premium of \$214,773 for the same limits and retention.

The total premium of \$1,531,913 for the combined excess liability and excess workers' compensation coverage represents an overall 1.4% (or \$21,615) decrease over last year.

COVERAGE	INSURER	AM BEST RATING	LIMIT & ATTACHMENT	TOTAL PREMIUM
Excess Workers' Comp.	Arch Insurance Company	A+ XV	Statutory x \$1M SIR	\$214,670
1st Layer Excess Liability	Princeton Excess & Surplus Lines (Munich Re)	A+ XV	\$10M x \$2M SIR	\$764,193
2nd Layer Excess Liability	Lloyds of London	A+ XV	\$15M x \$10M x \$2M SIR	\$239,250
3rd Layer Excess Liability	Great American Assurance Company	A XV	\$25M x \$25M x \$2M SIR	\$215,000
4th Layer Excess Liability	Allied World Assurance Co. (AWAC)	A XV	\$23M x \$50M x \$2M SIR	\$98,800
				\$1,531,913

Renewal Issues - Underwriting Base

Premium rates for the general liability coverage are based on a combination of passenger counts, revenue miles, construction costs, loss history and current market conditions. For excess workers' compensation, premiums are largely driven by payroll as well as loss history and current market conditions.

Public Entity Market - Recent Observations

There is currently a favorable (or soft) market on both the excess general liability and excess workers' compensation lines of coverage. The liability insurance carriers that submitted quotes this year continue to have the capacity and willingness to insure public transit risks, such as MTS. With the transfer of its lead and second liability layers to new carriers and better pricing negotiated on the third and fourth layers effective March 2017, MTS would receive an overall premium savings of \$21,512. MTS was also able to retain its long-standing \$2M self-insured retention in this renewal despite a push by some carriers to increase the retention.

The excess workers' compensation insurance placement was also less challenging this year than in years past. The nominal premium decrease this year of \$101 despite an overall increase in payroll demonstrates that the incumbent carrier considers MTS to be an attractive account. Moreover, they have tentatively offered a 2 year rate guarantee.

Overall, MTS's insurance broker, Alliant, did an outstanding job negotiating an advantageous, low cost excess liability and workers' compensation insurance program for MTS once again this year.

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



2017 - 2018

Excess Liability & Excess Workers' Compensation Insurance Proposal

Presented on February 2, 2017 by:

Dennis Muqueeney, Senior Vice President Brian White, First Vice President

Alliant Insurance Services, Inc, 100 Pine Street, 11th Floor San Francisco, CA 9411

O 415 403 1400

F 415 402 0773



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2017 - 18 Public Entity Market – Recent Observations

Liability Marketplace

- Civic Risk non-renewing all US based lead policy form placements;
 - This follows only two years after Starr made the same underwriting decision on its book of public entity business.
- Other carriers that have historically considered transit business also limiting their position in the marketplace;
- Accounts without distressed loss history and healthy self-insured retention levels are faring better than others;
- Continued Underwriter focus on Claims Handling;
- Increased interest in writings from London based markets however coverage forms and limit applications tend to be less competitive than domestically available options;
- Munich (Princeton) is interested in writing SD MTS's coverage, and has a solid reputation in the public entity marketplace.
- The excess marketplace is less difficult than the lead marketplace, and price softening is present.

Workers' Compensation Markets

 Less challenging than recent years, and some softening is present on attractive accounts such as SD MTS; however this coverage remains a potentially difficult line depending on loss history and attachment levels;



LIABILITY AND WORKERS COMP EXHIBIT Liability_ (Not to Scale) Workers' Compensation Total Cost: \$1,317,243 Total Cost: \$214,670 \$75M Statutory \$23M X \$50M X \$2M SIR Allied World Assurance Company AM Best Rated A, XV \$52M \$25M X \$25M X \$2M SIR Great American Assurance Company Statutory Limits AM Best Rated A, XV ARCH Insurance Company AM Best Rated A+, XV \$27M \$15M X \$10M X \$2M SIR Lloyd's of London AM Best Rated A+, XV \$12M \$10M X \$2M SIR Princeton Excess & Surplus Lines AM Best Rated A+, XV \$2M \$2M Self Insured Retention \$1M \$1M Self Insured Retention



COST OF RISK - RENEWAL PREMIUM COMPARISON

Expiring Compared to Renewal: Net of Commission and Includes TRIA

Coverage	\$2M SIR Expiring	\$2M SIR Renewal
	#54 < 500k	фт.c.4.4.00
Excess Liability – Layer 1	\$716,539*	\$764,193
Excess Liability – Layer 2	\$299,416	\$239,250*
Excess Liability – Layer 3	\$224,000	\$215,000
Excess Liability – Layer 4	\$98,800	\$98,800
Excess Liability Sub Total:	\$1,338,755	\$1,317,243
Excess Workers' Compensation	\$214,773	\$214,670
Total Annual Premium		
-	\$1,553,528	\$1,531,913

^{*} Net of commission to Alliant



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14/15 Layering				As Expli	ring	-			
-EVOF	Limit & Attachment	Premium w/o Terrorism	Terrorism Surcharge	Terrorism Bested	Gross Premiu	Surplus Lines Taxes & Fees 3.20%	Grand Total (w/ SL T&F's)	Price / Mil (inol TRIA)	change over expiring
Starr Indomnity & Liability Company (Admitted)	10M x 2M SIR	\$ 754,500	\$ 15,090	Yes	\$ 769,59	0	\$ 769,590	\$ 76,959 00	4 98
2 Berkley National (Admissed)	15M × 10M × 2M SIR	\$ 296,451	\$ 2,965	Yes	\$ 299,41	6	\$ 299,416	\$ 19,961.07	3.52
3 GreatAmerican (Admitted)	25M x 25M x 2M SIR	\$ 221,700	\$ 2,240	Yes	\$ 224,00	D	\$ 224,000	\$ 8,960 00	3 23
4 AWAC(Admitted)	23M x 50M x 2M SIR	\$ 97,812	\$ 988	Yes	\$ 98,80	D N/A	\$ 98,800	\$ 3,952.00	4 000
TOTAL		\$ 1,370,523		-	\$ 1,391,60		\$ 1,391,806		
	The state of the s	15/16 Bo	ound Exp	iring	31		-	JU	
15/16 Layering	E.M. Teles	I Annual		As Expli	ring	Surplus Lines			change
Ayer Kational Casualty Company	Limit & Attachment	Premium w/o Terrorism	Terrorism Surcharge	Terrorism Beated	Gross Premius	Taxes & Fees	Grand Total (w/ BL T&F's)	Price / Mil (Inol TRIA)	over
1 (Admired)	10M x 2M SIR	\$ 788,274	\$ 7,883	Yes Net of Con	\$ 796,15	10% from layer 1)	\$ 796,157 \$ 716,541	\$ 79,615 70	3 459
2 Berkley National (Admitted)	15M x 10M x 2M SIR	\$ 296,451	\$ 2,965	Yes	\$ 299,41	3	\$ 299,416	\$ 19,961,07	0 009
3 Great American (Admitted)	25M x 25M x 2M SIR	\$ 221,760	\$ 2,240	Yes	\$ 224,00		\$ 224,000	\$ 8,960,00	0 000
4 RWAG(Adm sted)	23M x 50M x 2M SIR	\$ 98,800	inc	Yes	\$ 98,80	N/A	\$ 98,800	\$ 3,952,00	0 000
TOTAL Starr Indemnity chose not to renew in 26		16/17 Bd	ound Exp		\$ 1,418,37 nm/saion (i.e. lira	10% from layer 1)	\$ 1,418,373 \$ 1,338,767		
			ound Exp				\$ 1,338,767		Change
Starr Indemnity chose not to renew in 2i		16/17 Bo	Terroriem Suroharge			Surplus Lines Taxes & Fees		Price / MIII (Incl TRIA)	Change over expiring
16/17 Layoring RBE National Gasualty Company (Ministrict)	Limit & Attachment 10M x 2M SIR	Annual Premium w/o Terrorism	Terrorism Suroharge \$ 7,883	Terrorism Beoted Yes Net of Com	Gross Premius \$ 796,15	Surplus Lines Taxes & Fees 3.20% N/A 10% from layer 1)	Grand Total (w/ SL T&F's) 5 796,157 \$ 716,541	(Inol TRIA) \$ 79,615.70	000 0
16/17 Layering RBE National Casualty Company (Admitted)	Limit & Attachment 10M x 2M SIR 15M x 10M x 2M SIR	Annual Premium w/o. Terrorism \$ 788,274 \$ 296,451	Terrorism Surcharge \$ 7,883 \$ 2,965	Terrorism Bested Yes Net of Con Yes	Gross Premius \$ 796,15 mination (i.e. leas \$ 299,41	Surplus Lines Taxes & Fees 3.20% 7 N/A 10% 2cm layer 1) 8 N/A	Grand Total (W/ SL T&F's) S 796,157 S 716,541 S 299,416	(Inol TRIA) \$ 79,615.70 \$ 19,961.07	0.00°
16/17 Layoring 16/17 Layoring RBE National Gasualty Company (Admitted) 2 Rerkiey National (Admitted) 3 GreatAmerican (Admitted)	Limit & Attachment 10M x 2M SIR 15M x 10M x 2M SIR 25M x 25M x 2M SIR	Annual Premium w/o Terrorism \$ 788,274 \$ 296,451 \$ 224,000	Terrorism Surcharge \$ 7,883 \$ 2,965	Terrorism Be oted Yes Net of Con Yes Yes	Gross Premiur \$ 796,15 tribaxion (i.e. leas \$ 299,41 \$ 224,00	3urplus Lines Taxes & Fees 3.20% 7 N/A 10% &con-layer 1) 6 N/A	Grand Total w SL TaF's \$ 796,157 \$ 299,416 \$ 224,000	\$ 79,615.70 \$ 19,961.07 \$ 8,960.00	0.009 0.009 0.009 0.009
16/17 Layering 16/17 Layering REE National Casualty Company (Admitted) 2 Berkley National (Admitted) 3 Great American (Admitted) 4 AWAG(Admitted)	Limit & Amachment 10M x 2M SIR 15M x 10M x 2M SIR 25M x 25M x 2M SIR 23M x 50M x 2M SIR	Annual Premium w/o. Terrorism \$ 788,274 \$ 296,451 \$ 224,000 \$ 98,800	Terrorism Surcharge \$ 7,883 \$ 2,965	Terrorism Bested Yes Net of Con Yes	Gross Premius \$ 796,15 \$ 299,41 \$ 224,00 \$ 98,80	Surplus Lines Taxes & Fees 3.20% 7 N/A 10% 2cm layer 1) 6 N/A 0 N/A	Grand Total [W/8L T&F's] \$ 796,157 \$ 299,416 \$ 224,000 \$ 98,800	(Inol TRIA) \$ 79,615.70 \$ 19,961.07	0.00% 0.00% 0.00% 0.00% 0.00%
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16/17 Layoring 16/17 Layoring REE National Casualty Company (Admitted) Berkfoy National (Admitted) GreatAmerican (Admitted) TOTAL 17/18 Option 1A Layoring	Limit & Attachment 10M x 2M SIR 15M x 10M x 2M SIR 25M x 25M x 2M SIR 23M x 50M x 2M SIR	18/17 Bo Annual Premium w/o Terrorism \$ 788,274 \$ 296,451 \$ 224,000 \$ 98,800 \$ 1,407,625	Terrorism Suroharge \$ 7,883 \$ 2,965 \$ - incl	Terrorism Terrorism	Gross Premiur \$ 796,15 \$ 299,41 \$ 224,00 \$ 98,80 \$ 1,418,37 TOTAL (Net	Surplus Lines Taxes & Fees 3.20% N/A 10% from layer 1) N/A N/A N/A N/A N/A N/A S Surplus Lines Taxes & Fees	Grand Total W/ SL T&F's) \$ 796,157 \$ 716,541 \$ 224,000 \$ 98,800 \$ 1,416,373 \$ 1,338,767	\$ 79,615.70 \$ 19,961.07 \$ 8,960.00	9.00° 0.00° 0.00° 0.00° 0.00° 0.00° 0.00° 0.00°
16/17 Layoring 16/17 Layoring National Casualty Company (Admitted) Berkfoy National (Admitted) GreatAmerican (Admitted) TOTAL 17/18 Option 1A Layoring RBE Princeton Excess & Surplus Lines	Limit & Attachment 10M x 2M SIR 15M x 10M x 2M SIR 25M x 25M x 2M SIR 23M x 50M x 2M SIR	16/17 Bo Annual Premium w/o Terrorism \$ 788,274 \$ 296,451 \$ 224,000 \$ 98,800 \$ 1,407,625 Annual Premium w/o Terrorism	Terrorism Suroharge \$ 7,883 \$ 2,985 \$ - incl 8 Option Terrorism Suroharge	Terrorism Terrorism Terrorism Terrorism Terrorism	Gross Premium \$ 796,15 \$ 299,41 \$ 224,00 \$ 98,80 \$ 1,418,37 TOTAL (Net	Surplus Lines Taxes & Fees 3.20% N/A N/A N/A N/A N/A N/A Ser Commission) Burplus Lines Taxes & Fees 3.20%	Grand Total W/SL T&F's) \$ 796,157 \$ 716,541 \$ 299,416 \$ 224,000 \$ 98,600 \$ 1,418,373 \$ 1,338,767	\$ 79,615.70 \$ 19,961.07 \$ 8,960.00 \$ 3,952.00	9xpiring 0.009 0.009 0.009 0.009 0.009 0.009 0.009
16/17 Layoring 16/17 Layoring National Casualty Company (Admitted) Berkley National (Admitted) TOTAL 17/18 Option 1A Layoring	Limit & Attachment 10M x 2M SIR 15M x 10M x 2M SIR 25M x 25M x 2M SIR 23M x 50M x 2M SIR	18/17 Bo Annual Premium w/o Terrorism \$ 788,274 \$ 296,451 \$ 224,000 \$ 98,800 \$ 1,407,625	Terrorism Suroharge \$ 7,883 \$ 2,965 \$ - incl	Terrorism Bested Yes Net of Com Yes Yes Yes Terrorism Bested Yes	Gross Premius \$ 796,15 \$ 299,411 \$ 224,00 \$ 98,80 \$ 1,418,37 TOTAL (Not	Surplus Lines Taxes & Fees 3,20%	Grand Total [w/ SL T&F's] \$ 796,157 \$ 716,541 \$ 229,416 \$ 224,000 \$ 98,600 \$ 1,418,373 \$ 1,338,767 Grand Total [w/ SL T&F's] \$ 764,193 \$ 258,000	\$ 79,615.70 \$ 19,961.07 \$ 8,960.00 \$ 3,952.00	9xpiring 0.009 0.009 0.009 0.009 0.009 0.009 0.009
16/17 Layoring 16/17 Layoring Aver RBE National Gaussity Company (Admitted) 2 Scridey National (Admitted) 4 AWAC (Admitted) TOTAL 17/18 Option 1A Layoring Aver RBE Princeton Excess a Surplus Lines Insurance Company (Non-Admitted)	Limit & Attachment 10M x 2M SIR 15M x 10M x 2M SIR 25M x 25M x 2M SIR 23M x 50M x 2M SIR Limit & Attachment 10M x 2M SIR	Annual Premium w/o Terrorism \$ 788.274 \$ 296,451 \$ 224,000 \$ 98,800 \$ 1,407,626 Annual Premium w/o Terrorism \$ 733,086	Terrorism Surcharge \$ 7,883 \$ 2,965 \$ - Incl	Terrorism Bested Yes Net of Com Yes Yes Yes Terrorism Bested Yes	Gross Premius \$ 796,15 \$ 299,411 \$ 224,00 \$ 98,80 \$ 1,418,37 TOTAL (Not	Surplus Lines Taxes & Fees 3.20% 7 N/A 10% from layer 1) 6 N/A 0 N	Grand Total [w/ 8L T&F's) \$ 796,157 \$ 716,541 \$ 224,000 \$ 98,800 \$ 1,418,373 \$ 1,338,767	(Incl TRIA) \$ 79,615.70 \$ 19,961.07 \$ 8,980.00 \$ 3,952.00 Price / MH (Incl TRIA) \$ 74,049.70	
16/17 Layoring 16/17 Layoring National Casualty Company (Admitted) Berkiey National (Admitted) TOTAL 17/18 Option 1A Layoring Princeton Excess a Surplus Lines Insurance Company (Non-Admitted) Uoyd's of London (Non-Admitted)	Limit & Attachment 10M × 2M SIR 15M × 10M × 2M SIR 25M × 25M × 2M SIR 23M × 50M × 2M SIR Limit & Attachment 10M × 2M SIR 15M × 10M × 2M SIR	Annual Premium w/o Terrorism \$ 768,274 \$ 296,451 \$ 224,000 \$ 98,600 \$ 1,407,626 Annual Premium w/o Terrorism \$ 733,086 \$ 250,000	Terrorism Surcharge \$ 7,883 \$ 2,985 \$ - incl 8 Option Terrorism Surcharge \$ 7,411 included	Terrorism Beoted Yes Net of Com Yes Yes Yes Yes Yes Yes Yes Net of Com Yes	Gross Premiur \$ 796,15 \$ 299,411 \$ 224,00 \$ 98,80 \$ 1,418,37 TOTAL (Not	Surplus Lines Taxes & Fees 3,20% N/A	Grand Total [w/ 8L T&F's) \$ 796,157 \$ 716,541 \$ 299,416 \$ 224,000 \$ 98,600 \$ 1,418,373 \$ 1,338,767 Grand Total [w/ 8L T&F's) \$ 764,193 \$ 258,000 \$ 238,250	\$ 79,615.70 \$ 19,961.07 \$ 8,960.00 \$ 3,952.00 Price / Mil (Incl TRIA) \$ 74,049.70 \$ 16,666.67	• • • • • • • • • • • • • • • • • • •
16/17 Layoring 16/17 Layoring 16/17 Layoring RBE Rational Casualty Company (Admitted) 2 Serkley National (Admitted) 4 AWAC(Admitted) TOTAL 17/18 Option 1A Layoring Ayer RBE Princeton Excess a Surplus Lines Insurance Company (Non-Admitted) 2 Hoyd's of London (Non-Admitted) 3 Great American (Admitted)	Limit & Attachment 10M x 2M SIR 15M x 10M x 2M SIR 25M x 25M x 2M SIR 23M x 50M x 2M SIR 10M x 2M SIR 10M x 2M SIR 15M x 10M x 2M SIR 25M x 25M x 2M SIR	Annual Premium w/o Terrorism \$ 788.274 \$ 296,451 \$ 224,000 \$ 98,800 \$ 1,407,625 Annual Premium w/o Terrorism \$ 733,086 \$ 250,000 \$ 215,000	Terrorism Surcharge \$ 7,883 \$ 2,985 \$ - incl 8 Option Terrorism Surcharge \$ 7,411 included	Terrorism Ected Yes Yes Yes Yes Yes Yes Yes Y	Gross Premium \$ 796,15 \$ 299,41 \$ 224,00 \$ 98,80 \$ 1,418,37 TOTAL (Net	Surplus Lines Taxes & Fees 3,20% N/A 10% from layer 1) N/A 10% from layer 2) N/A 10% from layer 3 10% from layer 2 10% from	Grand Total [w/ 8L T&F's) \$ 796,157 \$ 716,541 \$ 299,416 \$ 224,000 \$ 98,800 \$ 1,418,373 \$ 1,338,767 Grand Total [w/ 8L T&F's) \$ 764,193 \$ 258,000 \$ 225,000 \$ 215,000	### Reference	0.00% 0.00%



First Layer - The Princeton Excess & Surplus Lines (Munich)

NAMED INSURED: San Diego Metropolitan Transit System

INSURANCE COMPANY: The Princeton Excess and Surplus Lines Insurance Company

AM BEST RATING: A+ (Superior), XV (\$2 Billion or greater) as of October 19, 2016

S&P RATING: AA- (Very Strong) as of December 22, 2006

CALIFORNIA STATUS: Non-Admitted

POLICY TERM: March 1, 2017 to March 1, 2017

COVERAGE FORM: Retained Limit of Liability

LIMIT OF LIABILITY:

\$ 10,000,000	General Liability Per Occurrence
\$ 10,000,000	Law Enforcement Liability Per Occurrence
\$ 10,000,000	Auto Liability Per Accident
\$ 10,000,000	Wrongful Acts Liability Per Occurrence
\$ 10,000,000	Employee Benefit Liability Per Occurrence
\$ 10,000,000	Sexual Abuse Per Occurrence
\$ 10,000,000	Miscellaneous Professional Liability

Aggregate Limits

\$ N/A	General Liability & Auto Liability
\$ 20,000,000	Law Enforcement Liability
\$ 30,000,000	Wrongful Acts Liability
\$ 20,000,000	Employee Benefits Liability
\$ 20,000,000	Sexual Abuse

\$ 20,000,000 Miscellaneous Professional Liability

RETAINED LIMIT: \$ 2,000,000

DEFENSE COST: Inside the Limit of Liability

PREMIUM: \$ 740,497.00 Policy Premium

\$ 23,695.90 Surplus Lines Taxes & Fees

\$ 764,192.90 Annual Premium

TERRORISM OPTION: \$7,648.15.00 included in the premium above



First Layer - The Princeton Excess & Surplus Lines (Munich)

ENDORSEMENTS	&
EXCLUSIONS:	

Form Common Policy Declaration Liability Coverage Parts Declarations Policy Conditions Liability Conditions Definitions and Exclusions Automobile Liability – Coverage Part General Liability Coverage Part – Occurrence Wrongful Acts Liability Coverage Part – Occurrence Miscellaneous Professional Liability Coverage Part – Occurrence	Form No. RL 1000 CDEC (07/13) RL 1000 LDEC (07/15) RL 1000 PC (07/13) RL 1000 LC (07/15) RL 1000 AU (01/11) RL 1000 GLOC (07/13) RL 1000 WROC (07/13) RL 1000 MPOC (07/13)
Employee Benefits (Wrongful Act Occurrence)	RL 2008 (07/13)
Law Enforcement Endorsement	RL 2015 (07/13)
Sexual Abuse Wrongful Act (Occurrence)	RL 2022 (07/13)
Renewal Endorsement	RL 2089 (07/13)
Fire Damage Liability - \$500,000 Limit	RL 2012 (01/11)
Amendment of Definition of Insured	RL 2100 (06/07)
Service of Suit – PESLIC	RL 2050 (01/02)
Ultimate Net Loss Amendment	RL 2028 (01/11)
Violent Event Response Coverage	RL 2121 (03/16)
Policy Changes – Schedule of Named Insured	RL 2032 (01/02)
Policy Changes – Notice of Cancellation Rev – 90 Days	RL 2032 (01/02)
Policy Changes – Retained Limit – Other Insurance	RL 2032 (01/02)
Policy Changes – Time Element Pollution Exclusion	RL 2032 (01/02)
Policy Changes - Sublimit - Front or Back Pay Coverage	RL 2032 (01/02)
Waiver of Subrogation – US Bank Corp. Trust Services Additional Insured – Lessor Leased of Equipment – US	RL 2130 (07/10
Bank Corp. Trust Services	RL 2064 (01/02)
Single Policy Retained Limit & Single Policy Excess	i i i
Limit – Non-Clash	RL 2019 (01/11)
Mold/Fungal Pathogens Exclusion	RL 2034 (01/02)
Cap on Losses Certified Acts of Terrorism (if elected)	RLVTERR 01 (01/15)
Terrorist Activity Exclusion (if rejected)	RL CTERR 01 (01/08)

QUOTE VALID: March 1, 2017

MINIMUM EARNED: 25%

BINDING CONTITIONS: • Written request to bind coverage

• Sign & Date D1 and Terrorism Disclosure Notice



First Layer - The Princeton Excess & Surplus Lines (Munich)

LOSS REPORTING: Incidents that will or might give rise to a claim should be immediately reported to:

Alliant Insurance Services - Claims Department

Mr. Robert Frey or Ms. Elaine Kim

Main Phone: 415.403.1400

Fax: 415.403.1466

rfrey@alliant.com / ekim@alliant.com



Second Layer - Lloyd's of London

NAMED INSURED:

San Diego Metropolitan Transit System

INSURANCE COMPANY:

Lloyd's of London

AM BEST RATING:

A+ (Superior), XV (\$2 Billion or greater) as of July 21, 2016

S&P RATING:

A+ (Strong) as of October 13, 2014

CALIFORNIA STATUS:

Non-Admitted

POLICY TERM:

March 1, 2017 to March 1, 2018

COVERAGE FORM:

Commercial Excess Liability

LIMIT OF LIABILITY:

\$ 15,000,000 Each Occurrence

\$ 30,000,000 Aggregate Limit (Where Applicable)

(In excess of the controlling underlying insurance shown below.)

DEFENSE COST:

Inside the Limit of Liability

UNDERLYING POLICY:

The Princeton Excess & Surplus Lies Ins. Co.

\$ 10,000,000 General Liability \$ 10,000,000 Auto Liability

\$ 10,000,000 Law Enforcement Liability \$ 10,000,000 Wrongful Acts Liability \$ 10,000,000 Employee Benefits Liability

\$ 10,000,000 Sexual Abuse

\$ 10,000,000 Miscellaneous Professional Liability

Aggregate Limits

\$ N/A General & Auto Liability \$ 20,000,000 Law Enforcement Liability \$ 30,000,000 Wrongful Acts Liability \$ 20,000,000 Employee Benefits Liability

\$ 20,000,000 Sexual Abuse

\$ 20,000,000 Miscellaneous Professional

Excess of: Retained Limit

\$ 2,000,000

PREMIUM:

S 250,000.00 Policy Premium

\$ 8,000.00 Surplus Lines Taxes & Fees

\$ -18,750.00 Less Commission

\$ 239,250.00 Annual Premium



Second Layer - Lloyd's of London, continued

TERRORISM OPTION: Included in the premium above

ENDORSEMENTS & Form No. **EXCLUSIONS:** Premium Payment Clause – 60 days LSW 3000

(including but not limited to) Endt. for Excess Following Form Policy

Assistance & Co-Operation Amendment Endorsement

Non-Follow Form Amendatory Endorsement

Service of Suit Clause

Sanctions of Limitation Clause

TRIA Notice

TRIA Notice if purchased

TIRA Notice if rejected

LMA 5020

LMA 3100

LMA 9104

LMA 5218

LMA 5218

Cancellation Clause

MINIMUM EARNED: 35%

QUOTE VALID: March 1, 2017

POLICY AUDITABLE: Not Auditable

BINDING CONDITIONS: • Written request to bind coverage

• Signed and Dated TRIA Letter, Required Prior to Binding.

LOSS REPORTING: Incidents that will or might give rise to a claim should be immediately reported to:

Alliant Insurance Services - Claims Department

Mr. Robert Frey or Ms. Elaine Kim

Main Phone: 415.403.1400

Fax: 415.403.1466

rfrey@alliant.com / ekim@alliant.com



Third Layer - Great American Assurance Company

NAMED INSURED:

San Diego Metropolitan Transit System

INSURANCE COMPANY:

Great American Assurance Company

AM BEST RATING:

A+ (Superior), XV (\$2 Billion or greater) as of May 12, 2016

S&P RATING:

A+ (Strong) as of October 5, 2010

CALIFORNIA STATUS:

Admitted

POLICY TERM:

March 1, 2017 to March 1, 2018

COVERAGE FORM:

Excess Liability Coverage Form - GAI6524 (06/97)

LIMIT OF LIABILITY:

\$ 25,000,000 Each Occurrence

50,000,000 Aggregate, where applicable

(In excess of the controlling underlying insurance shown below.)

DEFENSE COST:

Inside the Limit of Liability

EXCESS LAYERS:

Excess Liability Occurrence

Lloyd's of London

\$ 15,000,000 Each Occurrence or Wrongful Act \$

30,000,000 Aggregate, where applicable

Excess of First Underlying Insurance

FIRST UNDERLYING **INSURANCE:**

Retained Limit Liability Insurance Policy for Public Entities Princeton Excess & Surplus Lines Insurance Company

\$ 10,000,000 General Liability

\$ 10,000,000 Law Enforcement Liability

\$ 10,000,000 **Auto Liability**

\$ 10,000,000 Wrongful Acts Liability

\$ 10,000,000 **Employee Benefit Liability**

\$ 10,000,000 Sexual Abuse

\$ 10,000,000 Miscellaneous Professional Liability

Aggregate Limits:

N/A General Liability & Auto Liability

\$ 20,000,000 Law Enforcement Liability \$ 30,000,000 Wrongful Acts Liability

\$ **Employee Benefit Liability** 20,000,000

\$ 20,000,000 Sexual Abuse

\$ 20,000,000 Miscellaneous Professional Liability

Defense expenses are included in the limits of liability



Third Layer - Great American Assurance Company, continued

RETAINED LIMIT: \$ 2,000,000

FIRST UNDERLYING FORMS, EXCLUSIONS AND/OR IMITATIONS: We will follow all of the exclusions and limitations of the Princeton E&S Lines Ins. Company coverage form and any additional exclusions/modifications/limitations as noted in their quote.

Attachments:

Automobile Liability Coverage Part - RL 1000 Au 01/11

General Liability Coverage Part – Per Occurrence – RL 1000 GLOC 07/13 Wrongful Acts Liability Coverage Part – Occurrence – RL 1000 WROC 07/13 Misc. Professional Liability Coverage Part – Occurrence – RL 1000 MOC 07/13

Employee Benefits (Wrongful Act Occurrence) – RL 2008 07/13

Law Enforcement Endorsement - RL 2015 07/13

Sexual Abuse Wrongful Act (Occurrence) – RL 2022 07/13

Policy Conditions - RL 1000 PC 07/13

Liability Conditions Definition & Exclusions – Exclusions include but are not limited to: eminent domain, condemnation, inverse condemnation, or adverse possession; medical, surgical, dental, x-ray or nursing service or treatment; punitive or exemplary damages; fiduciary; ERISA; workers' compensation; criminal, fraudulent, dishonest act or bad faith; pollution; hostile fire; asbestos; lead; supply of gas; oil, water, electricity, steam or sewage; earth movement; aircraft; airfields; watercraft; landfill, dam, spillway, levee or reservoir; war; Nuclear Energy Liability; nuclear material; and Electronic Information Security Event – RL 1000 LC 07/15

Policy Retained Limit and Policy Excess Limit – Non-Clash – RL 2019 01/11 Mold/Fungal Pathogens Exclusion – RL 2034 01/02 Time Element Pollution Exclusion – Manuscript

Alteration to LEL – does not apply to Automobile Aggregate Limit - Manuscript

Great American Exclusions, Limitation and/or Attachments:

- Exclusion Recording and Distribution of Material or Information in Violation of Statutes or Common Law – GAI6774 (12/13)
- War Liability Exclusion GAI6550 (03/03)
- Amendment of Cancellation Condition California GAI6011 (06/97)
- Economic and Trade Sanctions Clause IL7324 (08/12)
- Following Form Endorsement GAI6965 (10/14)
- In Witness Clause IL7268 (09/09)
- State Amendatory California Changes GAI6704 (01/13)
- If Terrorism Coverage is Accepted Cap on Losses from Certified Acts of Terrorism will attach GAI6452 (04/15)
- Disclosure Pursuant to Terrorism Risk Insurance Act GAO6472 (04/15)



\$

Third Layer - Great American Assurance Company, continued

PREMIUM:

215,000.00 Annual Premium including \$0 for TRIA

TERRORISM OPTION:

\$0 Included in the premium above

QUOTE VALID:

March 1, 2017

BINDING CONDITIONS:

Written request to bind coverage

If TRIA is excluded by any underlying, then TRIA will be excluded by this policy and a TRIA rejection disclosure must be signed by the insured.

LOSS REPORTING:

Incidents that will or might give rise to a claim should be immediately reported to:

Alliant Insurance Services - Claims Department

Mr. Robert Frey or Ms. Elaine Kim

Main Phone: 415.403.1400

Fax: 415.403.1466

rfrey@alliant.com / ekim@alliant.com



Fourth Layer - Allied World Assurance Company

NAMED INSURED: San Diego Metropolitan Transit System

COMPANY: Allied World Assurance Company

AM BEST RATING: A (Excellent), XV (\$2 Billion or greater) as of December 20, 2016

S&P RATING: A (Strong) as of June 7, 2011

CALIFORNIA STATUS: Admitted

POLICY TERM: March 1, 2017 to March 1, 2018

COVERAGE FORM: Excess Liability Coverage Form – GL 00126 00 (06/07)

LIMIT OF LIABILITY: \$ 23,000,000 Each Occurrence/Aggregate (where applicable)

Excess Of Attachment Point:

\$ 50,000,000 Each Occurrence/Aggregate (where applicable)

DEFENSE COST: Follows Scheduled of Underlying Insurance

EXCESS LAYERS: Excess Liability Occurrence – Great American Assurance Company

\$ 25,000,000 Each Occurrence

\$ 50,000,000 Aggregate, where applicable

Excess Liability Occurrence – Lloyd's of London

\$ 15,000,000 Each Occurrence or Wrongful Act

\$ 30,000,000 Aggregate (where applicable)

FIRST UNDERLYING INSURANCE:

Retained Limit Liability Insurance Policy for Public Entities Princeton E&S Lines Insurance Company

\$ 10,000,000 Each Occurrence or Accident

\$ 20,000,000 Law Enforcement Liability Aggregate \$ 30,000,000 Wrongful Acts Liability Aggregate \$ 20,000,000 Employee Benefit Liability Aggregate

\$ 20,000,000 Sexual Abuse Aggregate

\$ 20,000,000 Miscellaneous Professional Liability Aggregate

Excess of Retained limit:

RETAINED LIMIT: \$ 2,000,000 Any one occurrence or wrongful act or employee benefit

wrongful act – each & every

PREMIUM: \$ 98,800.00 Annual Premium

Form No.

00157 (11/05)

00136 (11/05)

GL 00139 00 (12/11)

GL 00117 00 (01/15)



LINE OF COVERAGE - EXCESS LIABILITY

Fourth Layer - Allied World Assurance Company, continued

TERRORISM OPTION: \$900.00 (included in above premium)

FIRST UNDERLYING FORMS, EXCLUSIONS AND/OR IMITATIONS: We will follow all of the exclusions and limitations of the Princeton E&S Insurance Company coverage form and any additional exclusions/modifications/limitations

ENDORSEMENTS &

EXCLUSION: (including but not limited to)

Form AWAC – U.S. Follow-Form Occurrence – Claims-Made

Declarations

Schedule of Underlying Insurance
U.S. Treasury Departments Office Of Foreign Assets Control

("OFAC") Advisory Notice To Policyholders

Asbestos Exclusion 00241 (11/05)

Policyholder Disclosure Statement Under the Terrorism Risk

Insurance Act

California Amendatory Endorsement GL 00286 04 (02/07) Follow-Form Other Aggregate Limit GL 00366 00 (09/11)

QUOTE VALID:

March 1, 2017

MINIMUM EARNED:

25%

BINDING CONDITIONS:

- Written request to bind coverage
- This **QUOTATION** is subject to review if there are any significant changes in operations, exposure or experience prior to Allied World's binding.
- Any restrictive policy terms and conditions that apply to underlying policies that are
 in excess of the Followed Policy but underlying to the Allied World Excess policy
 will also apply to the Allied World Excess limit of liability. Any additional
 endorsements to the Allied World Policy will be determined upon review of the
 above-required documentation.
- Complete and Sign TRIA

LOSS REPORTING:

Incidents that will or might give rise to a claim should be immediately reported to:

Alliant Insurance Services - Claims Department

Mr. Robert Frey or Ms. Elaine Kim

Main Phone: 415.403.1400

Fax: 415.403.1466

rfrey@alliant.com / ekim@alliant.com



LINE OF COVERAGE - EXCESS WORKERS' COMP

Option #1 (Expiring Option)

Option #2

NAMED INSURED:

San Diego Transit Corporation

COMPANY:

Arch Insurance Company

State National Insurance Company

AM BEST RATING:

A+ (Superior), XV (\$2 Billion or greater)

A, VIII (\$100 Million to \$250 Million) as

as of August 16, 2016

of August 25, 2016

S&P RATING:

A+ (Strong) as of July 29, 2010

AA- (Stable) as of Oct. 28, 2015

CALIFORNIA STATUS:

Admitted

Admitted

POLICY TERM:

March 1, 2017 to March 1, 2018

March 1, 2017 to March 1, 2018

COVERAGE:

Excess Workers Compensation and

Excess Workers Compensation and

Employers Liability

Employers Liability

LIMIT OF LIABILITY:

A. Part One - Excess Workers Compensation Insurance

Statutory - Each Accident

Statutory - Each Accident

Statutory - Disease, Each Employee

Statutory - Disease, Each Employee

B. Part Two - Excess Employers Liability Insurance

\$2,000,000 Each Accident \$2,000,000

Disease, Each Employee

\$2,000,000

Each Accident

\$2,000,000

Disease, Each Employee Aggregate

\$2,000,000 Aggregate \$2,000,000

RETAINED LIMIT:

\$1,000,000 \$1,000,000

Each Accident

Disease, Each Employee

\$1,000,000

Each Accident Disease, Each Employee

ESTIMATED ANNUAL

PAYROLL:

\$85,152,659

\$85,152,659

\$1,000,000

RATE PER \$100 OF

PAYROLL:

0.2521

0.2291

PREMIUM:

\$214,670.00

\$195,085.00

TERRORISM OPTION:

\$6,440.00 included in the premium above

Included in the premium above



LINE OF COVERAGE - EXCESS WORKERS' COMP

Continued

Option #1 (Expiring Option)

ENDORSEMENT & EXCLUSIONS: (including but not limited to)

- Named Insured Addition Endorsement
- Losses Redefined to Include Allocated Loss Adjustment Expenses Endorsement
- California Foreign Voluntary Compensation & Employers Liability and Repatriation Coverage Endt.
- California Volunteer Coverage Excess Voluntary Compensation and Employers Liability Coverage Endorsement
- Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement
- California Amendatory Endorsement
- Two Year Rate Commitment Endt.

Option #2

- Catastrophe premium endorsement
- Escalation Exclusion
- Notice of Cancellation
- California Changes
- Voluntary Compensation
- Late Reporting Penalty
- Cash Flow Protection
- Terrorism Premium Endorsement
- Two Years Rate Guaranteed

BINDING CONDITIONS:

- Written request to bind coverage
- Written request to bind coverage
- Required Quarterly Claims Reporting

QUOTE VALID:

March 1, 2017

March 1, 2017

LOSS REPORTING:

Incidents that will or might give rise to a claim should be immediately reported to:

Alliant Insurance Services - Claims Department

Mr. Robert Frey or Ms. Elaine Kim

Main Phone: 415.403.1400

Fax: 415.403.1466

rfrey@alliant.com / ekim@alliant.com



DISCLOSURES

Alliant Disclosure

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance

NY Regulation 194 Disclosure

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.



DISCLOSURES, continued

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.



CERTIFICATES / EVIDENCE OF INSURANCE

Certificates of insurance are issued as a matter of information only and confer no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy. Nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or certificate holder.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a certificate of insurance, you may be required to name your client or customer on your policy as an additional insured. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.



Glossary of Insurance Terms

Below are a couple of links to assist you in understanding the insurance terms you may find within your insurance coverages:

http://insurancecommunityuniversity.com/UniversityResources/InsuranceGlossaryFREE.aspx
http://www.ambest.com/resource/glossary.html
http://www.irmi.com/online/insurance-glossary/default.aspx



OTHER ALLIANT SERVICES

Alliant Business Services: HR Membership Program

Strategic HR

Strategic HR's Membership Program is designed to help our clients protect their company or organization by averting potential problems before they develop, and quickly responding to employment-related issues after they occur. In addition, HR members have access to a wide array of tools and resources to help them navigate the complex world of human resources.

The HR Membership Program provides clients of Alliant Insurance Services with the following:

- Consultation with Human Resources Experts: Assigned consultants respond quickly with advice and guidance on any HR or safety issue, such as:
 - Problem employees
 - Terminations
 - Compliance
 - Wage and hour issues
 - Leaves of absence
 - Harassment
- Human Resources Seminars and Webinars:
 With employment laws and regulations
 constantly changing, it is imperative that
 employers stay current. Members receive a
 significant discount on admission to our
 webinar seminars on a variety of topics
 including HR, Employment Laws and
 Management Training.
- Online Access to HR Forms, Guidelines, Policies and checklists: By accessing the password-protected members-only section of the Strategic HR web site, members have a wide range of documents available at no charge. Topics include, but are not limited to:
 - Hiring
 - Payroll and Recordkeeping
 - Performance Evaluations
 - Leaves of Absences
 - Discipline and Termination
 - Harassment and Investigation
 - Sample Policies and Required Forms
 - Answers to frequently asked HR questions

- Alerts and Notices: Clients who are enrolled in a Strategic HR Program receive timely alerts on employment law legislation and regulations, as well as notices regarding employment trends, best practices and more.
- Compensation Data: Each program level provides a certain number of salary surveys. The surveys provide compensation information with data that is customized to a specific industry and geographic location.
- Special Member Pricing on HR Projects and Services: Members receive preferred rates on a wide array of projects and services, including:
 - Employee handbooks
 - HR audits
 - Job description review and development
 - Affirmative Action Plans
 - Compensation systems
 - Call Center Services
 - HR Outsourcing
 - Management & Supervisory Training
- Preferred rates on HR partners, such as:
 - Compliance Posters: mandated federal and state employment posters
 - HR Plus: accurate and timely background information
 - · Payroll Solutions: payroll services
 - Strategic HR Staffing temporary and fulltime placement

Please contact SHR for details.

Contact Information: (866)716-6294 Toll free

clientcare@strategichr.com



OTHER ALLIANT SERVICES

Alliant Loss Control Services

HAZARD IDENTIFICATION, EVALUATION, ELIMINATION AND CONTROL WILL PROTECT YOUR COMPANY, LOWER INSURANCE COSTS, AND IMPROVE SERVICE.

Accidents and avoidable incidents that result in financial loss can threaten the very existence and long-term viability of your company. They mean lost time, damaged property, diversion of resources, and possible legal and medical expenses that can place a huge burden on your organization and prevent you from reaching your business goals.

Alliant's Risk Control Consulting helps clients identify and reduce loss exposures. Our specialists can help prevent costly accidents and losses, which can lead to lower insurance costs. Whatever the size of your company or scope of your operations, we can help strengthen your safety and risk management programs with proven services that protect lives, safeguard assets, and control costs. Services are not limited to those listed below.

How to Choose the Right Risk Control Consultant When seeking a qualified risk control consultant, you should ask:

- Does the consultant have specific commercial experience for your type(s) of operations and assets?
- Does the consultant have the resources and availability to do the job when you need it and for your intended use?
- Do they tell you whatever you need to know to control risk or only what you want to hear?
- Does the consultant have a support team of experts able to help you if there is an regulatory citation, a serious claims, or challenging litigation?

Each of the above questions can be answered <u>YES</u> by Alliant's Risk Control Consulting.

Alliant also offers:

- Extensive Experience in Diverse Business Sectors
- Nationwide Coverage
- Local Expertise
- Peer Review

Safety Services

- Program Development
- On-Site Hazard/Risk Assessments
- Ergonomics
- Industrial Hygiene
- Fleet Safety Analysis
- General Liability
- Training Services

Workers' Compensation Services

- Loss Prevention (Safety)
- Risk Control (Injury Management)
- Recordkeeping Management

Property Risk Control Services

- Fire System Evaluation
- Risk Assessment
- Loss Estimates
- Hazard Analysis
- Loss Prevention and Risk Control Program Analysis
- Property Marketing Reports
- Business Interruption Analysis and Continuity Planning
- Infrared and Ultrasonic Testing

To learn more about our risk control consulting and safety services: (888) 737-4752 Toll Free

riskcontrol@alliantinsurance.com



BIND COVERAGE REQUEST

San Diego Metropolitan Transit System

We have reviewed the Excess Liability and Excess Workers' Compensation proposals and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound effective March 1, 2017.

Please sign, date and return to Alliant Insurance prior to March 1, 2017.

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

Signature	Date
Title	
Printed / Typed Name	

This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. The Actual terms and conditions of the policy will prevail.

Named Insured: San Diego Metropolitan Transit System

Policy No. or Type of Policy: Effective Date: 3/1/2017

Insurance Company: The Princeton Excess and Surplus Lines Insurance Company

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you now have a right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020 OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION, IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

SELECTION OR REJECTION OF TERRORISM INSURANCE COVERAGE I hereby elect to purchase Terrorism coverage as defined in the Terrorism Risk Insurance Act, as amended, for a prospective premium of \$7,411. I hereby elect to have the exclusion for terrorism coverage attached to my policy. I understand that an exclusion will be attached to my policy and I will have no coverage for losses resulting from certified acts of terrorism. Policyholder/Applicant's Signature Print Name

Date

TERRORISM RISK INSURANCE ACT

The following is a partial summary of the Terrorism Risk Insurance Act, as amended, (hereinafter referred to as the Act). Only the provisions of the Act determine the scope of the insurance protection available for the losses covered under the Act. The Act has been extended through December 31, 2020.

The Act provides coverage for property and casualty insurance for "insured losses" as a result of an "act of terrorism." As stated in the Act:

- A. "Insured loss" means any loss resulting from an "act of terrorism" (including an act of war, in the case of worker's compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if such loss:
 - 1. occurs within the United States; or
 - occurs to an air carrier (as defined in section 40102 of title 49, United States Code), to a
 United States flag vessel (or a vessel based principally in the United States, on which US
 income tax is paid and whose insurance coverage is subject to regulation in the United
 States), regardless of where the loss occurs, or at the premises of any United States
 mission.
- B. "Act of terrorism" means any act or acts that are certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States:
 - 1. To be an act of terrorism:
 - 2. To be a violent act or an act that is dangerous to:
 - a. human life:
 - b. property; or
 - c. infrastructure;
 - 3. to have resulted in damage within the United States, or outside of the United States in the case of:
 - a. an air carrier or vessel described in paragraph (5)(B) of Section 102 of the Act; or
 - b. the premises of a United States mission; and
 - 4. to have been committed by an individual or individuals, as part of an effort to coerce the civilian populations of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- C. Section 102 (1)(B) of the Act states "no act shall be certified by the Secretary as an act of terrorism if:
 - 1. the act is committed as part of the course of a war declared by the Congress, except that this clause shall not apply with respect to any coverage for workers' compensation; or
 - 2. property and casualty insurance losses resulting from the acts, in the aggregate, do not exceed \$5,000,000."
- D. The Act also contains a "program trigger" in Section 103(e)(1)(B), pursuant to which the federal government does not pay compensation for losses resulting from a certified act occurring after December 31, 2007, unless aggregate industry insured losses from such a certified act exceed a certain amount, or "trigger." For insured losses occurring in 2008 and for all additional calendar years, the program trigger is \$100,000,000 through 2015, \$120,000,000 beginning on January 1, 2016, \$140,000,000 beginning on January 1, 2017, \$160,000,000 beginning on January 1, 2018, \$180,000,000 beginning on January 1, 2019, \$200,000,000 beginning on January 1, 2020, of aggregate industry insured losses.

- E. The Act does not apply to: crop or livestock insurance; private mortgage insurance or title insurance; financial guaranty insurance issued by monoline financial guaranty insurance corporations; insurance for medical malpractice; health or life insurance; flood insurance provided under the National Flood Insurance Act of 1968; commercial automobile insurance; burglary and theft insurance; surety insurance; professional liability insurance (except Directors and Officers Liability); or farm owners multiple peril insurance.
- F. Under the Act for calendar years through December 31, 2020, the federal government will reimburse the insurance company for 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020 of its insured losses in excess of a deductible, until aggregate "insured losses" in any calendar year exceed \$100 billion. Each insurer's deductible will be 20% of its direct earned premium for property and casualty insurance (as reported on Page 14 of the company's Annual Statement), over the immediately preceding calendar year.

For the purposes of determining such deductibles, direct earned premium means only the premiums earned on the commercial lines property and casualty insurance covered by the Act for U.S. risks or vessels, aircraft and foreign missions outside the U.S. covered by the Act.

Neither the insurance company (having met its statutorily mandated share as described above) nor the federal government will be liable for payment of any portion of "insured losses" under the Act that exceeds \$100 billion in the aggregate during any calendar year.

ENDORSEMENT NUMBER 9

POLICYHOLDER DISCLOSURENOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended ("TRIA"), that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act, as amended: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Any coverage you purchase for "acts of terrorism" shall expire at 12:00 midnight December 31, 2020, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES PAYS 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020; OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE. YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A USD100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS USD100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED USD100 BILLION, YOUR COVERAGE MAY BE REDUCED.

THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

I hereby elect to purchase co	I hereby elect to purchase coverage for acts of terrorism for a prospective premium o USD 1% Additional Premium								
	erage for acts of terrorism excluded from my policy. I coverage for losses arising from acts of terrorism.								
Policyholder/Applicant's Signature	Hiscox Lloyd's Syndicate 33								
Print Name	Policy Number								
Date									
LMA9104 12 January 2015									

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POLICYHOLDER DISCLOSURE TERRORISM COVERAGE UNDER THE TERRORISM RISK INSURANCE ACT

The Terrorism Risk Insurance Act establishes a program within the United States Department of the Treasury, under which the Federal Government shares, with the insurance industry, the risk of loss from future terrorist attacks. The Act applies when the Secretary of the Treasury certifies that an event meets the definition of an act of terrorism. The Act provides that, to be certified, an act of terrorism must cause losses of at least five million dollars and must have been committed by an individual or individuals as part of an effort to coerce the government or population of the United States.

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage, as outlined below; of that portion of the amount of such insured losses that exceeds the applicable insurer retention.

Calendar Year	2015	2016	2017	2018	2019	2020
Federal Share	85%	84%	83%	82%	81%	80%

The Terrorism Risk Insurance Act contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

In accordance with the Terrorism Risk Insurance Act, we are required to offer you coverage for losses resulting from an act of terrorism that is certified under the federal program as an act of terrorism. The policy's other provisions will still apply to such an act.

This coverage is being included at no additional charge; however, if you wish to reject this coverage please sign and date where indicated below and return to the company. By doing so, you agree that an exclusion of losses from certified acts of terrorism will be made part of this policy.

Rejection of Terrorism Coverage

By signing below I acknowledge that I am rejecting the offer of terrorism coverage. I understand that an exclusion of losses from certified acts of terrorism will be made part of this policy.

Policyholder/Applicant's Signature	Policyholder/Applicant's Name (Please Print)
San Diego Metropolitan Transit System	
Named Insured	Policy Number
Great American Assurance Company	
Insurance Company	Date

POLICYHOLDER DISCLOSURE STATEMENT UNDER THE TERRORISM RISK INSURANCE ACT

The **insured** is hereby notified that under the federal Terrorism Risk Insurance Act, as amended, (the "Act"), the **insured** has a right to purchase insurance coverage for **losses** arising out of an Act of Terrorism, as defined in Section 102(1) of the Act. The term "act of terrorism" means any act certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside of the United States in case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. The **insured** should read the Act for a complete description of its coverage. The Secretary's decision to certify or not to certify an event as an Act of Terrorism covered by the Act is final and not subject to review.

Coverage provided by this **policy** for **losses** caused by a Certified Act of Terrorism may be partially reimbursed by the United States Government under a formula established by federal law. However, the **insured's policy** may contain other exclusions that might affect coverage, such as an exclusion for nuclear events. Under the formula, the United States Government will generally reimburse 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019; and 80% beginning on January 1, 2020, of covered terrorism **losses** exceeding a statutorily established deductible that must be met by the **company**, and which deductible is based on a percentage of the **company's** direct earned premiums for the year preceding the Certified Act of Terrorism.

Be advised that the Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap on all losses resulting from Certified Acts of Terrorism. If aggregate insured losses attributable to Certified Acts of Terrorism exceed \$100 billion in a calendar year, the United States Government shall not make any payment for any portion of the amount of such loss that exceeds \$100 billion. If aggregate insured losses attributable to Certified Acts of Terrorism exceed \$100 billion in a calendar year and the **company** has met its deductible under the Act, the **company** shall not be liable for payment of any portion of the losses that exceeds \$100 billion, and in such case, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Coverage for "insured losses" as defined in the Act is subject to the coverage terms, conditions, amounts and limits in this **policy** applicable to **losses** arising from events other than Certified Acts of Terrorism.

The **insured** should know that under federal law, the **insured** is not required to purchase coverage for **losses** caused by Certified Acts of Terrorism.

Please indicate the selection of the **insured** below.

___The **Insured** hereby elects to purchase coverage in accordance with the Act for a premium of \$900.

___The **insured** hereby rejects coverage and accepts reinstatement of the exclusion in accordance with the Act.

Signature of **Insured**Print/Title

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

Agenda Item No. $\frac{7}{}$

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

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.

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;
- to create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
- 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 <u>certified</u> 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:

- 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;
- 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. <u>Federally Funded Procurements</u>

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 Av	Goal		
REPORTING PERIOD	Total Federal \$\$	DBE \$\$	DBE %	vs.3.75%
Federal Funds: Apr 1, 2016 to Sept 30, 2016	\$6,418,545.41	\$255,760.97	3.98%	+0.23%

	Contracts Comp	Goal		
REPORTING PERIOD	Total Federal \$\$	DBE \$\$	DBE %	vs 3.75%
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 contacting 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 (DBÉ) ductwork maintenance services

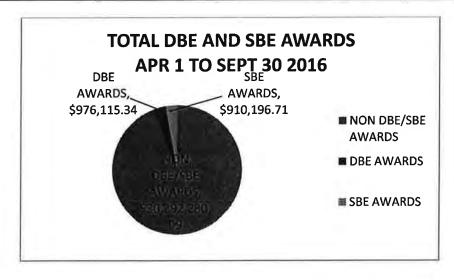
	Cont	ract Awards/Commitme	emts
REPORTING PERIOD	Total \$\$	DBE \$\$	DBE %
Local Funds: Apr 1, 2016 to Sept 30, 2016	\$25,760,046.73	\$720,354.37	2.80%

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

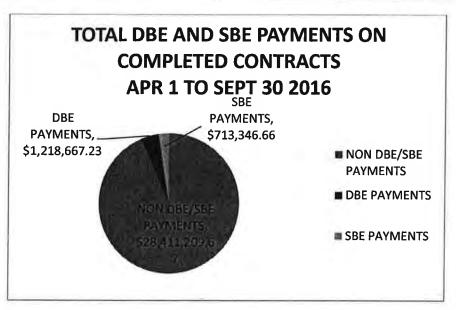
VIII. Summary of DBE, WBE, MBE, DVBE and SB Participation for all Contracts (Regardless of Funding Source)

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:

则 医世 35 图 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		Contract Awards	/Commitme	ents	Option .
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%



direct Land - 3	C	ontracts Completed	(Actual Pay	yments)	1000
REPORTING PERIOD	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

								541.011 011 0									
	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%							
1104		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%							
11 03	13.80%	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%							
11 00	2.30/0	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%							
1107	1.00/0	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%							
1100	3.0070	Apr 1 08 to Sept 30 08						\$ 29,945,298.82	, ,	0.10%							
FY09	1.60%	Oct 1 08 to Mar 31 09						\$ 55,246,022.46		0.00%							
1103	1.00/0	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%							
1120		Apr 1 10 to Sept 30 10						\$ 170,230,393.00	\$ 12,000.00	0.01%							
FY11		Oct 1 10 to Mar 31 11						\$ 11,545,746.55	•	0.00%							
	12.6%	Apr 1 11 to Sept 30 11						\$ 22,286,323.98		15.93%							
FY12		Oct 1 11 to Mar 31 12*						\$ 154,463,950.06		0.95%							
		l1 to Mar 12 w/o Veolia cont	tract					\$ 17,415,594.11	· / /	8.38%							
		Apr 1 12 to Sept 30 12						\$ 10,678,545.64	, ,	0.28%							
FY13		Oct 1 12 to Mar 31 13	\$ 20,565,498.83	. ,	3.95%	. ,	0.76%		· · · · · · · · · · · · · · · · · · ·	4.13%		0.34%	\$ 2,193,051.88	\$ 53,048.26	2.42%		4.31%
1120		Apri 1 13 to Sept 30 13	\$ 34,460,457.63			\$ 1,200,261.58	3.48%	\$ 15,870,139.09	· /	5.66%	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	5.53%	\$ 18,590,318.54		0.00%	, , , , , , , , , , , , , , , , , , , ,	1.74%
FY14	4.1%	Oct 1 13 to Mar 31 14	\$ 30,396,564.63			\$ 778,423.64	2.56%	. , ,		4.17%	,,	2.72%	, -, ,	. ,	0.07%	,,	1.83%
	-	Apri 1 14 to Sept 30 14	\$ 36,667,958.68			\$ 1,412,502.45	3.85%				\$ 1,151,923.37		\$ 13,796,854.21	\$ 202,618.24		\$ 260,579.08	1.89%
FY15*		Oct 1 14 to Mar 31 15	\$ 406,896,924.96			\$ 2,073,475.82	0.51%		•		\$ 352,186.97		\$ 346,896,435.26	\$ 115,969.00		\$ 1,721,288.85	0.50%
		Apri 1 15 to Sept 30 15	\$ 23,961,456.64			\$ 1,066,325.73	4.45%		•		\$ 134,572.59		\$ 20,954,923.93	\$ 943,625.08		\$ 931,753.14	4.45%
FY16**	3.75%	Oct 1 15 to Mar 31 16	\$ 63,883,438.52			\$ 2,929,504.04	4.59%				\$ 246,645.99		\$ 59,789,140.39			\$ 2,682,858.05	4.49%
	0., 0, 0	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															
		Oct 1, 2015 thru Sept 30,														
FY16-18	3.75%	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%

FEDERAL

TOTAL DBE TOTAL SBE FEDERAL DBE SBE LOCAL DBE LOCAL SBE

AWARDED AWARDED AWARDED AWARDED AWARDED AWARDED AWARDED AWARDED

History of DBE and SBE Participation on Contracts Completed

			TOTAL DOLLARS					l l									
	DBE GOAL	REPORTING PERIOD	COMPLETED (fed & local)	DBE \$\$	DBE %	SBE\$\$	SBE%	Total Federal \$\$	DBE \$\$	DBE %	SBE \$\$	SBE %	Total Local \$\$	DBE	DBE %	SBE	SBE %
EV 04		Oct 1 03 to Mar 31 04						\$ 253,216.00	\$ 67,220.00	26.55%							
FY 04		Apr 1 04 to Sept 30 04						\$ -	\$ -								
	40.000/	Oct 1 04 to Mar 31 05						\$ 88,441,868.00	'								
FY 05	13.80%	Apr 1 05 to Sept 30 05						\$ 53,609,229.00	\$ 821,053.00								
EV OC	2 200/	Oct 1 05 to Mar 31 06						\$ 7,041,539.00									
FY 06	2.30%	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%							
FIU	1.00%	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%							
FTUO	3.00%	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%							
F109	1.00%	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%							
F110		Apr 1 10 to Sept 30 10						\$ 19,397,031.00	\$ 12,000.00	0.06%							
FY11		Oct 1 10 to Mar 31 11						\$ 16,092,041.86	\$ -	0.00%							
1111	12.6%	Apr 1 11 to Sept 30 11						\$ 7,766,822.30	\$ 3,690,492.22	47.52%							
FY12	12.0/0	Oct 1 11 to Mar 31 12*						\$ 11,459,415.06	\$ 4,800.00	0.04%							
F112		Oct 11 to Mar 12 w/o Veolia contrac	t						n/a	n/a							
		Apr 1 12 to Sept 30 12						\$ 12,002,553.56									
FY13		Oct 1 12 to Mar 31 13		\$ 206,245.24	5.03%	, ,, ,, ,,		\$ 2,407,395.30			, ,,			\$ 121,500.00		\$ 69,045.00	4.07%
1113		Apri 1 13 to Sept 30 13	\$ 13,663,022.32	\$ 319,170.50	2.34%	\$ 46,176.20		\$ 7,977,919.62		_	' '		1 -,, -		0.00%	\$ 43,405.00	0.76%
FY14	4.1%	Oct 1 13 to Mar 31 14	\$ 13,649,354.70	\$ 293,289.20	2.15%	\$ 135,927.37		\$ 6,823,674.29			\$ 115,167.05		. , ,			\$ 20,760.32	0.30%
1124	4.170	Apri 1 14 to Sept 30 14	\$ 17,416,560.55			\$ 701,129.62		\$ 8,885,583.71		_	\$ 14,654.00					\$ 686,475.62	8.05%
FY15		Oct 1 14 to Mar 31 15	\$ 4,358,155.38			\$ 1,290,954.40		\$ 1,209,954.09			\$ 40,960.72		\$ 3,148,201.29			\$ 1,249,993.68	39.71%
1113		Apri 1 15 to Sept 30 15	\$ 204,192,796.67			\$ 379,786.82		\$ 47,336,783.90			\$ 44,373.93		\$ 156,856,012.77			\$ 335,412.89	0.21%
FY16	3.75%	Oct 1 15 to Mar 31 16	\$ 5,768,931.07			\$ 591,017.84		\$ 1,206,599.18	,		\$ 344,129.82			\$ 22,586.12		\$ 246,888.02	5.41%
1110	3.7370	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, 20	15 to September 3	0, 2018								
FY16-18	3.75%	Oct 1, 2015 thru Sept 30, 2018 (6															
L 1 TO-T9	3.75%	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%
			7 30,112,134.03	+ 1,2 .0,1, 0.00	5.7570	+ 2,501,504.50	2.5570	+ 0,007,072.77	,,	22370	+ ., 0,201.30	15170	, 32,00 .,001.00	+ , ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	2.2370	7 00 1,102.32	2.3070
										FEDERAL		FEDERAL					
					TOTAL DBE		TOTAL SBE			DBE		SBE			LOCAL DBE		LOCAL SBE
					-												COMPLETED
					TOTAL DBE COMPLETED		TOTAL SBE								LOCAL DBE		



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

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

Approval of the Minutes of October 11, 2016
 Action would approve the SD&AE Railway Company Minutes of October 11, 2016.

Receive

Approve

Statement of Railway Finances (Erin Dunn)
 Action would receive a report for information.

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

Operations (Matt Domen)
Action would receive a report for information.

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.

6. Real Property Matters (Tim Allison)

a. Summary of SD&AE Documents Issued Since October 11. Receive 2016

Action would receive a report for information.

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)

Name	Company
1. Diana Hyatt	Pac. SW RUTE
2. MATT DOMEN	SDIV
2. LIATT DOMEN 3. Jared Corch 4. DAN DAVIS	Pac. SW Rwy SDIV 801V RailPROC
4. DAN DAULS	RailPROS
J.	
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19.	
21.	
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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:

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

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.

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.

Real Property Matters

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.

- <u>S200-16-638:</u> Right of Entry Permit to the San Diego Bicycle Coalition for the Bike the Bay bike-ride event.
- <u>\$200-17-640</u>: 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.
- <u>S200-17-641</u>: 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.

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:

Materials Due to Clerk	Materials Mailed
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.

Public Comments

There were no public comments.

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.

2016-10-11.SDAE Draft Minutes.doc

Attachment: Report on PSRM Operations (handed out at the meeting)



Pacific Southwest Railway Museum La Mesa Depot 4695 Nebo Drive La Mesa, CA 91841 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,

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

Revenues
Right of Entry Permits
Lease income
Desert Line Lease Revenue
Operator Income - SD&IV 1% Freight Fee
Total Revenue
Expenses
Personnel Costs
Outside Services
Risk Management
Misc. Operating Expenses
Total Expense
Net Income/(Loss)

			FY 2016				
C	21 Actual	Oct - Nov Actual	YTD Actual (Jul - Nov)	YTD Budget (Jul - Nov)	Variance	Q1 - Q2 Actual (Jul - Nov)	Variance
\$	3,000	\$ 6,888	\$ 9,888	\$ 12,500	\$ (2,612)	\$ 4,900	4,988
	19,103	17,753	36,856	29,165	\$ 7,691	31,314	5,542
	250,000	166,667	416,667	-	\$416,667	416,667	(0
	8,500	5,667	14,167	14,585	\$ (418)	14,200	(33
_	280,603	196,974	477,577	56,250	421,327	467,081	10,496
	2,752	3,528	6,280	42,602	36,322	25,413	19,133
	14,059	156	14,215	18,809	4,594	17,433	3,218
	3,762	2,646	6,408	6,670	262	5,993	(415
	1,146		1,146	210	(936)	406	(740
	21,719	6,330	28,048	68,291	40,243	49,245	21,197
\$	258,884	\$ 190,644	\$449,529	\$(12,041)	\$461,570	\$ 417,836	\$ 31,693

1,581,452
4,167
449,529
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



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. $\underline{4}$

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: Qu

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
- 4,384 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,

President

A-16

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.

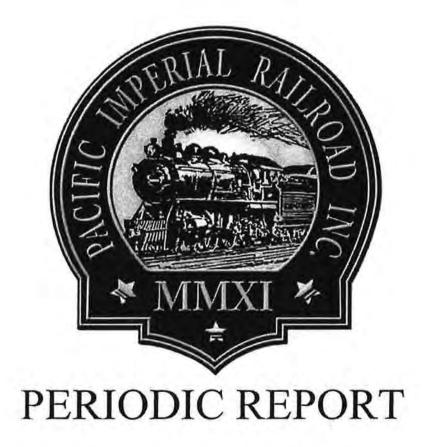
Budget Impact

None.

DISCUSSION:

An oral report will be given during the meeting.

Attachment: Quarterly Report



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

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

- 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.

- <u>S200-16-635</u>: 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.
- <u>S200-17-647</u>: License to Crown Castle NG West LLC for aerial fiber at 32nd
 Street and Harbor Drive in the City of San Diego.
- <u>S200-17-648:</u> 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

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 C Jablopski 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:

Ite	em (s. 1886) et 2002 et 1886 e	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	5.00)
	Vendor Quote - (Five Customer Connection Out Top \$7,500.00))
	Vendor Quote - (Ten Transducers \$2,000.00)	100 073
	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.

1/

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 tieins, 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

Vía 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:

Ite		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



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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:	



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Agenda Item No. 10

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

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 & Jablonski
Chief Executive Officer

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

Attachment: A. Investment Report for December 2016



San Diego Metropolitan Transit System Investment Report December 31, 2016

	Restricted	Unrestricted	Total	Average rate of return
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	\$ 20,815,305	\$ 100,838,271	\$ 121,653,576	



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Agenda Item No. 11

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

SUBJECT:

ORANGE LINE TRACK IMPROVEMENTS - CHANGE ORDER AMENDMENTS 1 - 5

RECOMMENDATION:

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

- 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



Att. A, Al 11, 2/16/17

CONSTRUCTION CHANGE ORDER

Project Name:	Orange Line Track Improvements	Date:	1/12/17		
To: From (Contractor)	MTS: Herzog	CON Number	PWL 211.0-16		
Description of	Work				
concrete, 9" of	s for the replacement of a total of an a ballast, filter fabric, and all other requi Blvd & J Street.	additional ninety six (96) TF of rail, ired incidentals at the vehicular cro	timber crossties, 8" essings located at 1s	of asphalt st Ave & C	
A. Contractor	Cost of the Work				
Materials (se Material Tax Equipment (Consultant (Supplement Other - desc	8 (See attached supporting documentation.) e attached supporting documentation.) See attached supporting documentation) COSTS (See attached supporting documentation.) al COSTS (See attached supporting documentation.) ribe services ribe services	\$ 12,999.18 \$ 15,515.80 \$ 1,241.26 \$ 4,432.80 \$ - \$ - \$ -	Subtótal A: \$	34,189.04	
Payroll Cost Equipment (Materials (se Consultant (tor Cost of the Work 8 (See stached supporting documentation.) See attached supporting documentation.) e attached supporting documentation.) Costs (See attached supporting documentation.) al Costs (See attached supporting documentation.)	\$ - \$ - \$ - \$ - \$ 56,185.60	Subtotal B: \$	56,185.60	
Overhead ar Overhead ar	F99: (As per the Contract Documents) and Profit on Labor and Material and Profit on Equipment and Profit on Subcontractors assurance 1%	\$ 443.28	Subtotal C: \$	8,476.33	
		Total = (A + B + C	Total: \$	98,850.97	
Adjustment by thi	ange Order No. 1 through Change Order 4		\$ \$	3,916,490.00 89,669.42 98,850.97	
New Contract Am		Total:		4,105,010.39	
The Contract Time due to this Change Order will be: Increased Decreased Unchanged Original Completion Date: Adjustment by Change Order No. 1 through Change Order 4 (if applicable) Adjustment by this Change Order New Completion Date			NIA NIA	6/7/2017 N/A	
Milestones Affected:		stones affected as a result of a change in			
	CL: 1-19-17 Date:	MTS Chief Executive Office			
-5.11100101					



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

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.

Ce: Contact Name E-mail Copies Notes

Signature:

Patrick Watzke

Date: V12/2017

Page 1

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, Sulte 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:

X Ye

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 crossties, 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 211.0-18.

Gabriel McKee, Project Engineer

1/12/17

Date

1-12-



Att. B, Al 11, 2/16/1

CONSTRUCTION CHANGE ORDER

To: M From (Contractor): H Description of Wo	ITS erzog	Contract Number: F	
From (Contractor) : H			WL 211.0-16
Description of Wo		CCO Number: 0	
	ork		
This job order is fo		de crossing replacements at 1st Ave	& C St, and Park Blvd & J St.
A. Contractor Cos	at of the Work		
Payroli Costs (se Materials (see am Equipment (See Consultant Cost	e attached supporting documentation.) ched supporting documentation.) attached supporting documentation) 8 (See attached supporting documentation.) OSES (See attached supporting documentation.) services	\$ 1,109.79 \$ - \$ - \$ - \$ - \$ - \$ -	Subtotal A: \$ 1,109.79
Equipment (See Materials (See atta Consultant Cost Supplemental Co	Cost of the Work a stached supporting documentation.) attached supporting documentation.) ched supporting documentation.) 8 (See attached supporting documentation.) Dotts (See attached supporting documentation.)	\$ 5,895.10 \$ - \$ - \$ -	Subtotal B: \$ 5,895.10
Overhead and Proceed and Proceedings and P	rofit on Labor and Material rofit on Equipment 10% rofit on Subcontractors 5%		Subtotal C: \$ 532.94
		Total = (A + B + C)	Total: \$ 7,537.83
Original Contract value Adjustment by Change Adjustment by this Ch	o Order No. \underline{X} through Change Order \underline{X}	(if applicable)	\$ 3,916,490.00 \$ - \$ 7,637.83
New Contract Amount		Total:	\$ 3,924,027.83
The Contract Time due to t		Decreased Unchanged	by 0 days
Original Completion D Adjustment by Change	oate: e Order No. <u>X</u> through Change Order <u>X</u>		6/7/2017 N/A
Adjustment by this Ch		-	N/A attinace
New Completion Date			6/7/2017
Milestones Affected:			
Contractor	Date:	MTS Chief Executive Officer	Date:



Transmittal

Transmittal Cover Sheet

Contract number: - Specification Number:

01/11/2017 Date:

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:

Patrick Watzke Transmitted By:

Herzog Corp

3760 Kilroy Airport Way Ste.120 Long Beach, Ca 90806 Tel: 562-595-7414

Fax: 562-595-7445

Package No

Description

Due Date 1/25/17

00037 - - 1

Transmittal - Change Order 001 - Community Outreach

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-mall

Copies Notes

Signature:

Patrick Watzke

Date: 1/11/2017

HCC-LA

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: (819) 230-6706

Project:

Orange Line Track Improvements

MTS Work Order Number: PWL 211.0-16.01

Title:

Community Outreach - CCO #01

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

Railroad Protective:

Yes

X 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

Date



Att. C, Al 11, 2/16/17

CONSTRUCTION CHANGE ORDER

MTS			
	Contract Number: P	WL 211.0-16	
: Herzog	CCO Number: 0	02	
Work			
ssing. This includes the replacement of addit	tional rail, 10' timber transition	ties, 8' standard i	imber ties, 8
Cost of the Work			
\$ (See attached supporting documentation.)	\$ 12,944.84		
	\$ 6,264.54		
	\$ 501.16		
See attached supporting documentation)	\$ 5,177.52		
COSTS (See ettached supporting documentation.)	\$		
al Costs (See attached supporting documentation.)	\$		
ribe services	\$ -		
ribe services	\$ -	Subtotal A: _\$	24,888,06
tor Cost of the Work			
8 (See attached supporting documentation.)	\$		
See attached supporting documentation.)	\$		
e attached supporting documentation.)	\$		
COSTS (See attached supporting documentation.)	5		
al Costs (See attached supporting documentation.)	\$ 17,262.00	Subtotal B: S	17,262.00
F89; (As per the Contract Documents)			
d Profit on Labor and Material	\$ 2,881.41		
d Profit on Equipment	\$ 517.75		
For our attention of the	\$ 863.10		
	\$ 450.31		
170		Subtotal C: 3	4,712.57
			3,7,4
	Total = $(A + B + C)$	Total: \$	46,862.63
value:		\$	3,916,490.00
ange Order No. X through Change Order X (if applic	able)	3	7,537.83
	<u>asiej</u>	*	
		\$	46,862.63
			3,970,890.46 days
	Crease Undivinged	77	
	able)		
	-		
	40		
	rected as a result of a change in ser	rices, term, and/of pn	<u>ce</u>
LX 1-12-17			
Date:	MTS Chief Executive Officer	Date:	
	cost of the Work S (See attached supporting documentation.) e attached supporting documentation.) See attached supporting documentation.) Costs (See attached supporting documentation.) al Costs (See attached supporting documentation.) al Costs (See attached supporting documentation.) ribe services for Cost of the Work S (See attached supporting documentation.) See attached supporting documentation.) Costs (See attached supporting documentation.) al Costs (See attached supporting documentation.) F889: (As per the Control Documenta) al Profit on Labor and Material and Profit on Equipment and Profit on Subcontractors ansurance 1% Value: ange Order No. X through Change Order X (if applications of any milestones affer the Change Order Costs a Change Order Costs (Change Order Will be: Increased Increase Increase Increase Increase Increase Increase Increas	s to replace an additional eighty (80) TF of track on the east side of the EB sising. This includes the replacement of additional rail, 10' timber transition rate, 9" of ballast, and filter fabric. This additional (80) TF shown on sheets Cost of the Work 8 (See attached supporting documentation.) 9 ettached supporting documentation.) See attached supporting documentation.) See attached supporting documentation.) 10 costs (See attached supporting documentation.) 11 costs (See attached supporting documentation.) 12 costs (See attached supporting documentation.) 13 costs (See attached supporting documentation.) 14 costs (See attached supporting documentation.) 15 costs (See attached supporting documentation.) 16 costs (See attached supporting documentation.) 17 costs (See attached supporting documentation.) 18 costs (See attached supporting documentation.) 19 costs (See attached supporting documentation.) 10 costs (See attached supporting documentation.) 10 costs (See attached supporting documentation.) 11 costs (See attached supporting documentation.) 12 costs (See attached supporting documentation.) 13 costs (See attached supporting documentation.) 14 costs (See attached supporting documentation.) 15 costs (See attached supporting documentation.) 16 costs (See attached supporting documentation.) 17 costs (See attached supporting documentation.) 19 costs (See attached supporting documentation.) 10 costs (See attached supporting documentation.) 11 costs (See attached supporting documentation.) 12 costs (See attached supporting documentation.) 13 costs (See attached supporting documentation.) 14 costs (See attached supporting documentation.) 15 costs (See attached supporting documentation.) 16 costs (See attached supporting documentation.) 17 costs (See attached supporting documentation.) 17 costs (See attached supporting documentation.) 18 costs (See attached supporting documentation.) 19 costs (See attached supporting documentation.) 10 costs (See attached supporting documenta	is to replace an additional eighty (80) TF of track on the east side of the EB track at 30th and issing. This includes the replacement of additional rail, 10' timber transition ties, 8' standard in reite, 9" of ballast, and filter fabric. This additional (80) TF shown on sheets 59 and 60 as pro Cost of the Work Is (Bee attached supporting documentation.) See attached supporting documentation.) See attached supporting documentation.) See attached supporting documentation.) If Costs (Bee attached supporting



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

Package No

Description

Due Date

00040 - - 2

Transmittal - Change Order 002R2 - Vehicular Crossing Transitions

Transmitted For Belivered 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.

HCC-LA

Go: Contact Name

E-mail

Copies Notes

Signature:

Patrick Watzke

Date: 1/12/2017

Page 1

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



Date: 1/11/17

X-

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:

X 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.

Cabriel McKee, Project Engineer

1/11/17 Date

Gene Chimits Project Manager

Date

Att. D, Al 11, 2/16/1

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 (Timber Ties).	for the replacement of 600 EA 9-ft time	ber ties in lieu of 8-ft timber ties (under "Crosstie Re	placement
A. Contractor C	ost of the Work			
Payroll Costs	(See attached supporting documentation:)	\$ 1,109.79		
Materials (800	attached supporting documentation.)	\$ 7,800.00		
Material Tax		\$ 624.00		
Equipment (S	ee attached supporting documentation)	\$ -		
	DSTS (See attached supporting documentation.)	\$ - \$ - \$ -		
• •	Costs (See attached supporting documentation.)	\$.		
Other - descri		\$ -	Subtotal A: S	9,533,79
Other - descri	De Services		Suprotes A: 3	9,000.70
	or Cost of the Work			
	(See attached supporting documentation.) ee attached supporting documentation.)	\$ -		
	attached supporting documentation.)	\$		
7,776,772	DEÉS (See attached supporting documentation.)	<u>s -</u>		
	COSTS (See attached supporting documentation.)	\$ -	Subtotal B: S	
C. Contractor F	GG: (As per the Contract Documents)	-		
	Profit on Labor and Material 15%	\$ 1,336.47		
	Profit on Equipment 10%	\$ -		
	Profit on Subcontractors 6%	-		
Bonds and Ins		\$ 108.70		
			Subtotal C: \$	1,445.17
		Total = (A + B + C)	Total: \$	10,978.96
Original Contract va	alue:		5	3,916,490.00
dimension by Char	nge Order No. 1 through Change Order 2 (if a	nnlicable)		54,400.46
		phicadier	-	and the second
Adjustment by this	Change Order		\$	10,978.96
lew Contract Amou	unt	Total:	5	3,981,869:42
The state of the s		✓ Decreased ✓ Unchanged	by 0	days
Original Completion		2.70	6/7/201	
idjustment by Char	nge Order No. 1 through Change Order 2 (if a	pplicable)	NA	
djustment by this	Change Order		0	
lew Completion Da	te		5/7/201	
lilestones Affected:	Add Descriptions of any milestor	nes affected as a result of a change in s	services, term, and/or p	rice
K C	Rt 1-12-17	i		
Contractor	Date:	MTS Chief Executive Officer	Date	
	Follow all applicable procedures and pro	ovide all appropriate documentation a	s required by	



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

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-mall

Copies Notes

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, Sulte 900 San Diego, CA 92101 Phone: (819) 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:

X 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 "Crosstle Replacement (Timber Ties).

Contractor Shall:

 Replace six hundred (600) EA existing 7"x9" x9'-0" ties with new 7"x9" x 9'-0" timber crossities 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

Gene Chimits, Project Manager

Attachment E - Change Order 4



CONSTRUCTION CHANGE ORDER

Project Name:	Orange Line Track Improvements	Date: <u>1/</u>	12/17
To:	MTS	Contract Number: P	WL 211.0-16
From (Contractor): Herzog	CCO Number: 00	04
Description of	f Work		
	is for additional 347 TF of rall replacement e on the Orange Line.	under bid item no 12, Rail Repla	cement 115 lb to 115 lb rail in
A. Contractor	Cost of the Work		
Materials (se Material Tax Equipment (Consultant (Supplement Additional V	is (See attached supporting documentation.) see attached supporting documentation.) ((See attached supporting documentation) Costs (See attached supporting documentation.) tal Costs (See attached supporting documentation.) Work (Bid Item 12) - 347 TF \$70/TF cribe services	\$ - \$ - \$ 24,290.00	Subtotal A: \$ 24,290.00
Payroli Cosi Equipment (Materials (se Consultant (ctor Cost of the Work ts (See attached supporting documentation.) (See attached supporting documentation.) se attached supporting documentation.) Costs (See attached supporting documentation.) tal Costs (See attached supporting documentation.)	\$ - \$ - \$ - \$ - \$ -	Subtotal B: \$
C. Contractor Overhead as	F98: (As per the Contract Documents) nd Profit on Labor and Material nd Profit on Equipment nd Profit on Subcontractors 6%	\$ - \$ - \$ - \$ -	Subtotal C: \$ -
		Total = (A + B + C)	Total: \$ 24,290.00
Original Contract Adjustment by Ch Adjustment by thi New Contract Am	hange Order No. 1 through Change Order 3 <u>(if ap</u> is Change Order	plicable) Total:	\$ 3,916,490.00 \$ 65,379.42 \$ 24,290.00 \$ 4,006,159.42
	ue to this Change Order will be: Increased	Decreased Unchanged	by 0 days
Original Completi			6/7/2017 N/A
Adjustment by thi	•		ß
		-	6/7/2017
New Completion	The second secon	- Marked as a second of a shorest in sec	
Wilestones Affected:	Add Descriptions of any milestone	s affected as a result of a change in sen	vices, term, and/or price
Contractor	Date:	MTS Chief Executive Officer	Date:



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

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

Change Order - Horseshoe Rail Replacement

Spec No

Responsible Co.

00001

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

Signature:

Patrick Watzke

Date: 1/12/2017

HCC-LA

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:

X Yes

No

Detailed Scope of Work

This job order is for the replacement of an additional 347 TF of rall 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.

abriel McKee, Project Engineer

1/12/17

Gene Chimits, Project Manager



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

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 California by and between San Diego Metrop agency, and the following, hereinafter referred	olitan Transit System ("M	
Name: ABC Construction, Inc.		National Avenue
Form of Business: Corporation		n Diego, CA 92113
(Corporation, partnership, sole proprietor, etc	,	(619) 239-3428
Authorized person to sign contracts:	Wayne Czubernat Name	<u>Project Manager</u> Title
Pursuant to the existing Job Order Contract (Order to Contractor to complete the detailed Breakdown for the Scope of Work (attached applicable to this Work Order (attached as Ex	Scope of Work (attache as Exhibit B.), and the	d as Exhibit A.), the Cost
Pursuant to the SANDAG JOC Contract Sebeen deducted. MTS will pay both the Contract Gordian Group license fee.		
The total cost for this work order will not e \$236,723.85 and a 1% Gordian Group license TOTAL PAYMENTS TO CONTRACTOR SHA	e fee of \$2,391.15.	
SAN DIEGO METROPOLITAN TRANSIT SYS	STEM CONTRACT	OR AUTHORIZATION
By:Chief Executive Officer	Firm:	
Approved as to form:	By:Sig	nature
By: Office of General Counsel	Title:	
AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$ 236,723.85	2006004702	2017
By: Chief Financial Officer		Date

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, Sulte 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

Rallroad Protective:

X 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.
- Remove any foreign materials from dampers and screens.. 0
- 0 Verify that hardware used to install damper does not contact moving parts of the damper.
- Remove all failed, existing bushings and replace with new bushings. 0
 - -There are 256 bushing for each main backdraft damper.
- G 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:

- Take pictures of all track dampers pre-existing condition.
- Remove any foreign materials from dampers and screens.
- Check and adjust actuator rods and connection.
- Check and secure all junction box screws and liquid tight fittings.
- Correct and reshape blade ends that require a proper seal.
- Verify the actuator motor travels freely with no binding.
- Lubricate linkage and rod joints with lithium grease.
- 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.sdmts.com/Business/documents/class-registration.pdf

Class fees are waived for MTS projects.

Work Hours:

Weekdays 7am-4pm

Thang Nguyen, Systems Engineer

Jim Cappadocia, Contractor Project Manager

Polo

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

Total Job Order Amount

\$239,115.00 \$2,391.16

1% Contractor Licensing Fee Withheld

\$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

For

1.1215

Data

Job Order Contract

Contractor's Price Proposal Detail- CSI

Work Order#:

MTSJOC7504-25

Title:

SDSU Tunnel Jet Fan and Damper Repairs
SANDAG - ABC Construction - MTSJOC7504

Proposal Value:

Contractor:

\$239,115.00

Proposal Name:

SDSU Tunnel Jet Fan and Damper Repairs

-	CSI Number	M	od. UON	Description					Line Total
16 - 1	Viechanical								
1	16000-0006		LS	SDSU Tunnel J	el Fans	and Dampers Rep	air		\$239,115.00
		NPP Tasks	Installation	Quantity 1.00	х	Unit Price \$239,116.00	×	Factor 1.0000 =	Total \$239,115.00
			NPP Item - SC	SU Tunnel Jet Fan	s and C	Dampers Repair			
Subto	otal for 15 - Mecl	hanical:							\$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 Orde	er Number:	MTSJOC7504	-25					
Job Order Title: SDSU Tunnel		SDSU Tunnel	Jet Fan and Damper	Repairs				
To:	Thang Ngu Project Mai 255 Imperio Suite 900 San Diego	nager - MTS al Venue		From:	Jim Cappadoci Project Managi ABC Construct 3120 National A San Diego, CA	er ion, Inc. Ave		
Phone: Fax:	(619) 557-4	560		Phone: Fax:	(619) 239-3428 (619) 239-6614			
	DBE Goal:		Trade	UDBE \$	DBE \$	9B \$	Non	%
Comfort N	Mechinical Inc.		Mechanical	\$0.00	\$0.00	\$0.00	UDBE/DBE/SB \$189,600.00	79.29%
			TOTALS	\$0.00	\$0,00	\$0.00	\$189,600.00	79.29%
Signature		TO	% of We	irk to be performed by	Work Order To Certifled UDBE/DBE/S		39,115.00 0.00% adocia	
Title: Proje	ect Manager				26			
Firm of Co	orporate Name: S	ANDAG - ABC Cons	struction					
Address: 3	3120 National Av	e., San Diego, CA 9	2113					6.

Telephone Number: (619) 239-3428



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Agenda Item No. 13

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

SUBJECT:

SAN DIEGO GAS & ELECTRIC COMPANY (SDG&E) RELOCATION COST SHARING AGREEMENT (COURTHOUSE STATION PROJECT)

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute an agreement(s) with SDG&E to pay for new service connections and share in the costs of relocating SDG&E utility facilities as part of the MTS Courthouse Station Project.

Budget Impact

Final MTS cost share is to be determined. Current SDG&E calculation requires \$1,120,523 contribution by MTS for work to be performed by SDG&E. Costs will be paid from the Courthouse Station CIP Project (11573P).

DISCUSSION:

The Courthouse Station Project will create a new Orange Line trolley station on C Street between Union and State. A new track will be installed in the south lane of C Street, with a station platform installed on the sidewalk adjacent to the Hall of Justice court building. A new state courthouse is currently under construction on the north side of C Street. SDG&E currently has various underground electric utility lines and equipment in C Street. For SDG&E to maintain appropriate access to these facilities after completion of the Courthouse Station Project, the facilities need to be relocated outside of the proposed new track bed.

MTS, like other utility customers, is required to pay the full costs of any new SDG&E service connections or upgrades that are related to MTS public projects. However, the responsibility for costs to relocate utility facilities from City streets in support of public proejcts is unclear under current law. MTS and SDG&E both contend that the other party could be found responsible for 100 percent of such relocation costs. Because









there are long-term risks to each party associated with seeking a court-ordered decision on this issue, MTS and SDG&E have historically agreed to a non-precedent-setting 50/50 cost sharing formula for utility relocations in City streets. Such agreements are negotiated on a project-by-project basis.

Today's proposed action would authorize the CEO to negotiate and execute a 50/50 cost sharing agreement with SDG&E for the Courthouse Station project. The material terms of the agreement provide that:

- MTS is 100% responsible for the costs related to connecting new service to SDG&E facilities.
- MTS is 50% responsible for the costs related to relocating existing SDG&E facilities to a new location, as required by the Courthouse Station project.
- MTS is 100% responsible for the payment of any Contribution in Aid of Construction (CIAC) tax that is payable by SDG&E to the Internal Revenue Service (IRS) because of the new service connections and/or the relocation cost sharing payment.
- MTS agrees not to request additional relocation cost sharing for the relocated utilities for a minimum of 10 years following completion of work.

MTS's final costs under the proposed agreement will be based on actual costs after construction is complete. Staff currently estimates that the <u>maximum</u> amount owed to SDG&E would be \$1,120,523. However, this amount is subject to continued negotiation and cost reductions are expected based on:

- Clarification and agreement upon which costs are related to new service connections (100% MTS responsibility) or relocation (50% MTS responsibility).
- Further legal analysis and potential opinion from the IRS regarding which portion of the MTS payment and/or self-performed work is subject to the CIAC tax.
- Confirmation of the applicable CIAC tax rate.

The SDG&E utility relocation work must be completed before construction on the Courthouse Station project can begin. Staff is scheduled to complete its procurement for the Courthouse Station construction contract and request a contract award at the May 11, 2017 Board meeting. In order to keep this project on schedule, staff is recommending that the CEO be authorized to complete negotiations with SDG&E and authorize MTS cost sharing according to the terms set forth above. Some of the required relocation work may also be performed by an MTS job order contractor (JOC), if it could result in reduced costs or schedule efficiencies. Consistent with Board Policy No. 41, any JOC contract over \$100,000 for such work will be brought to the Board for approval.

Paul O. Jablonski
Chief Executive Officer

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

Attachment: A. Draft SDG&E-MTS Allocation of Work Order Agreement

Allocation of Work Order Agreement

San Diego Gas & Electric Company ("SDG&E") owns and manages utility facilities in the City of San Diego ("City") that are being relocated to accommodate Metropolitan Transit System's ("MTS") Orange Line Courthouse Station also known as C-Street Project ("Project"). With respect to this Project, MTS and SDG&E have each agreed to a 50% allocation of cost responsibility for utility relocations in the City franchise ("Franchise Area"). MTS shall bear 100% responsibility for the costs of new service or relocations of existing facilities that only serve MTS, or facilities protected under easement or other property document. To the extent it is required by Internal Revenue Service statutes, rules or regulations, MTS shall pay 100% of the Contributions in Aid of Construction tax ("CIAC"). This Allocation of Work Order Agreement dictates how the parties will divide the performance of certain relocation tasks and how all Project tasks will be performed, invoiced and paid for the Project.

Design Changes

SDG&E has prepared designs to relocate its facilities within the Franchise Area based upon the approved MTS design plans for the Project ("MTS Design Plans"). SDG&E agrees to move forward with construction in the Franchise Area based on the MTS Design Plans. Changes to the MTS Design Plans will be initiated upon written direction from MTS and mutual agreement on the cost estimates for SDG&E to redesign the relocation work, and the actual, reasonable and documented additional costs to construct the relocated facilities. MTS shall be 100% responsible for the following costs arising from changes to the MTS Design Plans:

- The cost of any materials ordered, including cancellation and restocking fees, pursuant to the previous design that cannot be refunded or otherwise reasonably mitigated.
- The cost of any redesign work necessary to accommodate changes to the MTS Design Plans after SDG&E's designs are issued to design review.
- The cost of all completed construction made unnecessary by the changes to the MTS Design Plans after SDG&E's designs are issued to design review.
- The costs of any utility relocations made necessary by Project contractors' or subcontractors' construction means or methods (excluding SDG&E contractors).

Management of Work

The parties agree to invoice and pay for all costs associated with this work prior to commencement of work on the Project and in accordance with the attached Management of Invoicing Payment, attached hereto as Exhibit A.

The costs associated with this project are estimated based on an actual cost billing method. Based on this method SDG&E will calculate the cost after SDG&E completes the work, then SDG&E will determine the actual cost of the job and bill or refund any differences beyond \$100.

Funds already collected for jobs in construction will be reconciled at completion and on acceptance of an as-built.

Additional Terms

The parties agree to meet and confer regarding the performance schedule on a regular basis until the relocations are complete.

MTS, at its sole cost and expense shall provide a survey for finished grade for SDG&E to complete new facility placement.

When a traffic control crew is required by federal, state, or local laws, rules, or ordinances; MTS shall pay for 100% of the cost of such service. SDG&E shall plan, prepare, and be responsible for the cost of a Traffic Control Plan, if one is necessary.

MTS shall request that all municipalities that SDG&E performs work in pursuant to the Project waive all permitting and approval fees associated therewith. If such municipalities do not waive such fees, MTS shall pay for the full cost and expense incurred by SDG&E to obtain all such permits or other approvals.

If, in its performance of the work on the Project, SDG&E is required to obtain a Civil or Traffic Engineer stamp and signature, MTS will pay for the full cost and expense of obtaining same.

If with 10 years from the date the construction work order is closed by SDG&E, MTS requests the rearrangement, relocation, or reconstruction of any of SDG&E's facilities that were relocated pursuant to the Project, the rearrangement, relocation, or reconstruction of the facilities shall be performed by SDG&E, or by any other party with the consent of SDG&E, but at the sole cost and expense of MTS.

In an effort to move the Project forward and avoid litigation, this agreement is a compromise pertaining to this Project only and cannot be used by or against either party for purposes of assessing responsibility for future utility relocations.

IN WITNESS WHEREOF, the parties have agreed to these terms and conditions as of the last date written below.

By:	
By: Name:	
Its:	
San Diago Gos	s & Flectric Company
	s & Electric Company
San Diego Gas By: Name:	s & Electric Company

San Diego Metropolitan Transit System

Exhibit A Management of Invoicing Payment

SDG&E agrees with the following method for managing invoicing and payment for rearrangement of facilities work associated with the Project. MTS's allocation will be 50% for City of San Diego franchise and 100% for new service to be paid in advance of project start, including CIAC tax.

Work performed and paid for by SDG&E:

- SDG&E and/or SDG&E contractors will begin construction of the work order.
- SDG&E will pay SDG&E contractors for actual, reasonable, and documented costs of work completed as construction progresses.
- Upon completion of each work order SDG&E will reconcile the work order, apply SDG&E overhead rates, calculated in compliance with SDG&E's current practices and tariffs, will be included in final invoice submitted to MTS.
- MTS shall pay all invoices within 30 days of receipt.





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Agenda Item No. 14

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

SUBJECT:

FEDERAL COMMUNICATIONS COMMISSION-MANDATED 800 MHz BAND RECONFIGURATION - REPROGRAMMING SERVICES FOR SAN DIEGO STATE UNIVERSITY (SDSU) TUNNEL BI-DIRECTIONAL AMPLIFIER

RECOMMENDATION:

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

- Authorize the Chief Executive Officer (CEO) to negotiate pricing with Axel Wireless Limited, doing business as Cobham Wireless, for hardware and services required to reprogram the SDSU tunnel bi-directional amplifier in an amount not to exceed \$200,000; and
- 2) approve a sole source contract with Axel Wireless Limited, doing business as Cobham Wireless, for hardware and implementation services required to reprogram the SDSU tunnel bi-directional amplifier based on the final negotiated price.

Budget Impact

The total costs for the 800 MHz rebanding are paid entirely for by Sprint and therefore MTS has no net costs with associated contracts. In addition, some MTS staff time related to the 800 Mhz rebanding project is paid for by Sprint which will create a more favorable operational budget impact.

DISCUSSION:

On April 1, 2013, the Federal Communications Commission (FCC) issued Document DA 13-586 addressing the "New 800 MHz Band Plan for U.S. – Mexico Sharing Zone," which affects the international allocation of communication bands in the 800 MHz spectrum (for radio communications).

In short, Sprint has negotiated with the FCC to obtain additional bandwidth in the Southern California–Mexican border (referenced as the National Public Safety Planning









Advisory Committee [NPSPAC] Region 5). The costs to licensees, such as MTS, that hold FCC licenses to operate within the 800 MHz frequency are to be fully reimbursed by Sprint.

The SDSU tunnel contains a Bi-Directional Amplifier (BDA) which retransmits radio frequencies which originate outside the tunnel into the tunnel, and vice versa. The BDA currently transmits 800 MHz frequencies used by the City of San Diego (City) emergency services and the County of San Diego's (County) Regional Communications System (RCS). Both the City and the County are also rebanding their 800 MHz frequencies. Even though MTS's own 800 MHz frequencies, used only for bus operations, are not retransmitted in the tunnel, MTS is required to retransmit the City and County's old and new 800 MHz frequencies in the interest of public safety.

Axel Wireless Limited, doing business as Cobham Wireless, (hereafter Cobham Wireless) was the original equipment manufacturer for the existing BDA. Because Cobham Wireless is the only company whose equipment is compatible with the existing system, a sole source agreement is being negotiated with Cobham Wireless for reprogramming of the BDA. Furthermore, Cobham Wireless will be responsible for providing any and all necessary hardware and services required to complete the work for the BDA rebanding.

The deadline to complete all work on the BDA is currently May 2017 which is identical to the timeframe that the City and County are planned to reband their frequencies. Due to the short timeline for completion, the need to reband frequencies at the same time as the City and County in the interest of public safety, and also due to lead times for contracting, ordering and receipt of the BDA replacement equipment, the MTS Board of Directors is being asked to authorize the CEO to enter into negotiations and a subsequent agreement with Cobham Wireless for an amount not to exceed \$200,000 for the services and hardware required to complete all work on the BDA. Moreover, once the pricing is negotiated and finalized between MTS and Cobham, Sprint will agree to reimburse MTS, in full, for all associated BDA hardware and service costs.

Therefore, Staff recommends that the MTS Board of Directors authorize the Chief Executive Officer (CEO) to negotiate pricing with Cobham Wireless for hardware and services required to reband the SDSU tunnel Bi-Directional Amplifier in an amount not to exceed \$200,000; and, approve a sole source contract with Cobham Wireless for hardware and implementation services to in order to reband the SDSU tunnel Bi-Directional Amplifier based on the final negotiated price.

Paul C. Jablonski
Chief Executive Officer

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



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Agenda Item No. 30

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

SUBJECT:

MEASURE A REPORT (ROB RUNDLE WITH SANDAG)

RECOMMENDATION:

That the Board of Directors receive a report and provide direction:

Budget Impact

None at this time.

DISCUSSION:

At its December 2016 meeting, the Board asked staff to research whether MTS has the ability to pursue its own sales tax measure to support future transit funding needs. In January 2017, staff reported that MTS cannot place a sales tax measure on the ballot unless the Legislature amends MTS's enabling legislation to expressly authorize such action. Staff was directed to return to the Board in February to report on the discussion of Measure A to be held at the San Diego Association of Governments (SANDAG) Board of Directors Retreat. SANDAG staff will provide a report.

Paul C. Jablonski Chief Executive Officer

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



Measure A - Election Results















Measure A Expenditure Plan Funding Breakdown

	Category	Final Draft Exp. Plan 2015 \$ Millions	Final Draft Exp. Plan Percent
1	Active Transportation	540	3.0%
2	Open Space	2,000	11.1%
3	Highways, Managed Lanes, Connectors	2,555	14.2%
4	Transit Capital and Operations (total)	7,507	41.7%
4 a	Transit Capital	4,830	26.8%
4 b	Transit Operations	2,137	11.9%
4 c	Specialized Transportation Grants	540	3%
5	Local Infrastructure Funds	4,322	24%
6	Local Arterial Traffic Signal Synchronization Grants	178	1%
7	Local Rail/Local Road Grade Separation Grants	900	5%
	Total	18,194	100%

Measure A Expenditure
Plan: All Projects

Not shown:

- Local Infrastructure Funds (24%)
- Grade Separations (5%)
- Traffic Signal Synchronization (1%)

- Transit Including First and Last Mile Transit Connections
- Transit Stations
- Grade Separation/Station Relocation
- Managed/HOV Lanes
- General Purpose Lane Connectors
- Managed Lane/HOV Connectors
- General Purpose Lanes



Measure A

SAN DIEGO COUNTY ROAD REPAIR, TRANSIT, TRAFFIC RELIEF, SAFETY AND WATER QUALITY MEASURE

Shall an ordinance be adopted to: repair roads, deteriorating bridges; relieve congestion; provide every community funds for pothole/street repairs; expand public transit, improving services for seniors, disabled, students, veterans; reduce polluted runoff; preserve open space to protect water quality/reduce wildfires by enacting a 40-year, half-cent sales tax (\$308 million annually) with independent oversight/annual audits with local funds Sacramento cannot take away?

Yes → ○

No→ ○

Yes = 58%

No = 42%

Measure A - Regional Results

Total Registered Voters 1,652,875

Voter Turnout 81%

Percent Measure A Votes 75%

Total Votes on Measure A 1,233,804

Total Yes 720,158

Total No 513,646

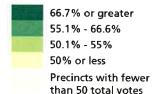
'No' Votes Needed to Pass 102,789

Percent Yes 58%

Percent No 42%

Measure A 2016 Election Results by Voter Precinct

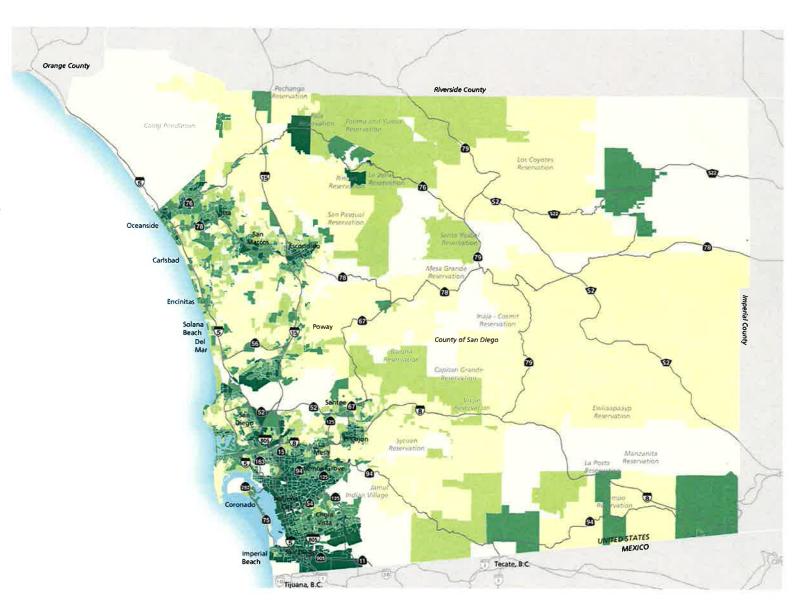
Percent Voting Yes



Source: San Diego County Registrar Of Voters





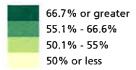


Measure A – Election Results by Jurisdiction

City	Percent Yes	Percent No
Carlsbad	53%	47%
Chula Vista	67%	33%
Coronado	54%	46%
Del Mar	54%	46%
El Cajon	58%	42%
Encinitas	53%	47%
Escondido	59%	41%
Imperial Beach	69%	31%
La Mesa	57%	43%
Lemon Grove	66%	34%
National City	78%	22%
Oceanside	60%	40%
Poway	48%	52%
San Diego	60%	40%
San Marcos	59%	41%
Santee	53%	47%
Solana Beach	51%	49%
Unincorporated	51%	49%
Vista	60%	40%
Total	58%	42%

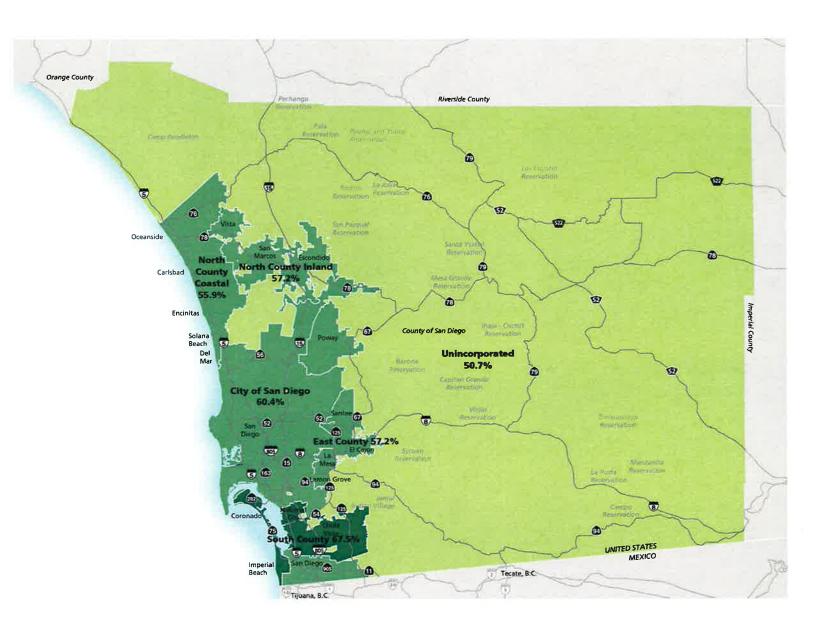
Measure A 2016 Election Results by SANDAG Subregion

Percent Voting Yes



Source: San Diego County Registrar Of Voters







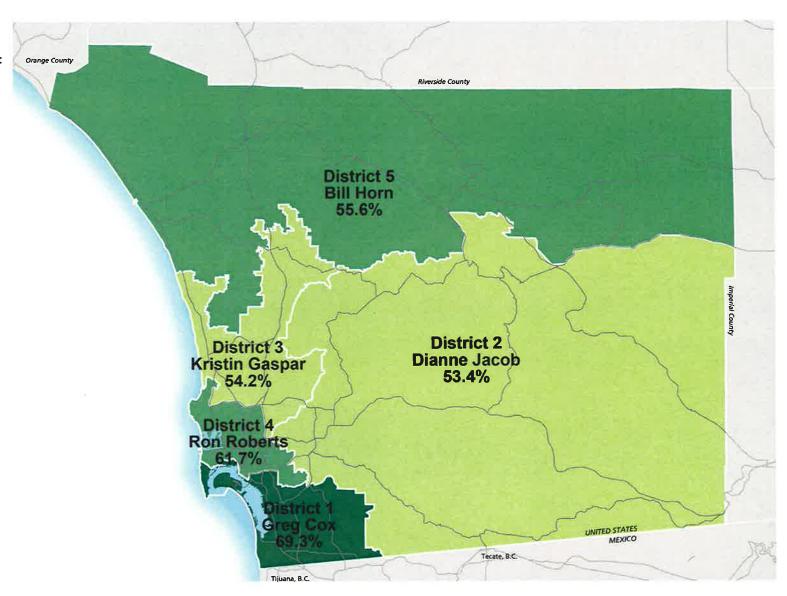
Measure A 2016 Election Results by **County Supervisorial District**

Percent Voting Yes



Source: San Diego County Registrar Of Voters

SANDAG Transilet



Measure A 2016 Election Results by City of San Diego **Council District**

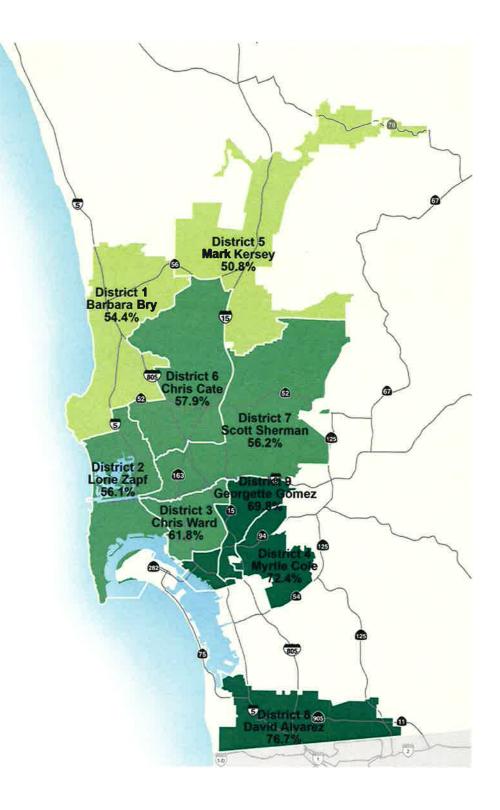
Percent Voting Yes

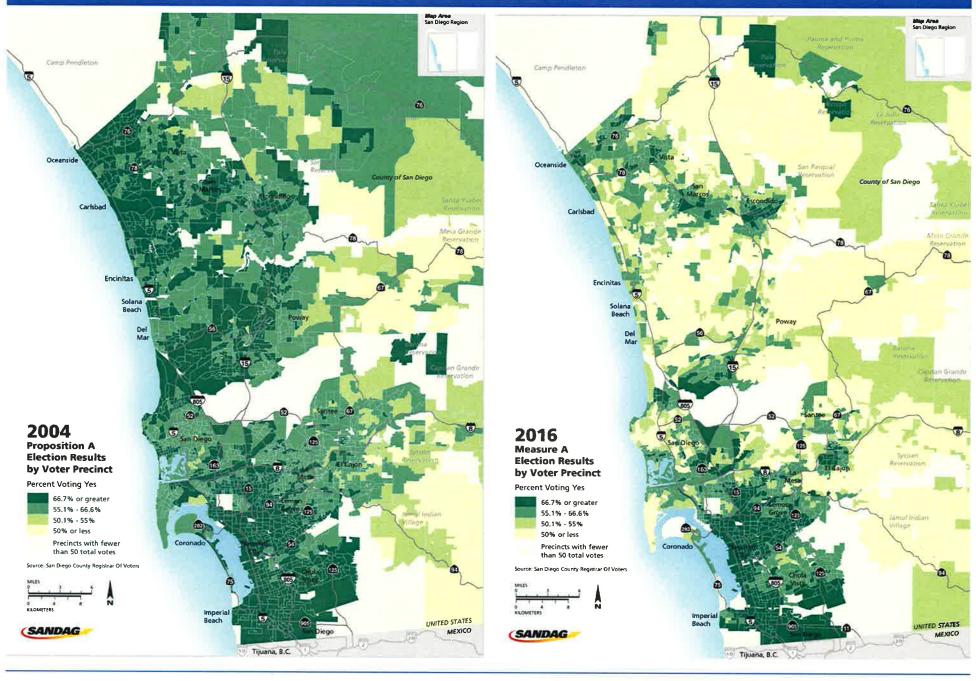


Source: San Diego County Registrar Of Voters









What's Next

- Funding Opportunities at State and Federal Level
- Implications Moving Forward

AGENDA ITEM NO.



REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

1
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PLEASE SUBMIT THIS COMPLETED FORM (AND YOUR WRITTEN STATEMENT) TO THE CLERK OF THE BOARD PRIOR TO DISCUSSION OF YOUR ITEM

1. INSTRUCTIONS

This Request to Speak form <u>must be filled out and submitted in advance of the discussion of your item</u> to the Clerk of the Board (please attach any written statement to this form). Communications on hearings and agenda items are generally limited to three minutes per person unless the Board authorizes additional time; however, the Chairperson may limit comment to one or two minutes each if there are multiple requests to speak on a particular item. General public comments on items not on the agenda are limited to three minutes. Please be brief and to the point. No yielding of time is allowed. Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.

(PLEASE PRINT)

(I LL/IOL I I IIIII)		
DATE	2/16/17	
Name	Kathleen Ferner	FERRIER
Address		
Telephone		
Email		
Organization Represented	Circulate San Die	go
Subject of Your Remarks		
Regarding Agenda Item No.	30	
Your Comments Present a Position of:	SUPPORT	OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

At Public Hearings of the Board, persons wishing to speak shall be permitted to address the Board on any issue relevant to the subject of the Hearing.

3. DISCUSSION OF AGENDA ITEMS

The Chairman may permit any member of the public to address the Board on any issue relevant to a particular agenda item.

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Public comment on matters not on the agenda will be limited to five speakers with three minutes each, under the Public Comment Agenda Item. Additional speakers will be heard at the end of the Board's Agenda.

NOTE: Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.



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Agenda Item No. 31

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

SUBJECT:

SECURITY SERVICES AGREEMENT – CONTRACT AMENDMENT (MIKE THOMPSON AND MANNY GUADERRAMA)

RECOMMENDATION:

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

- Receive a report on updated negotiations with Universal Protection Services (UPS) and a reallocation of UPS contracted officers to internal Code Compliance Officers;
- 2) Approve the increased contract spend to the UPS security services contract, MTS Doc. No. G1828.0-15 (as summarized in Attachment A), as a result of the latest minimum wage modifications and negotiations with UPS; and
- 3) Approve reducing a total of fifty (50) full time equivalent (FTE) UPS contracted officers (27 Unarmed Officers, 20 Armed Officers and 3 Armed Sergeants) from the existing UPS contract and increasing internal Code Compliance Officers by 30 FTEs.

Budget Impact

The results of the negotiations of minimum wage impacts increases the net contract with UPS by \$4,817,160 over the five year contract.

The results of the FTE reallocation recommendation includes a projected increase in internal costs of \$6,886,725 over fiscal years 2018 to 2021, and a reduction in the UPS contractual costs by approximately \$7,934,240 over the same period, resulting in a net savings to MTS of approximately \$1,047,515.



The net impact to the UPS contract:

Original UPS Contract	39,037,552
Impact of Negotiations (Minimum Wage)	4,817,160
Reduction in Contract (FTE Reallocation)	(7,934,240)
Net UPS Contract	35,920,472

The combined net budget impact of the minimum wage contract increase and the shift from 50 contract FTEs to 30 MTS FTEs is \$3,769,645 over the four and a half year contract period.

DISCUSSION:

MTS requires uniformed security officers at various locations throughout its service area to provide a safe environment for patrons and employees alike. Security officers have the capability to respond to disturbances and emergencies affecting both trolley and bus services.

On February 11, 2016, the MTS Board of Directors (Board) approved MTS Doc. No. G1828.0-15 with UPS to provide security services for three (3) base years from July 1, 2016 to June 30, 2019, with an option to extend for an additional two (2) years, from July 1, 2019 to June 30, 2021, for \$39,037,552. The originally contracted hourly rates considered the California minimum wage rate of \$10.00 per hour in effect at that time. During negotiations, UPS and MTS agreed that with any federal, state or local legislative minimum wage changes regarding minimum wage, MTS and UPS would renegotiate and modify the contract for the respective minimum wage impacts.

In April 2016, the California State Legislature passed the California \$15 Minimum Wage Initiative raising California's minimum wage over time as follows:

For any employer who employs 26 or more employees, the minimum wage shall be as follows:

- (A) From January 1, 2017, to December 31, 2017, inclusive, ten dollars and fifty cents (\$10.50) per hour.
- (B) From January 1, 2018, to December 31, 2018, inclusive, eleven dollars (\$11) per hour.
- (C) From January 1, 2019, to December 31, 2019, inclusive, twelve dollars (\$12) per hour.
- (D) From January 1, 2020, to December 31, 2020, inclusive, thirteen dollars (\$13) per hour.
- (E) From January 1, 2021, to December 31, 2021, inclusive, fourteen dollars (\$14) per hour.
- (F) From January 1, 2022, to December 31, 2022, inclusive, fifteen dollars (\$15) per hour.

On June 7, 2016, the voters of the City of San Diego approved Proposition I: San Diego Minimum Wage Increase, which raised the local minimum wage from \$10.00 per hour to \$10.50 per hour effective July 11, 2016. In addition, Proposition I also approved five days of sick leave per year for every covered employee. The chart below illustrates the City of San Diego's minimum wage rates:

\$10.50 per hour on July 11, 2016 \$11.50 per hour on January 1, 2017 \$11.50 per hour on January 1, 2018 *Wage attached to inflation beginning on January 1, 2019

When there is a conflict in regulations, an employer must follow the ordinance that benefits employees the most. Therefore MTS asked UPS to submit a revised cost proposal that meets the higher of the two requirements (City vs State), for all contract years starting in July 2016. The UPS proposal made two key assumptions:

- Preserve the differentiation between the various classes of employees (Part-time Ambassadors, Unarmed, Armed, etc.)
- Keep differentiation in progression tiers for years and experience

The result of these negotiations was a proposed \$5.9 million amendment to the contract, which was brought to the Board in July 2016 for approval. At that Board meeting, staff was directed to review these assumptions with the Budget Development Committee (BDC) and present more cost effective options that would still be in compliance with the state and local minimum wages laws.

In October 2016, staff presented options to the BDC, and received direction to proceed in negotiating a more cost effective contract with UPS.

In January 2017, staff presented to the BDC the results of negotiations with UPS. The results of the negotiations of minimum wage impacts increases the net contract with UPS by \$4,817,160 over the full five year period.

In an effort to identify operational improvements and potential cost savings to offset some of the minimum wage contract increases, staff presented a proposal to reallocate security staffing resources (reduction of 50 contracted officers and a 30 FTE increase of internal Code Compliance officers). The results of the FTE reallocation recommendation includes a projected increase in internal costs of \$6,886,725 over fiscal years 2018 to 2021, and a reduction in the UPS contractual costs of approximately \$7,934,240 over the same time period, resulting in a net savings to MTS of approximately \$1,047,515.

This results in a combined net increase in MTS security costs of \$3,769,967 over the remaining four and one half years of the UPS contract (through June 30, 2021).

Paul C. Jablonski Chief Executive Officer

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

Attachment: A. G1828.1-15 Security Services Contract – Cost Breakdown

Original UPS Contract (G1828.0-15)

Position	Progression Steps	# of FTE	Range of Pay Year 1	Total Costs By Category
Special Events Officers	1	7	\$10.00	\$ 1,055,600
Unarmed Officers	11	83	\$10.50 - \$11.60	13,699,104
Armed Officers	7	85	\$11.00 - \$13.58	16,177,016
Armed Courier Service	1	1	\$11.00	160,160
Armed Sergeant (Supervisors)	13	14	\$14.26 - \$17.60	3,176,461
Armed Lieutenant (Managers)	1	2	\$18.00	505,440
Dispatch / CCTV Officer	1	1	\$18.00	252,720
Armed Captain	1	1	\$34.61	485,924
Other Contract costs				3,525,127

39,037,552 194 **Total FTE**

*Reflects beginning of fiscal year rates as chart is broken out by fiscal year and increases are on January of each year. Calculations incorporate mid-fiscal year increases.

UPS Contract Incorporating Wage Modifications

Position	Progression Steps	# of FTE	Range of Pay Effective 7/7/2016	Total Costs By Category
Special Events Officers	1	7	\$10.50	\$ 1,271,998
Unarmed Officers	11 to 1 by Jan 2019	83	\$11.00 - \$12.10	16,137,590
Armed Officers	7 to 1 by 2021	85	\$11.50 - \$14.08	18,091,703
Armed Courier Service	1	1	\$11.50	181,354
Armed Sergeant (Supervisors)	13	14	\$14.51 - \$17.85	3,244,748
Armed Lieutenant (Managers)	1	2	\$20.00	615,881
Dispatch / CCTV Officer	1	1	\$18.50	273,882
Armed Captain	1	1	\$34.61	512,430
Other Contract costs				3,525,127

43,854,712 194 **Total FTE**

Final UPS Contract Incorporating Reallocation Proposal (G1828.1-15)

	Progression Steps	# of FTE	Range of Pay	Total Costs By Category	
Position			Effective 7/7/2016		
Special Events Officers	1	7	\$10.50	\$	1,271,998
Unarmed Officers	11 to 1 by Jan 2019	56	\$11.00 - \$12.10	\$	12,040,472
Armed Officers	7 to 1 by 2021	65	\$11.50 - \$14.08	\$	14,801,959
Armed Courier Service	1	1	\$11.50	\$	181,354
Armed Sergeant (Supervisors)	13	11	\$14.51 - \$17.85	\$	2,697,369
Armed Lieutenant (Managers)	1	2	\$20.00	\$	615,881
Dispatch / CCTV Officer	1	1	\$18.50	\$	273,882
Armed Captain	1	1	\$34.61	\$	512,430
Other Contract costs				\$	3,525,127

^{*}Reflects beginning of fiscal year rates as chart is broken out by fiscal year and increases are on January of each year. Calculations incorporate mid-fiscal year increases.

^{**}Armed officers begin receiving \$1.50 above minimum on 1/1/2017.

Minimum Wage Presentation / Security Services Contract / Alternative Deployment of Enforcement Operations

MTS Board of Directors Meeting

February 16, 2017





Minimum Wage: Timeline of Political Process

- The City's Minimum Wage Ordinance was approved by Council in August 2014 after Mayoral veto
- Campaign to gather enough signatures to place the issue on the ballot
 - In February 2016, Council confirmed the measure for the June 2016 ballot.
- Voters approved San Diego measure in June 2016
- Governor Brown signed State legislation in April 2016





Minimum Wage Rates

	City of San Diego \$/Hour	State of California \$/Hour
Prior to 7/7/16	\$10.00	\$10.00 40% increase
7/7/2016	\$10.50	since prior to \$10.00
1/1/2017	\$11.50	legislation \$10.50
1/1/2018	\$11.50	\$11.00
1/1/2019	\$11.79 *	\$12.00
1/1/2020	\$12.08 *	\$13.00
1/1/2021	\$12.38 *	\$14.00
1/1/2022	\$12.69 *	\$15.00

^{*} Wages for City of San Diego attached to inflation beginning January 2019. Chart reflects a projection of 2.5%.

Must comply with rate most favorable to employees (rates in bold above)





- Issued Request for Proposals on 08/10/2015
- Staff recommended and Board of Directors approved contract with Universal Protection Service (UPS) on February 11, 2016
 - Total Contract \$39.0M (Base \$23.3M and Options \$15.7M)
 - Base Period: July 2016 June 2019
 - Option Periods: July 2019 June 2021
- Due to potential minimum wage increases discussions at State and Local level, language included in contract:
 - Addressing potential Minimum Wage Legislation





UPS Original Cost Breakdown

- UPS's proposal included different employee types and structured pay grades (progression)
 - Rewards employees for longevity and growing within the organization
 - Goal to increase employee retention

3	Progression	# of	Range of Pay	Total Costs
Position	Steps	FTE	Year 1	By Category
Special Events Officers	1	7	\$10.00	\$ 1,055,600
Unarmed Officers	11	83	\$10.50 - \$11.60	13,699,104
Armed Officers	7	85	\$11.00 - \$13.58	16,177,016
Armed Courier Service	1	1	\$11.00	160,160
Armed Sergeant (Supervisors)	13	14	\$14.26 - \$17.60	3,176,461
Armed Lieutenant (Managers)	1	2	\$18.00	505,440
Dispatch / CCTV Officer	1	1	\$18.00	252,720
Armed Captain	1	1	\$34.61	485,924
Other Contract costs				3,525,127

Total FTE 194 \$ 39,037,552

^{*}Reflects beginning of fiscal year rates as chart is broken out by fiscal year and increases are on January of each year. Calculations incorporate mid-fiscal year increases.





- Example for Unarmed Officers below
 - Similar progressions for Armed Officers and Armed Sergeants (see handout)

	Year 1	Year 2	Year 3	Year 4	Year 5
Unarmed Officer - Probationary	10.50	10.50	10.50	10.50	10.50
Unarmed Officer - Step A	10.75	10.75	10.75	10.75	10.75
Unarmed Officer - Step B	11.00	11.00	11.00	11.00	11.00
Unarmed Officer - Step C	11.10	11.10	11.10	11.10	11.10
Unarmed Officer - Step D	11.15	11.15	11.15	11.15	11.15
Unarmed Officer - Step E	11.20	11.20	11.20	11.20	11.20
Unarmed Officer - Step F	11.25	11.25	11.25	11.25	11.25
Unarmed Officer - Step G	11.30	11.30	11.30	11.30	11.30
Unarmed Officer - Step H	11.35	11.35	11.35	11.35	11.35
Unarmed Officer - Step I	11.40	11.40	11.40	11.40	11.40
Unarmed Officer - Step J	11.45	11.45	11.45	11.45	11.45
Unarmed Officer - Step K	11.50	11.50	11.50	11.50	11.50
Unarmed Officer - Step L	11.60	11.60	11.60	11.60	11.60





- After the passage of the City of San Diego minimum wage measure, staff completed an Independent Cost Estimate (ICE) and requested a revised proposal from UPS relative to new local and State laws
- UPS Goals / Approach:
 - Bring contract in compliance with State and Local rates
 - Keep differentiation in progression tiers for different employee types to address retention
 - Preserve continued progression format for years of service and experience





- UPS's revised proposal for minimum wage
 - Preserved differentiation between employee types
 - For Example: Unarmed officers earning \$0.50 more than Special Events Officers
 - Increased progression wage rates after adjusting the entry levels
 - Overall resulted in a contract totaling \$44.9M (\$5.9M increase)

Minimum Wage	10.50	11.50	11.50	12.00	13.00	14.00
	Jul-16	Jan-17	Jan-18	Jan-19	Jan-20	Jan-21
Unarmed Officer - Probationary	11.00	12.00	12.00	12.50	13.50	14.50
Unarmed Officer - Step A	11.25	12.25	12.25	12.75	13.75	14.75
Unarmed Officer - Step B	11.50	12.50	12.50	13.00	14.00	15.00
Unarmed Officer - Step C	11.60	12.60	12.60	13.10	14.10	15.10
Unarmed Officer - Step D	11.65	12.65	12.65	13.15	14.15	15.15
Unarmed Officer - Step E	11.70	12.70	12.70	13.20	14.20	15.20
Unarmed Officer - Step F	11.75	12.75	12.75	13.25	14.25	15.25
Unarmed Officer - Step G	11.80	12.80	12.80	13.30	14.30	15.30
Unarmed Officer - Step H	11.85	12.85	12.85	13.35	14.35	15.35
Unarmed Officer - Step I	11.90	12.90	12.90	13.40	14.90	15.90
Unarmed Officer - Step J	11.95	12.95	12.95	13.45	14.45	15.45
Unarmed Officer - Step K	12.00	13.00	13.00	13.50	14.50	15.50
Unarmed Officer - Step L	12.10	13.10	13.10	13.60	14.60	15.60





- Presented to MTS Board of Directors (July 2016) and Budget Development Committee (October 2016)
- Board / BDC direction
 - Revisit current methodology for more cost effective options
 - More aggressive approach in order to control costs yet comply with minimum wage laws
 - Eliminate the progression structure
 - Salary rates currently above the minimum wage rates are frozen
 - The upper portions of the progression and certain employee types
 - Minimum wage to drive increases





- Negotiations with UPS (October 2016 January 2017):
 - Topics:
 - Special Event Assistants, Unarmed Officers and Armed Officer pay rates
 - Progression modification to simpler flat structure
 - Retention, ability to hire and train, UPS union negotiations
 - Results:
 - Total negotiated contract value: \$43,854,712
 - \$4.8M above original contract
 - \$1.1M below UPS modified contract proposal
 - Special Event Assistants at minimum wage
 - Unarmed Officers at \$.50 above minimum wage
 - Armed Officers at \$1.50 above minimum wage





Resulting analysis through negotiations

			Range of	Total
	Progression	# of	Pay	Costs
Position	Steps	FTE	Effective 7/7/2016	By Category
Special Events Officers	1	7	\$10.50	\$ 1,271,998
Unarmed Officers	11 to 1 by Jan 2019	83	\$11.00 - \$12.10	16,137,590
Armed Officers	7 to 1 by 2021	85	\$11.50 - \$14.08	18,091,703
Armed Courier Service	1	1	\$11.50	181,354
Armed Sergeant (Supervisors)	13	14	\$14.51 - \$17.85	3,244,748
Armed Lieutenant (Managers)	1	2	\$20.00	615,881
Dispatch / CCTV Officer	1	1	\$18.50	273,882
Armed Captain	1	1	\$34.61	512,430
Other Contract costs				3,525,127

Total FTE 194 \$ 43,854,712

^{**}Armed officers begin receiving \$1.50 above minimum on 1/1/2017.





^{*}Reflects beginning of fiscal year rates as chart is broken out by fiscal year and increases are on January of each year. Calculations incorporate mid-fiscal year increases.

- Presented to Budget Development Committee on January 31, 2017
 - Contract totaling \$43,854,712
 - Compliant with minimum wage law
 - Eliminates progression tiers within contract period
 - Assumes same service levels of original RFP
- Internal Initiative (Redeployment of Resources):
 - Internal efforts to streamline operations, efficiency and deployment reconfiguration of internal and contracted officers has been undertaken





Transit Enforcement Components

- Contractor Security Officers (UPS):
 - 194 Personnel (allocated)
 - Armed Officers = 85 FTE
 - Unarmed Officers = 83 FTE
 - Private Person's arrest 837 PC
- MTS Code Compliance Inspectors (CCI):
 - 34 Personnel
 - Public Officers with Powers of Arrest





Staffing Proposal Change

- Reduce the Number of Contract Security Officers by 50
 - Contracted Officers
- Increase the Number of Code Compliance Inspectors (CCI) by 30
 - MTS Employees
 - By eliminating the barrel day for CCI's and making changes to the deployment schedule, we can increase the uniform presence during Day Watch, essentially maintain the same uniform presence during Night Watch, and triple our enforcement capability/authority.





Adjustment of Resources (FTE)

Transit Enforcement Employees	Current Number of FTE	Proposed Number of FTE	Variance Number of FTE
T.E. Inspectors	21.0	51.0	30.0
T.E. Supervisors	13.0	13.0	0
Total MTS Employees	34.0	64.0	30.0
UPS Contract Security	Current Number of FTE	Proposed Number of FTE	Variance Number of FTE
Unarmed Officers *	84.0	57.0	(27.0)
Armed Officers	85.0	65.0	(20.0)
Armed Courier Service	1.0	1.0	
Armed Captain	1.0	1.0	<u>-</u>
Armed Lieutenant (Manager)	2.0	2.0	
Armed Sergeant (Manager)	14.0	11.0	(3.0)
Special Events Officers	7.0	7.0	
Total UPS Contract FTE	194.0	144.0	(50.0)
Total Enforcement Staff	228.0	208.0	(20.0)

^{*} Includes the Dispatch / CCTV officer





Day Watch Staffing Tables

	CURRENTLY	1		PROPOSED			
	Inspect	Inspectors & Officers			Insp	ectors & C	officers
	MTS CCI	UPS	Totals		MTS CCI	UPS	Totals
Sunday	5	34	39	Sunday	12	29	41
Monday	5	34	39	Monday	14	29	43
Tuesday	5	34	39	Tuesday	14	29	43
Wednesday	10	68	78*	Wednesday	14	58	72
Thursday	5	34	39	Thursday	14	29	43
Friday	5	34	39	Friday	14	29	43
Saturday	5	34	39	Saturday	14	29	43
* Barrel D	ay			Average Daily CCI Variance	12 to 14		

^{**} A train team consists of one UPS Officer and One MTS CCI





Night Watch Staffing Tables

CURRENTLY				PROPOS	SED		
	Insp	ectors	& Officers		in	spectors	& Officers
	MTS CCI	UPS	Totals	STILL ROSUBLILLES	MTS CCI	UPS	Totals
Sunday	5	45	50	Sunday	13	34	47
Monday	5	45	50	Monday	15	34	49
Tuesday	5	45	50	Tuesday	16	34	50
Wednesday	10	90	100*	Wednesday	16	68	84
Thursday	5	45	50	Th sday	17	34	51
Friday	5	45	50	Friday	16	34	50
Saturday	5	45	50	Saturday	15	34	49
* Barrel D	ay			Daily CCI Variance	13 to 17		

^{**} A train team consists of one UPS Officer and One MTS CCI





Deployment Plan

- Implement Service Area (Sectors) and Beat Structure model
- Train Teams will be responsible for their respective beats (generally 3 - 5 stations)
- Maintain fixed post assignments at the busiest Transit Stations



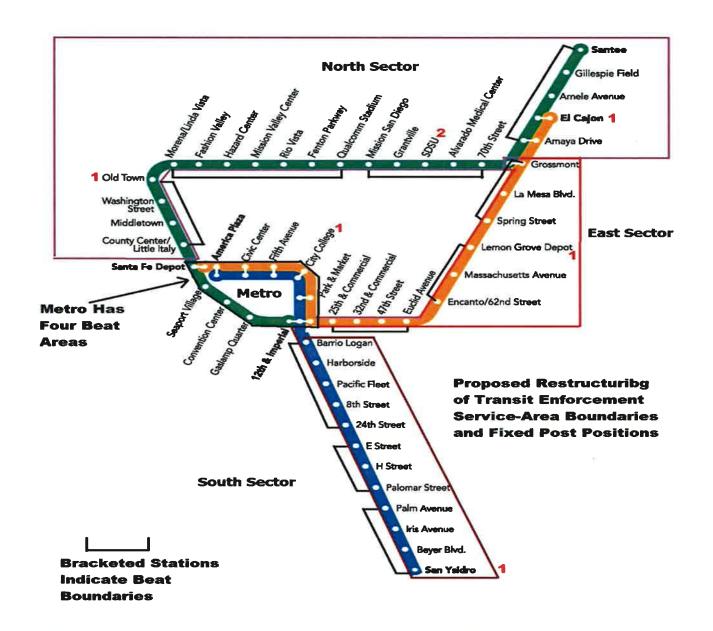




Current Day Watch Fixed Post Positions (TSS officers) - 5 Train Teams responsible or all Code enforcement System-wide







Proposed Beats and Fixed Post Positions - an average of 15 Train Teams responsible for Code enforcement system-wide





Benefits

- Increased uniform presence/visibility on-board trolleys and Transit Stations - improved perception of security
- Increased enforcement of MTS ordinances and transit related laws - reduce fare evasion
- Better trained, career-minded employees improved professionalism
- Eliminates need for the Eagle Team eliminates Eagle Team overtime
- Improves personnel retention
- Projected savings of over \$1 million





Officer Reallocation Budget Impact

	FY-18	FY-19	FY-20	FY-21	Total
Internal CCI Additions (30 FTE)	\$1,691,635	\$1,742,208	\$1,794,624	\$1,848,288	\$ 7,076,755
Projected Overtime Savings	(100,000)	(100,000)	(100,000)	(100,000)	(400,000)
Start up Costs	209,970		12/1		209,970
Total Internal Costs	1,801,605	1,642,208	1,694,624	1,748,288	6,886,725
UPS 50 Personnel Reduction	(1,873,676)	(1,906,595)	(2,007,246)	(2,146,723)	(7,934,240)
Budget Cost / (Savings)	\$ (72,071)	\$ (264,387)	\$ (312,622)	\$ (398,435)	\$ (1,047,515)

- The proposed staffing plan would increase internal costs by \$6.9 million and reduce UPS contract by \$7.9 million saving MTS \$1.05 million.
- Plan would modify contract with UPS from \$43.9 million proposed to \$35.9 million.





Combined Budget / Contract Impact

Contract Analysis

Original UPS Contract	39,037,552
Impact of Negotiations (Minimum Wage)	4,817,160
Net Change (Negotiations)	43,854,712
Reduction in Contract (FTE Reallocation)	(7,934,240)
Net UPS Contract	35,920,472

Budget Impact

Impact of Negotiations (Minimum Wage)	4,817,160
Net Savings Relative to Reallocation Initiative	(1,047,515)
Net Budget Impact	3,769,645





Recommendation

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

- Receive a report on updated negotiations with Universal Protection Services (UPS) and a reallocation of UPS contracted officers to internal Code Compliance Officers;
- 2. Approve the increased contract spend to the UPS security services contract, MTS Doc. No. G1828.0-15 (as summarized in Attachment A), as a result of the latest minimum wage modifications and negotiations with UPS; and
- 3. Approve reducing a total of fifty (50) full time equivalent (FTE) UPS contracted officers (27 Unarmed Officers, 20 Armed Officers and 3 Armed Sergeants) from the existing UPS contract and increasing internal Code Compliance Officers by 30 FTEs.







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

Agenda Item No. 45

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 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.

Paul C. Jablonski Chief Executive Officer

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









Transit Optimization Plan Project Update

MTS Board of Directors February 16, 2017





Goals:

- Update the 10-year old COA
- Reverse recent ridership trend
- Improve system and network for riders
- Reinvest in most productive services
- Simplify system, improve service quality
- Plan for South Bay Rapid and Mid-Coast



Schedule:

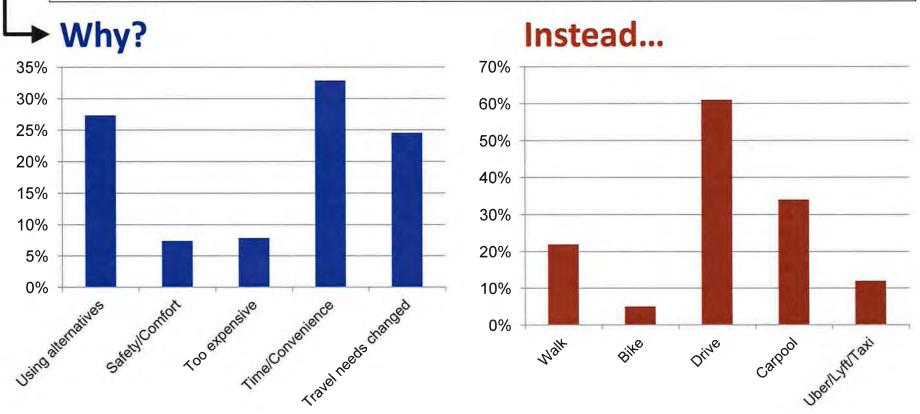
- Fall 2016: Kick off with public outreach and survey, data collection, market analysis, service analysis
- Now: develop service proposals & implementation plan
- Spring 2017: Public outreach, Title VI Analysis, Public Hearing
- Summer 2017 Winter 2018: Implement changes





TOP Community Survey: MTS Riders

	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%



Community Survey: Non-riders

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





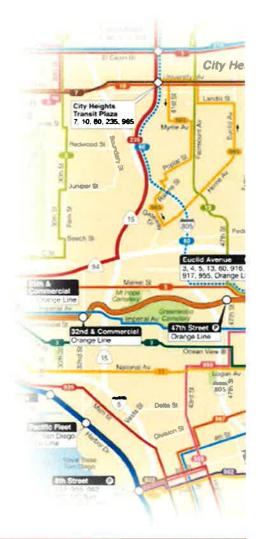
Service Implementation Plan

Approach:

- Policy 42 principles: service that is <u>Customer-Focused</u>, <u>Competitive</u>, <u>Integrated</u>, <u>Sustainable</u>
- Utilize public outreach input & survey data
- Robust data and market analysis
- Layering a network from the ground-up

Concept Development:

- Strengthen the core frequent service network
- Simplify the system
- Increase reliability
- Allocate resources to most productive use
- Highest levels of service to the most riders







Service Implementation Plan

Concepts in Development for Improvements

- Expand reach of the frequent service network (services operating all day, weekdays every 15 min. or better)
- Evaluate "super frequent" service operating every 10 min. or better
- Improve reliability & service quality by revising our longest routes
- Improve travel times by reducing "OOD" segments
- Identify infrastructure improvements that can reduce travel times (+ Designing for Transit Manual)







Service Implementation Plan

Potential Trade-Off Issues

- Service development is assuming budget neutral result
- Consideration for future budget uncertainties
- Service enhancements achievable through reinvestment of underutilized resources:
 - Consider revisions to / viability of underperforming routes
 - Some low-productivity segments could be deleted, others restructured
 - Adjust segment frequencies to match demand





Average Weekday Ridership

System:

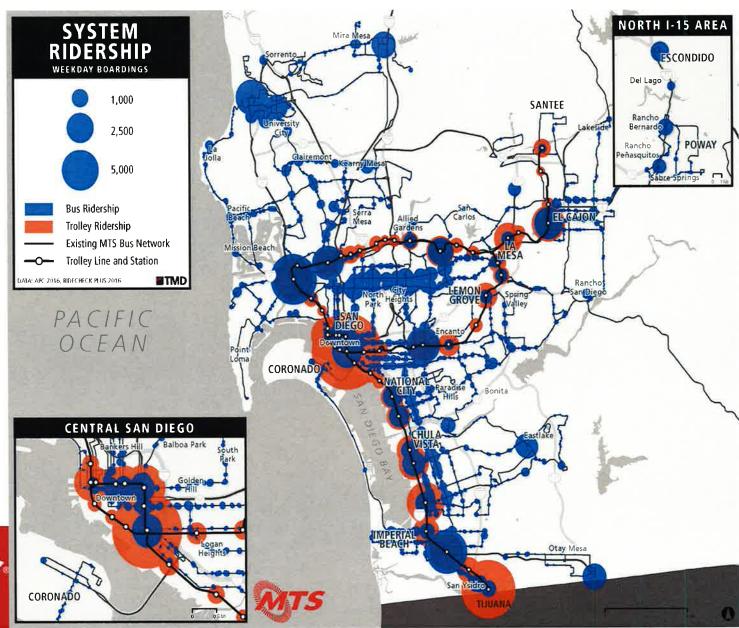
310,014

Bus:

189,384

Trolley:

120,630

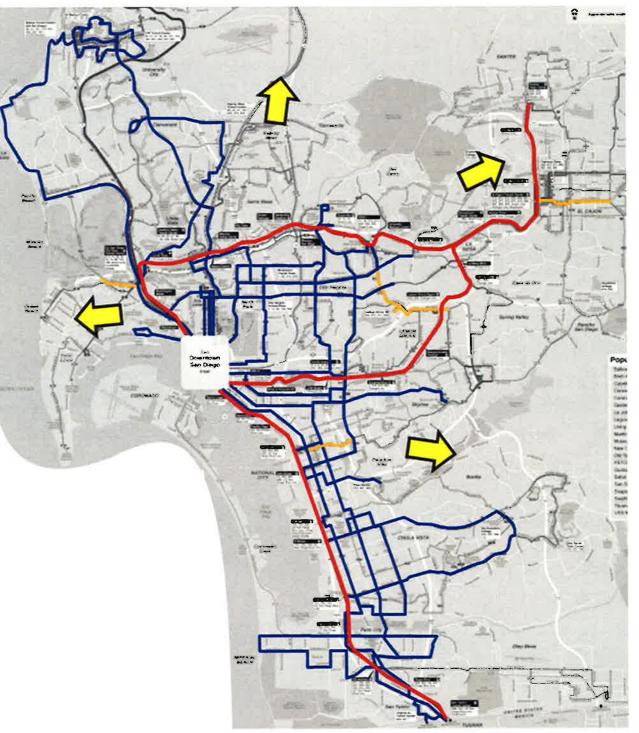




Existing Frequent Network

- Backbone of bus system
- Expansion of network as warranted by demand
- Evaluate "super frequent" service operating every 10 min. or better

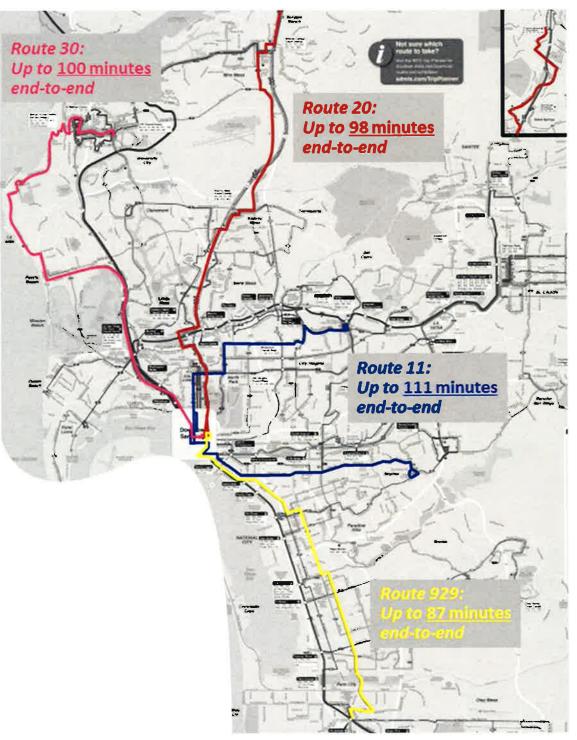




Long Routes

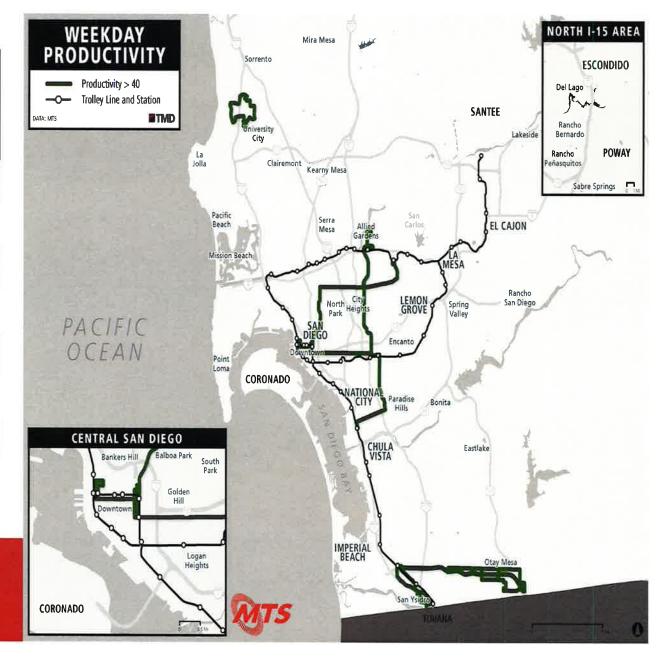
- Reliability is challenged by more opportunities for schedule disruption
- Long routes with varying characteristics are more difficult to adjust for capacity asneeded for individual segments
- But...splitting routes can inconvenience throughriders and require more resources





Productivity

Bus Route	Productivity (Boardings per Revenue Hour)
5	47.3
13	46
201/202	61.6
215	41.6
905	47.5
906/907	42.4
901	42.8
950	44.8

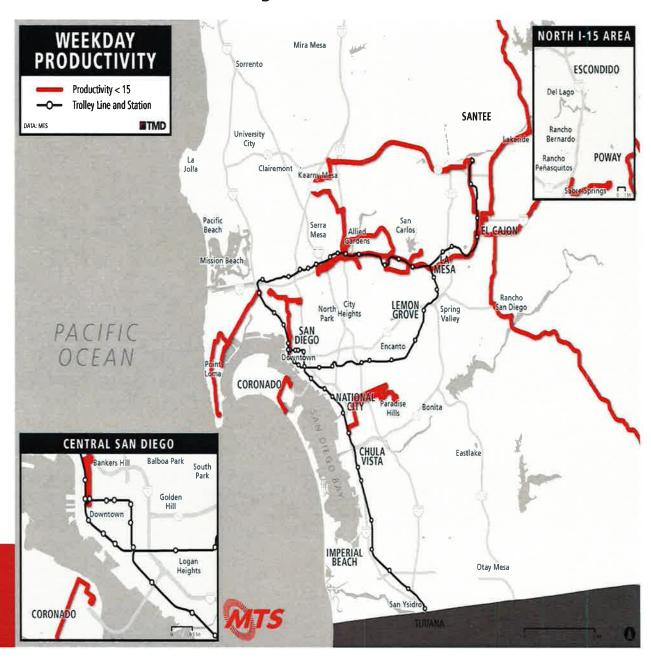




Productivity

Bus Route	Productivity (Boardings per Revenue Hour)
14	10.3
18	12.4
83	10.7
870	10.2
904	12
944	10.8
967	13.7
968	14.4
All Rural Routes	Below 8





Next Steps

$\overline{\mathbf{V}}$	Community Survey
$\overline{\mathbf{Q}}$	Market Analysis
$\overline{\mathbf{V}}$	Service Analysis
	Service Implementation Plan – IN PROGRESS
	Public Outreach
	Scheduling
	Implementation
	Designing for Transit Manual
	Feeder Bus Studies







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Agenda Item No. 46

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

SUBJECT:

ON BOARD TRANSIT PASSENGER SURVEY (BRIAN LANE WITH SANDAG)

INFORMATIONAL ONLY

Budget Impact

None at this time.

DISCUSSION:

The San Diego Association of Governments (SANDAG) in cooperation with MTS and North County Transit District conducted a survey onboard all fixed bus, train, and Trolley routes in the region from February through November 2015 in order to inform transit planning. SANDAG staff will provide a report on survey results.

The complete results of the survey can be found on SANDAG's website through the following link:

http://www.sandag.org/index.asp?classid=13&subclassid=9&projectid=494&fuseaction=projects.detail

Paul C. Jablopski Chief Executive Officer

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





RESULTS OF THE 2015 ONBOARD TRANSIT PASSENGER SURVEY

MTS Board Meeting February 16, 2017



Data Collected

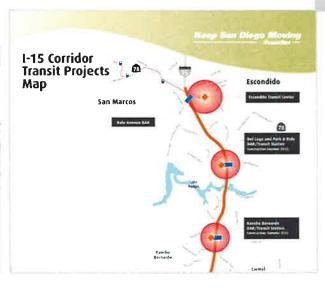
- Demographic profile
- Trip behavior
- Payment information
- Service assessment



Data Uses







Title VI/Social Equity
Analysis

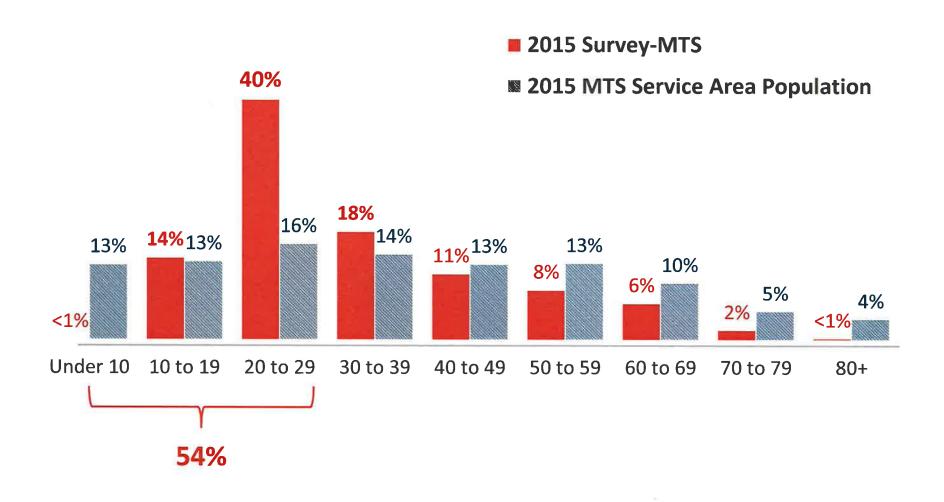
Modeling

Transit Planning

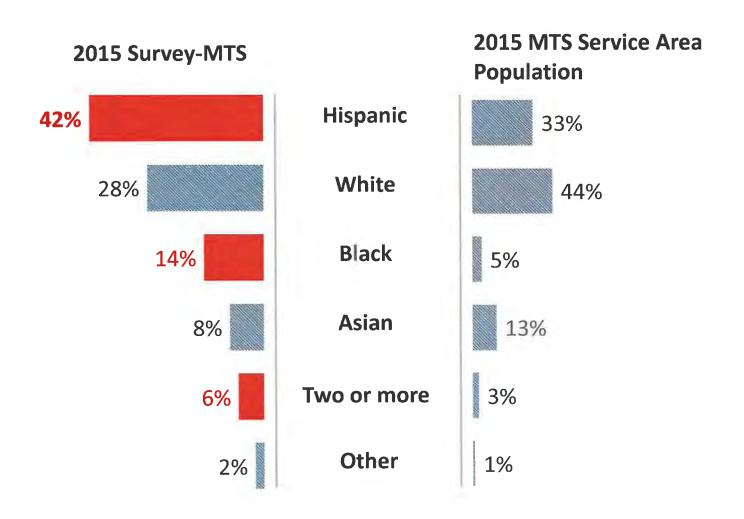
Demographic Analysis

- Age
- Ethnicity
- Income
- Automobile Availability

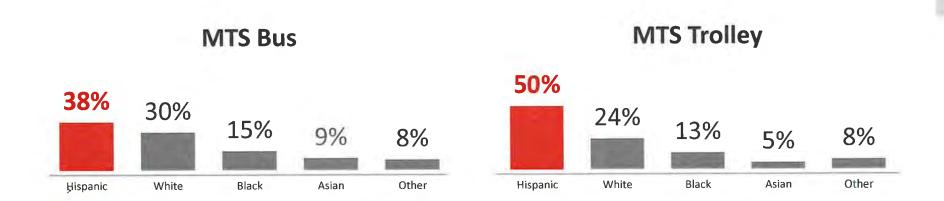
More 20 to 29 Year Olds are Transit Passengers Compared to the General Population



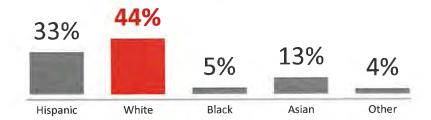
Hispanics are the Largest Ethnic Group Among Transit Passengers



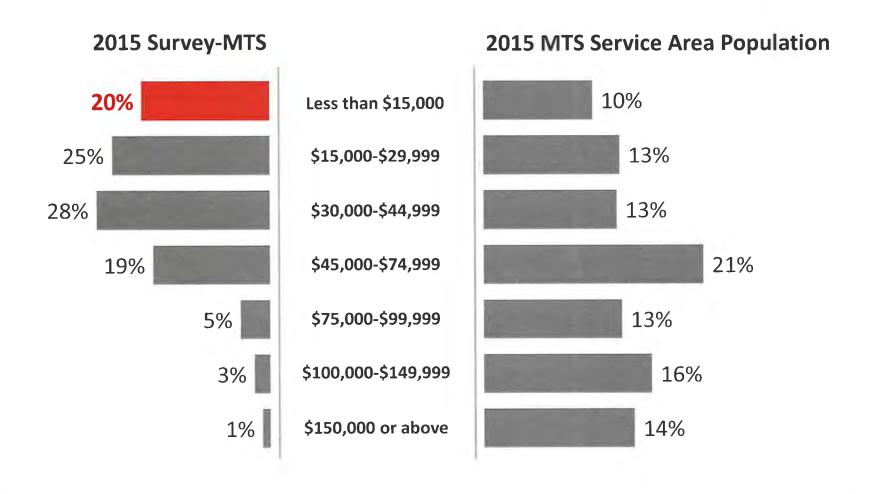
Trolley Passengers Primarily Hispanic



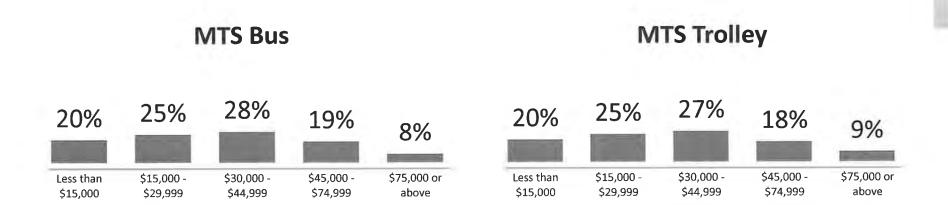
2015 MTS Service Area Population



Household Income for Transit Passengers Lower than General Population



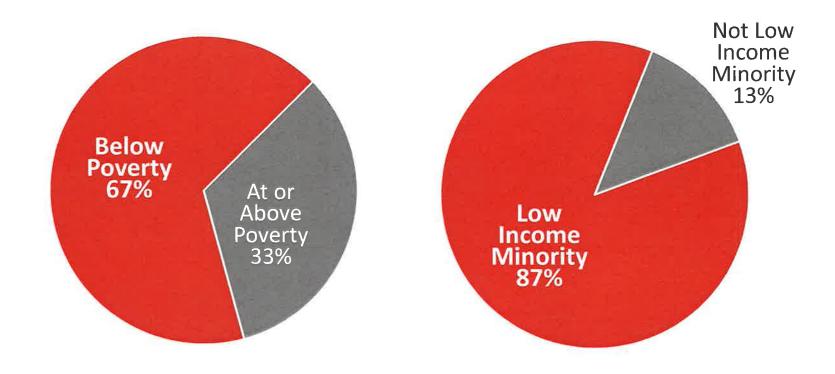
Incomes Similar Across Transit Services



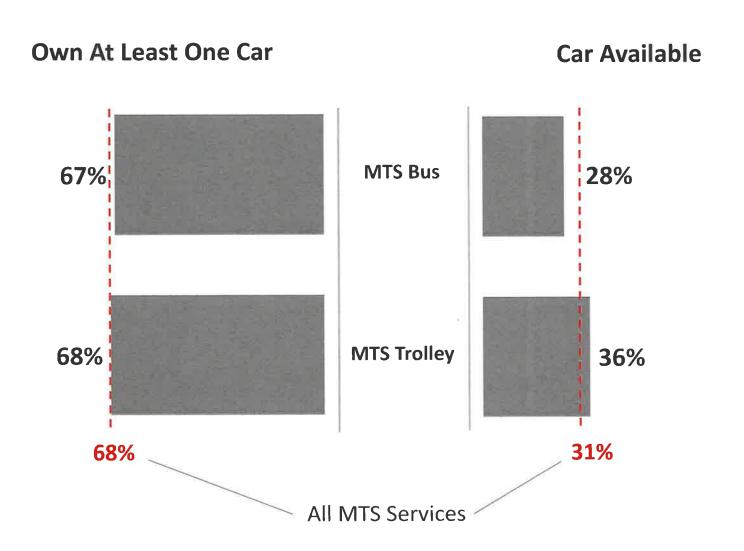
2015 MTS Service Area Population



Most Passengers are Low Income Minority



Car Availability Among MTS Passengers



Demographic Changes Since 2009

- 2015 Survey
- 2009 Survey

34 years of age or younger





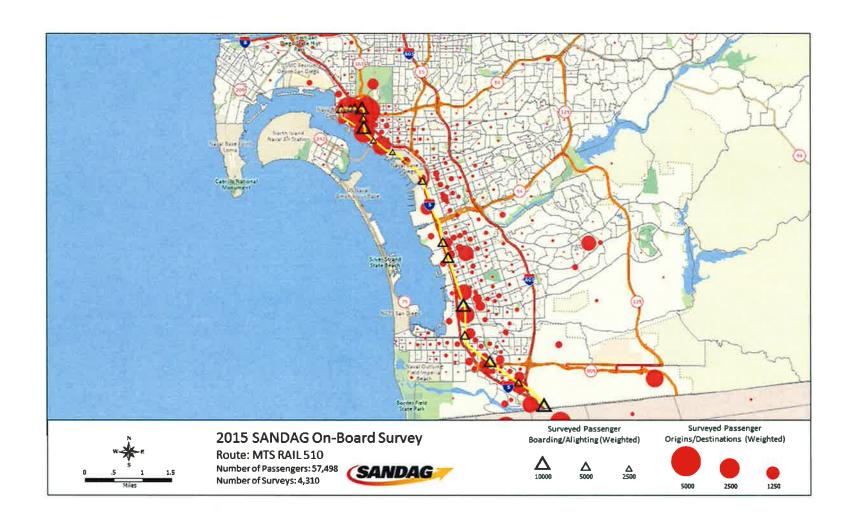
Household Income Less than \$15,000



0%

100%

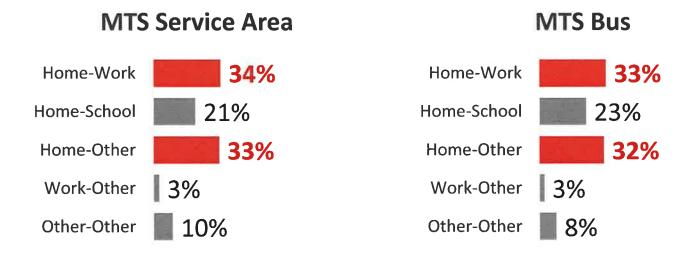
Planners and Modelers Need Travel Behavior Data



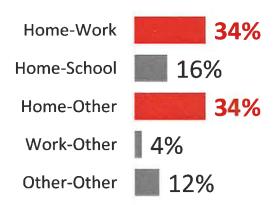
Customer Behavior Information

- Trip Purpose
- Mode to Access Transit
- Ridership Frequency
- Fare Type Usage
- Customer Satisfaction

Home to Work Most Frequent Trip Purpose

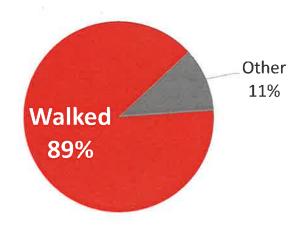


MTS Trolley

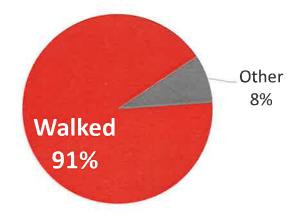


Most Passengers Walk to and from Transit

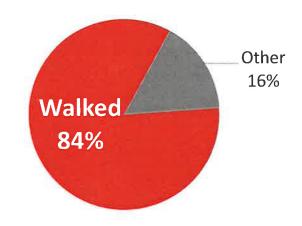
Access to Transit



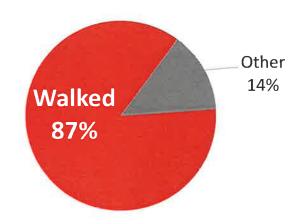
Going to Final Destination From Transit



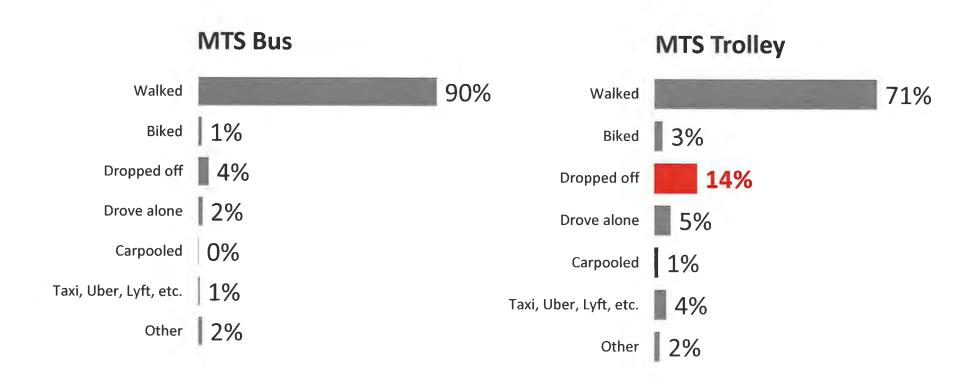
Access To Transit From Home



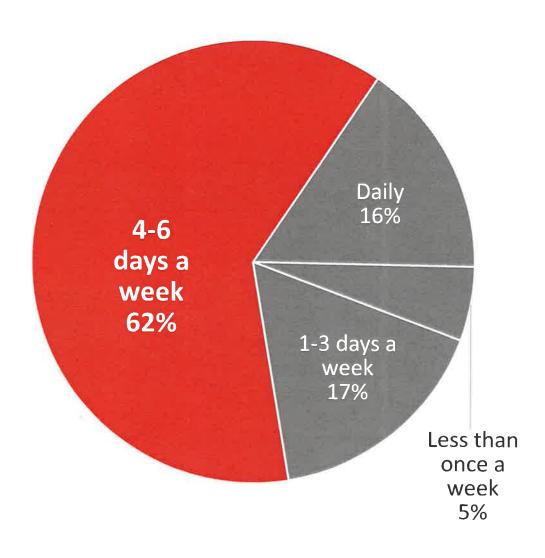
Going Home From Transit



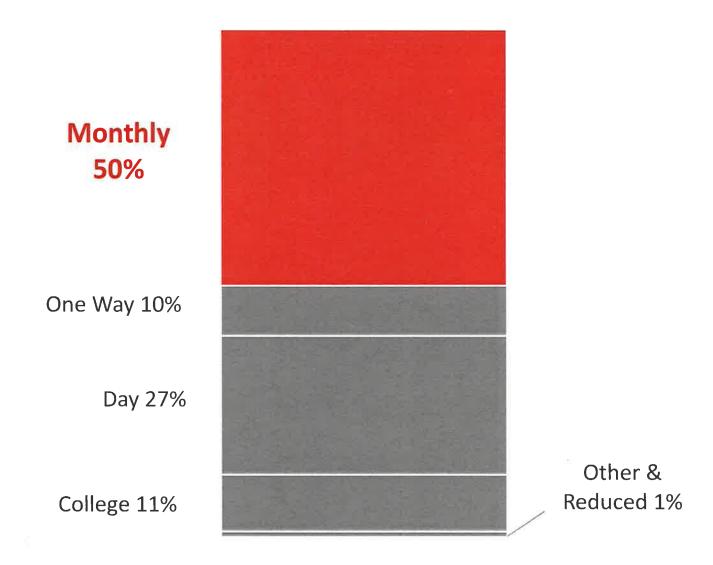
Trolley Passengers Dropped Off at Transit More



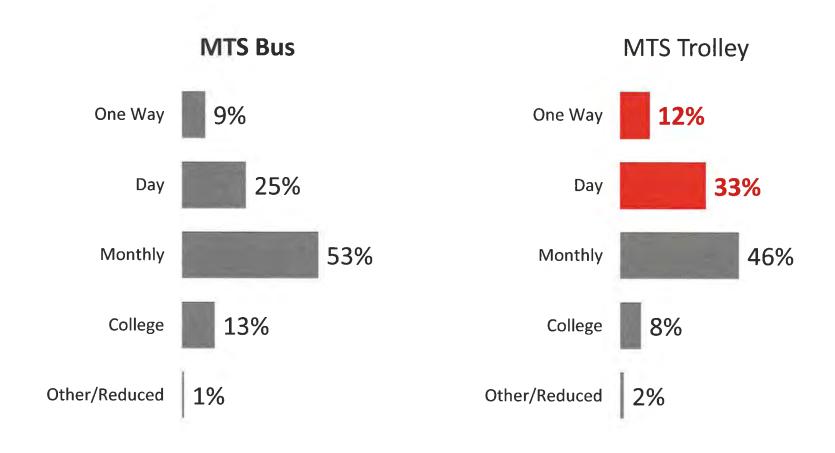
Most Passengers Ride at Least Four Days a Week



Use of Monthly Passes is Common



Fare Type Varies Across Services



Transit Service Satisfaction is High



Customer Behavior Changes Since 2009

- 2015 Survey
- 2009 Survey



Ride 4-6 days/week 56% 62%





Satisfied with Transit Service



0%

100%



QUESTIONS?

Brian.Lane@sandag.org (619) 699-7331 Darlanne.Mulmat@sandag.org (619) 699-7326





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Agenda Item No. 47

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 16, 2017

SUBJECT:

OPERATIONS BUDGET STATUS REPORT FOR DECEMBER 2016 (MIKE THOMPSON)

INFORMATIONAL ONLY

Budget Impact

None at this time.

DISCUSSION:

This report summarizes the year-to-date operating results for December 2016 compared to the fiscal year (FY) 2017 adopted budget for San Diego Metropolitan Transit System (MTS). Attachment A-1 combines the operations', administrations' and other activities' results for December 2016. Attachment A-2 details the December 2016 combined operations' results and Attachments A-3 to A-7 present budget comparisons for each MTS operation. Attachment A-8 details budget comparisons for MTS Administration, and Attachment A-9 provides December 2016 results for MTS's other activities (Taxicab/San Diego and Arizona Eastern Railway Company).

MTS NET-OPERATING SUBSIDY RESULTS

As indicated within Attachment A-1, for the year-to-date period ending December 2016, MTS's net-operating income favorable variance totaled \$186,000 (0.2%). Operations produced a \$799,000 (-1.0%) unfavorable variance and the administrative/other activities areas were favorable by \$985,000.

MTS COMBINED RESULTS

Revenues. Year-to-date combined revenues through December 2016 were \$54,788,000, compared to the year-to-date budget of \$58,214,000, representing a



\$3,425,000 (-5.9%) unfavorable variance. This is primarily due to unfavorable variances within Passenger Fare revenues.

<u>Expenses.</u> Year-to-date combined expenses through December 2016 were \$133,889,000 compared to the budget of \$137,501,000, resulting in a \$3,611,000 (2.6%) favorable variance.

<u>Personnel Costs</u>. Year-to-date personnel-related costs totaled \$63,882,000, compared to a budgetary figure of \$65,231,000, producing a favorable variance of \$1,349,000 (2.1%).

Outside Services and Purchased Transportation. Total outside services for the first six months of the fiscal year totaled \$46,866,000, compared to a budget of \$47,860,000, resulting in a favorable variance of \$994,000 (2.1%).

<u>Materials and Supplies</u>. Total year-to-date materials and supplies expenses were \$5,238,000, compared to a budgetary figure of \$5,708,000, resulting in a favorable variance of \$469,000 (8.2%).

<u>Energy</u>. Total year-to-date energy costs were \$13,614,000, compared to the budget of \$14,377,000 resulting in a favorable variance of \$763,000 (5.3%).

<u>Risk Management</u>. Total year-to-date expenses for risk management were \$1,734,000, compared to the budget of \$2,020,000, resulting in a favorable variance totaling \$286,000 (14.2%).

General and Administrative. The year-to-date general and administrative costs, including vehicle and facilities leases, were \$2,555,000 through December 2016, compared to a budget of \$2,305,000, resulting in an unfavorable variance of \$249,000 (-10.8%).

YEAR-TO-DATE SUMMARY

The December 2016, year-to-date net-operating income totaled a favorable variance of \$186,000 (0.2%). These factors include favorable variances in personnel costs, outside services, materials and supplies, energy and risk management; offset by unfavorable variances in operating revenue and general and administrative costs.

Paul & Jablonski Chief Executive Officer

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

Attachment: A. Comparison to Budget

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

MTS CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2017 DECEMBER 31, 2016

(in \$000's)

	YEAR					R TO DATE				
	A	ACTUAL		BUDGET		RIANCE	VAR. %			
Passenger Revenue	\$	\$ 47,361		51,064	\$	(3,703)	-7.3%			
Other Revenue	_	7,427	_	7,149	_	278	3.9%			
Total Operating Revenue	\$	54,788	\$	58,214	\$	(3,425)	-5.9%			
Personnel costs	\$	63,882	\$	65,231	\$	1,349	2.1%			
Outside services		46,866		47,860		994	2.1%			
Transit operations funding		-		-		-	2			
Materials and supplies		5,238		5,708		469	8.2%			
Energy		13,614		14,377		763	5.3%			
Risk management		1,734		2,020		286	14.2%			
General & administrative		1,947		1,668		(280)	-16.8%			
Vehicle/facility leases		607		637		30	4.7%			
Amortization of net pension asset							2.			
Administrative Allocation		4.4		0		0	0.0%			
Depreciation	_		_		_		-			
Total Operating Expenses	\$	133,889	\$	137,501	\$	3,611	2.6%			
Operating income (loss)	\$	(79,101)	\$	(79,287)	\$	186	0.2%			
Total public support and nonoperating revenues		(849)		(1,104)		255	-23.1%			
Income (loss) before capital contributions	\$	(79,950)	\$	\$ (80,391)		441	-0.5%			

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OPERATIONS CONSOLIDATED OPERATIONS

COMPARISON TO BUDGET - FISCAL YEAR 2017 DECEMBER 31, 2016 (in \$000's)

	YEAR TO DATE								
	A	ACTUAL		BUDGET		RIANCE	VAR. %		
Passenger Revenue	\$	47,361	\$	51,064	\$	(3,703)	-7.3%		
Other Revenue	_	507		353		154	43.8%		
Total Operating Revenue	\$	47,868	\$	51,417	\$	(3,549)	-6.9%		
Personnel costs	\$	53,706	\$	54,769	\$	1,063	1.9%		
Outside services		39,667		40,174		507	1.3%		
Transit operations funding				-		-	÷		
Materials and supplies		5,343		5,692		349	6.1%		
Energy		13,231		13,955		724	5.2%		
Risk management		1,550		1,787		236	13.2%		
General & administrative		370		249		(121)	-48.8%		
Vehicle/facility leases		523		514		(9)	-1.7%		
Amortization of net pension asset		4		7 -		-	-		
Administrative Allocation		13,962		13,962		0	0.0%		
Depreciation	_	-	_				- 4		
Total Operating Expenses	\$	128,352	\$	131,102	\$	2,749	2.1%		
Operating income (loss)	\$	(80,484)	\$	(79,685)	\$	(799)	-1.0%		
Total public support and nonoperating revenues		(360)		(364)		4	-1.1%		
Income (loss) before capital contributions	\$	(80,844)	\$	(80,049)	\$	(795)	1.0%		

SAN DIEGO METROPOLITAN TRANSIT SYSTEM OPERATIONS TRANSIT SERVICES (SAN DIEGO TRANSIT CORPORATION) COMPARISON TO BUDGET - FISCAL YEAR 2017 DECEMBER 31, 2016

(in \$000's)

YEAR TO DATE **ACTUAL BUDGET VARIANCE** VAR. % 12,014 13,219 \$ (1,205)-9.1% \$ \$ Passenger Revenue 2 3 (1) -32.5% Other Revenue \$ \$ (1,206)-9.1% **Total Operating Revenue** \$ 12,016 13,221 35,951 \$ 36,854 \$ 904 2.5% Personnel costs \$ 1,470 858 (612)-71.4% Outside services -Transit operations funding 2,168 2,184 16 0.7% Materials and supplies 2,989 3,075 86 2.8% Energy 16.3% 733 876 143 Risk management -70.8% 200 117 (83)General & administrative 196 12 6.1% 184 Vehicle/facility leases Amortization of net pension asset 4,907 4,907 0.0% Administrative Allocation Depreciation 0.9% 49,066 \$ 466 **Total Operating Expenses** 48,601 -2.1% (36,585)(35,845)\$ (740)Operating income (loss) 0.2% Total public support and nonoperating revenues (475)(474)**(1)**

\$

(37,060)

\$

(36,319)

Income (loss) before capital contributions

(741)

2.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OPERATIONS RAIL OPERATIONS (SAN DIEGO TROLLEY, INCORPORATED)

COMPARISON TO BUDGET - FISCAL YEAR 2017 DECEMBER 31, 2016 (in \$000's)

	YEAR TO DATE							
	ACTUAL		BUDGET		VARIANCE		VAR. %	
Passenger Revenue	\$	20,274	\$	21,833	\$	(1,559)	-7.1%	
Other Revenue	, 	505		350		155	44.2%	
Total Operating Revenue	\$	20,779	\$	22,183	\$	(1,405)	-6.3%	
Personnel costs	\$	17,423	\$	17,376	\$	(47)	-0.3%	
Outside services		2,132		2,961		830	28.0%	
Transit operations funding		=		<u> =</u>		•	2	
Materials and supplies		3,169		3,484		314	9.0%	
Energy		6,242		6,661		419	6.3%	
Risk management		810		903		93	10.3%	
General & administrative		170		124		(46)	-37.3%	
Vehicle/facility leases		190		163		(28)	-16.9%	
Amortization of net pension asset		÷		3		•	<u>a</u>	
Administrative Allocation		7,982		7,982		•	0.0%	
Depreciation	_	-	_					
Total Operating Expenses	\$	38,118	\$	39,653	\$	1,535	3.9%	
Operating income (loss)	\$	(17,340)	\$	(17,470)	\$	131	0.7%	
Total public support and nonoperating revenues		5				5	Ξ	
Income (loss) before capital contributions	\$	(17,335)	\$	(17,470)	\$	136	-0.8%	

SAN DIEGO METROPOLITAN TRANSIT SYSTEM OPERATIONS MULTIMODAL OPERATIONS (FIXED ROUTE) COMPARISON TO BUDGET - FISCAL YEAR 2017 DECEMBER 31, 2016 (in \$000's)

	YEAR TO DATE								
	A	CTUAL	В	BUDGET		RIANCE	VAR. %		
Passenger Revenue	\$	13,456	\$	14,671	\$	(1,215)	-8.3%		
Other Revenue		0	_	-		0	-		
Total Operating Revenue	\$	13,456	\$	14,671	\$	(1,214)	-8.3%		
Personnel costs	\$	90	\$	269	\$	179	66.6%		
Outside services		27,111		27,673		562	2.0%		
Transit operations funding				+					
Materials and supplies		6		25		19	76.7%		
Energy		2,997		2,888		(108)	-3.7%		
Risk management		-		-		÷	÷ .		
General & administrative		0		3		3	92.7%		
Vehicle/facility leases		9		16		7	43.1%		
Amortization of net pension asset		4		4		ė	*		
Administrative Allocation		806		806		0	0.0%		
Depreciation	-	1	_	-	-		- 4/-		
Total Operating Expenses	\$	31,018	\$	31,680	\$	662	2.1%		
Operating income (loss)	\$	(17,562)	\$	(17,010)	\$	(552)	-3.2%		
Total public support and nonoperating revenues				,-		1961			
Income (loss) before capital contributions	\$	(17,562)	\$	(17,010)	\$	(552)	3.2%		

SAN DIEGO METROPOLITAN TRANSIT SYSTEM OPERATIONS MULTIMODAL OPERATIONS (PARATRANSIT) COMPARISON TO BUDGET - FISCAL YEAR 2017 DECEMBER 31, 2016 (in \$000's)

	YEAR TO DATE							
	ACTUAL		BUDGET		VARIANCE		VAR. %	
Passenger Revenue	\$	1,617	\$	1,342	\$	276	20.5%	
Other Revenue								
Total Operating Revenue	\$	1,617	\$	1,342	\$	276	20.5%	
Personnel costs	\$	54	\$	82	\$	28	34.0%	
Outside services		8,696		8,423		(273)	-3.2%	
Transit operations funding		5		=		•	<u>=</u>	
Materials and supplies		=		-		•	<u>2</u>	
Energy		1,004		1,331		327	24.6%	
Risk management		8		8		•	0.0%	
General & administrative		0		5		5	99.8%	
Vehicle/facility leases		140		140		0	0.0%	
Amortization of net pension asset		=		=		. **	ā	
Administrative Allocation		266		266		(0)	0.0%	
Depreciation		•		# # # # # # # # # # # # # # # # # # #			= =	
Total Operating Expenses	\$	10,167	\$	10,254	\$	87	0.8%	
Operating income (loss)	\$	(8,550)	\$	(8,912)	\$	362	4.1%	
Total public support and nonoperating revenues		-				\$ 	-	
Income (loss) before capital contributions	\$	(8,550)	\$	(8,912)	\$	362	-4.1%	

SAN DIEGO METROPOLITAN TRANSIT SYSTEM OPERATIONS

CORONADO FERRY

COMPARISON TO BUDGET - FISCAL YEAR 2017 DECEMBER 31, 2016 (in \$000's)

	YEAR TO DATE								
	ACTUAL		BUDGET		VARIANCE		VAR. %		
Passenger Revenue	\$	¥	\$	Ē	\$	≝	₩Y.		
Other Revenue		¥		<u>.</u>		<u> </u>	27		
Total Operating Revenue	\$	#1	\$	¥	\$	7	3		
Personnel costs	\$	3)	\$	â	\$	Ŀ	81		
Outside services		103		103		-	0.0%		
Transit operations funding		30		=		, T	-		
Materials and supplies		 /2		8		9 .5	ã.		
Energy		₹X		=		97	<u> </u>		
Risk management		20		=		(5	iii		
General & administrative		= 1		5		U.F.	=		
Vehicle/facility leases		=		Fi.			標		
Amortization of net pension asset		6 /2		5			a.		
Administrative Allocation		-		π.		(e)	st.		
Depreciation									
Total Operating Expenses	\$	103	\$	103	\$: #	0.0%		
Operating income (loss)	\$	(103)	\$	(103)	\$. 	0.0%		
Total public support and nonoperating revenues		110		110			0.0%		
Income (loss) before capital contributions	\$	7	\$	7	\$		0.0%		

SAN DIEGO METROPOLITAN TRANSIT SYSTEM ADMINISTRATION CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2017 DECEMBER 31, 2016 (in \$000's)

	YEAR TO DATE								
	ACTUAL		BUDGET		VARIANCE		VAR. %		
Passenger Revenue	\$	21	\$	₽	\$	12	-		
Other Revenue		6,736		6,544		192	2.9%		
Total Operating Revenue	\$	6,736	\$	6,544	\$	192	2.9%		
Personnel costs	\$	9,690	\$	9,923	\$	233	2.3%		
Outside services		7,162		7,612		450	5.9%		
Transit operations funding		*		<u>=</u>		+	<u>=</u>		
Materials and supplies		(106)		12		119	984.4%		
Energy		379		414		34	8.3%		
Risk management		176		225		50	22.0%		
General & administrative		1,512		1,361		(151)	-11.1%		
Vehicle/facility leases		73		110		37	34.0%		
Amortization of net pension asset				Ē			5		
Administrative Allocation		(14,034)		(14,034)		:=	0.0%		
Depreciation				<u> </u>					
Total Operating Expenses	\$	4,852	\$	5,624	\$	772	13.7%		
Operating income (loss)	\$	1,884	\$	920	\$	964	-104.7%		
Total public support and nonoperating revenues		(489)		(740)		251	-33.9%		
Income (loss) before capital contributions	\$	1,395	\$	181	\$	1,215	672.8%		

SAN DIEGO METROPOLITAN TRANSIT SYSTEM OTHER ACTIVITIES CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2017 DECEMBER 31, 2016 (in \$000's)

	YEAR TO DATE						
	AC	TUAL	BU	DGET	VAR	IANCE	VAR. %
Passenger Revenue	\$	2 8	\$	2	\$	22	2
Other Revenue		185		253		(68)	-26.9%
Total Operating Revenue	\$	185	\$	253	\$	(68)	-26.9%
Personnel costs	\$	486	\$	539	\$	53	9.9%
Outside services		37		73		37	49.7%
Transit operations funding		3		=		(=	聖
Materials and supplies		2		4		2	47.6%
Energy		4		8		5	54.5%
Risk management		8		8		0	0.8%
General & administrative		65		58		(8)	-13.3%
Vehicle/facility leases		11		13		2	12.6%
Amortization of net pension asset		5 .4		E			<u> </u>
Administrative Allocation		72		72		-	0.0%
Depreciation						<u> </u>	<u> </u>
Total Operating Expenses	\$	685	\$	775	\$	90	11.6%
Operating income (loss)	\$	(501)	\$	(522)	\$	22	4.2%
Total public support and nonoperating revenues		-		π.		25	Ē
Income (loss) before capital contributions	\$	(501)	\$	(522)	\$	22	-4.2%

Metropolitan Transit System FY 2017 - December 2016 Financial Review

MTS Board of Directors Meeting February 16, 2017





COMPARISON TO BUDGET – December 30, 2016 - FY 2017 TOTAL OPERATING REVENUES (\$000's)

	ACTUAL	BUDGET	VARIANCE	VAR %
Fare Revenue	\$ 47,361	\$ 51,064	(\$3,703)	-7.3%
Other Operating Revenue	7,427	7,149	278	3.9%
Operating Revenue	\$54,788	\$58,214	(\$3,425)	-5.9%

Fare Revenue

- Plan was for no growth in FY17 over FY16 amended budget
- With the FY16 results, now need \$2.9M of growth to make budget
- Unfavorable to the prior year by \$2.9M (-5.7%)





COMPARISON TO BUDGET – December 30, 2016 - FY 2017 TOTAL OPERATING EXPENSES (\$000's)

	ACTUAL	BUDGET	VA	RIANCE	VAR %
Personnel Costs	\$ 63,882	2 \$ 65,231	\$	1,349	2.1%
Purchased Transportation	34,710	35,039		329	0.9%
Other Outside Services	12,156	12,821		665	5.2%
Energy	13,614	4 14,377		763	5.3%
Other Expenses	9,52	7 10,033		506	5.0%
Operating Expenses	\$133,889	9 \$137,501	\$	3,611	2.6%

- Personnel Costs Favorable experience in Wages and Fringe
- Other Outside Services Timing of Service Contracts
- Energy Favorable experience and billing adjustment





COMPARISON TO BUDGET – December 30, 2016 - FY 2017 TOTAL OPERATING VARIANCE (\$000's)

Combined Net Operating Variance

MTS Operating Revenue

\$ (3,425)

MTS Operating Expenses

3,611

Total Combined Net Operating Variance

\$ 186

Variance Percentage

0.2%





COMPARISON TO BUDGET – December 30, 2016 - FY 2017 ON GOING CONCERNS

			1	YTD		
	В	udget	Α	ctual	Pro	ojected
Sales Tax Subsidy Revenu	\$4	32.8 M	\$24	42.9 M	\$4	21.0 M
State of California Budget	\$	14.5 M	\$2	2.7 M	\$1	13.1 M
Passenger Levels	9	5.3 M	4.	4.8 M	8	9.0 M
Energy Prices						
CNG	\$	0.90	\$	0.91	\$	0.90
Diesel	\$	2.25	\$	1.81	\$	2.02
Gas	\$	2.65	\$	2.38	\$	2.11
Electricity	\$	0.199	\$	0.208	\$	0.199

Favorable
On Target
Unfavorable







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

Agenda Item No. 61

Chief Executive Officer's Report

February 16, 2017

In accordance with Board Policy No. 52, "Procurement of Goods and Services", attached are listings of contracts, purchase orders, and work orders that have been approved within the CEO's authority (up to and including \$100,000) for the period January 11, 2017 through February 7, 2017. *Please note additional reporting of purchase orders that is now possible with the new SAP Enterprise Resource Planning system.

	EXP	EXPENSE CONTRACTS	
Doc#	Organization	Subject	Amount Day
L1193.1-14	CARLOS GUZMAN, INC	REIMBURSE FOR SUPPLIES	\$11,942.07 1/12/2017
G1963.0-17	UCSD	OCCUPATIONAL MEDICAL SERVICES	\$93,448.00 1/13/2017
L1291.1-16	VICTOR STANLEY INC	CHANGE NAME OF CONTRACTOR & EXTEND	\$0.00 1/17/2017
L1320.1-16	KNORR BRAKE CORPORATION	BRAKE REHAB AGREEMENT	\$0.00 1/17/2017
G1844.1-16	PRUDENTIAL OVERALL SUPPLY	UNIFORM RENTAL - TAXI LOCATIONS	\$1,040.00 1/20/2017
G1979.0-17	G1979.0-17 MARINE SHALE PROCESSOR SITE	SETTLEMENT AGRMT	\$4,500.00 1/20/2017
PWL211.1-16	PWL211.1-16 HERZOG CONTRACTING CORPORATION	RPORATION REPLACEMENT 1ST AVE & CST & PARK BLV & J	\$7,537.83 1/26/2017
PWL211.2-16	HERZOG CONTRACTING CORPORATION	PWL211.2-16 HERZOG CONTRACTING CORPORATION REPLACE ADDITIONAL 80 TF 30TH & COMMERCI \$46,862.63 1/26/2017	\$46,862.63 1/26/2017
PWL211.3-16	PWL211.3-16 HERZOG CONTRACTING CORPORATION REPL. 600 EA 9FT TIMBER TIES	REPL. 600 EA 9FT TIMBER TIES	\$10,978.96 1/26/2017
PWL211.4-16	HERZOG CONTRACTING CORPORATION	PWL211.4-16 HERZOG CONTRACTING CORPORATION ADD 347 TF OF RAIL IN THE HORSE SHOE	\$24,290.00 1/26/2017
G1731.11-15	G1731.11-15 LABYRINTH SOLUTIONS	MILESTONE REVISION FOR BUDGET MODULE	\$0.00 1/31/2017
PWG148.4-14	PWG148.4-14 MOBILE RELAY ASSOCIATES	ADD 5 NEW UNITS	\$15,843.00 1/31/2017
PWB194.2-16	PWB194.2-16 M.A. STEVENS CONSTRUCTION	COMPLETION DATE REVISION	\$12,298.41 2/6/2017

	REVEN	REVENUE CONTRACTS & MOUS		
Doc #	Organization	Subject	Amount	Day
M6719.0-17	HAZARD CONSTRUCTION COMPANY	M6719.0-17 HAZARD CONSTRUCTION COMPANY ROE PERMIT CALTRANS SD STATE & LA MESA		\$750.00 1/11/2017
L1361.0-17	-1361.0-17 BAYSIDE SD	SOUTH OF GRAPE STREET	\$3,500.00 1/13/2017	1/13/2017
L1326.0-17	L1326.0-17 HP COMMUNICATIONS, INC.	ROE - INSTALLING A 6' CASING PIPE	\$2,250.00 1/17/2017	1/17/2017
L6755.0-17	L6755.0-17 AMEC FOSTER WHEELER	JROE - MILEPOST NL 248	\$1,500.00 1/20/2017	1/20/2017
G1943.0-17	G1943.0-17 PALOMAR COLLEGE	COMPASS CARD EMPLOYER PROGRAM	\$0.00	\$0.00 1/24/2017
L5269.0-17	L5269.0-17 CITY OF SANTEE	ROE PERMIT - 2017 TRACK AND FIELD RACE	\$750.00	\$750.00 1/24/2017
G1857.0-16	G1857.0-16 FIRST TRANSIT, INC.	2008 MINI AND SVCC COACH # 3425	\$7,500.00 1/26/2017	1/26/2017
G1882.0-16	G1882.0-16 FIRST TRANSIT, INC.	2012 PARATRANSIT COACH # 3723	\$10,000.00 1/26/2017	1/26/2017
L1349.0-17	.1349.0-17 ALTA 1919	SOUTH OF GRAPE STREET	\$6,800.00 1/27/2017	1/27/2017
S200-17-643	S200-17-643 EARTH MECHANICS, INC	ROE FOR BAY BLVD & PALOMAR	\$1,500.00 1/27/2017	1/27/2017
G1989.0-17	G1989.0-17 SD CITYBEAT	BUS SHELTER ADS SPACE FOR PRINT ADS	\$0.00	\$0.00 1/30/2017
G1990.0-17	G1990.0-17 BALBOA PARK CONSERVANCY	BALBOA PARK EVENTS	\$0.00	\$0.00 1/31/2017
L6756.0-17	DATEL SYSTEMS, INC.	ROE - INTALL MESH POLES	\$1,500.00 1/31/2017	1/31/2017
L6754.0-17	AECOM	JROE - SANDAG	\$0.00	\$0.00 2/3/2017
L6753.0-17	L6753.0-17 PGH WONG ENGINEERING	JROE - MID COAST	\$0.00	\$0.00 2/6/2017

	WOI	WORK ORDERS		
Doc #	Organization	Subject	Amount Day	Day
PWL204.0-16.14.1	PWL204.0-16.14.1 ABC CONSTRUCTION	CPD REROOF	\$28,909.74 1/13/2017	1/13/2017
PWL204.0-16.23	PWL204.0-16.23 ABC CONSTRUCTION	IAD SINKHOLE REPAIR	\$29,061.93 1/18/2017	1/18/2017
G0930.17-04.57.2 SANDAG	SANDAG	UTC	(\$29,991.20) 1/19/2017	1/19/2017
PWL203.0-16.03	HMS CONSTRUCTION	BALTIMORE JUNCTION & 70 ST \$3,063.25 1/19/2017	\$3,063.25	1/19/2017
G0930.17-04.69	SANDAG	BROADWAY WYE	(\$36,000.00) 1/24/2017	1/24/2017
PWL204.0-16-28	ABC CONSTRUCTION, INC TAXI ADM ROOF DRAIN	TAXI ADM ROOF DRAIN	\$7,890.36 2/3/2017	2/3/2017

		Purchase C		DO Vistor
PO Number	PO Date	Name	Material Group	PO Value 158.90
400000135		W.W. Grainger Inc	B250-BUS REPAIR PARTS	164.67
400000136		Mcmaster-Carr Supply Co	F180-BUILDING MATERIALS	130.48
400000137		W.W. Grainger Inc	B250-BUS REPAIR PARTS	63.78
400000138		W.W. Grainger Inc	F180-BUILDING MATERIALS	
400000139		W.W. Grainger Inc	G180-JANITORIAL SUPPLIES	52.11
400000140		Mcmaster-Carr Supply Co	B250-BUS REPAIR PARTS	134.25
400000141		W.W. Grainger Inc	F180-BUILDING MATERIALS	187.38
400000142		Mcmaster-Carr Supply Co	F180-BUILDING MATERIALS	13.47
400000143	1/26/2017	Mcmaster-Carr Supply Co	F180-BUILDING MATERIALS	36.21
400000144	1/31/2017	Mcmaster-Carr Supply Co	F180-BUILDING MATERIALS	22.51
400000145	1/31/2017	W.W. Grainger Inc	B250-BUS REPAIR PARTS	475.97
400000146	1/31/2017	Mcmaster-Carr Supply Co	F180-BUILDING MATERIALS	174.86
400000147	2/3/2017	W.W. Grainger Inc	F180-BUILDING MATERIALS	413.98
400000148	2/6/2017	Mcmaster-Carr Supply Co	G170-LUBRICANTS	243.64
500009768		Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,744.70
500009769		Steven Timme	G110-BUS/TROLLEY SIGNAGE	706.92
500009770		Pressnet Express Inc	G230-PRINTED MATERIALS	8,296.75
500009771		Golden State Supply LLC	B250-BUS REPAIR PARTS	94.39
500009772		Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	34,372.90
500009773		Glass & Screens Etc	F180-BUILDING MATERIALS	683.16
500009773		OneSource Distributors, LLC	M180-STATION ELECTRICAL	258.60
500009774		Sid Tool Co	G160-PAINTS & CHEMICALS	124.38
500009775		Communications Usa Inc	P130-EQUIP MAINT REPR SVC	324.79
		DIRECTV	P130-EQUIP MAINT REPR SVC	66.84
500009777			G200-OFFICE SUPPLIES	46.60
500009778		Staples Contract & Commercial Inc	P210-NON-REV VEH REPAIRS	244.55
500009779		M Power Truck & Diesel Repair		579.33
500009780		San Diego Plastics Inc	P140-MAINTENANCE, HVAC	
500009781		W.W. Grainger Inc	M110-SUB STATION	443.28
500009782		Siemens Industry Inc	P190-REV VEHICLE REPAIRS	58,055.70
500009783	1/11/2017		B250-BUS REPAIR PARTS	91.85
500009784		Wolfcom Enterprises	G120-SECURITY	900.00
500009785		Duncan Bolt Company	G140-SHOP SUPPLIES	138.95
500009786	1/11/2017	Norman Industrial Materials	G140-SHOP SUPPLIES	40.30
500009787		W.W. Grainger Inc	R160-RAIL/LRV ELECTRICAL	2,702.37
500009788	1/12/2017	Chromate Industrial Corporation	G150-FASTENERS	529.83
500009789	1/12/2017	Mark Carass	P120-BLDG/FACILITY REPRS	914.00
500009790	1/12/2017	Soco Group Inc	G170-LUBRICANTS	263.83
500009791	1/12/2017	Mark Carass	P120-BLDG/FACILITY REPRS	997.00
500009792		Cummins Pacific LLC	B250-BUS REPAIR PARTS	221.17
500009793		Luminator Mass Transit, LLC	B250-BUS REPAIR PARTS	951.42
500009794		TK Services Inc	B250-BUS REPAIR PARTS	1,307.43
500009795		Siemens Industry Inc	R150-RAIL/LRV COMM EQUIP	2,830.59
500009796		Gillig LLC	B250-BUS REPAIR PARTS	146.27
500009799	1/12/2017		C120-SPECIALTY CONTRACTOR	525.00
500009799		Transit Holdings Inc	B140-BUS CHASSIS	8,139.34
500009800		Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,757.03
		Slipit Industries Inc	G140-SHOP SUPPLIES	467.36
500009802		OneSource Distributors, LLC	G190-SAFETY/MED SUPPLIES	425.39
500009803			G140-SHOP SUPPLIES	226.10
500009804		Allied Refrigeration Inc	B250-BUS REPAIR PARTS	93.20
500009805		Transit Holdings Inc		1,812.44
500009806		Transit Holdings Inc	B250-BUS REPAIR PARTS	
500009807		Citywide Auto Glass Inc	R120-RAIL/LRV CAR BODY	2,941.58
500009808		Edward A. Verdugo	P310-ADVERTISING SERVICES	1,264.88
500009809		Baker Capital Limited	R160-RAIL/LRV ELECTRICAL	3,840.21
500009810		P & R Paper Supply Company Inc	G180-JANITORIAL SUPPLIES	459.49
500009811		Applied Industrial Technologies-CA	R230-RAIL/LRV MECHANICAL	439.91
500009812		W.W. Grainger Inc	F110-SHOP/BLDG MACHINERY	171.16
500009813	1/12/2017	Cummins Pacific LLC	B250-BUS REPAIR PARTS	152.06

DO No.	DO D.	Purchase (PO Value
PO Number	PO Date	Name	Material Group F110-SHOP/BLDG MACHINERY	205.32
500009814		Mcmaster-Carr Supply Co		
500009815		Gillig LLC	B250-BUS REPAIR PARTS	429.41
500009816		Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	153.27
500009817		Gillig LLC	B130-BUS BODY	2,327.40
500009818		Transit Holdings Inc	B130-BUS BODY	2,994.37
500009819		Home Depot USA Inc	G160-PAINTS & CHEMICALS	526.67
500009821		Willy's Electronic Supply Co	G130-SHOP TOOLS	339.10
500009822		Robcar Corporation	G140-SHOP SUPPLIES	507.51
500009823		Flyers Energy LLC	R230-RAIL/LRV MECHANICAL	1,765.43
500009824		Total Filtration Services Inc	M110-SUB STATION	212.65
500009825		Airgas Inc	G190-SAFETY/MED SUPPLIES	2,090.76
500009826		Home Depot USA Inc	F180-BUILDING MATERIALS	96.64
500009827		Applied Industrial Technologies-CA	G170-LUBRICANTS	1,261.40
500009828	1/13/2017	Staples Contract & Commercial Inc	G210-OFFICE FURNITURE	205.23
500009829	1/13/2017	Gillig LLC	B160-BUS ELECTRICAL	1,114.78
500009830	1/13/2017	Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	583.34
500009831	1/13/2017	TK Services Inc	B110-BUS HVAC SYSTEMS	1,067.38
500009832		Transwest San Diego LLC	B160-BUS ELECTRICAL	2,142.58
500009833		OPW Fueling Components	B200-BUS PWR TRAIN EQUIP	811.60
500009834		Airgas Inc	G140-SHOP SUPPLIES	551.43
500009835		Soco Group Inc	A120-AUTO/TRUCK GASOLINE	3,599.00
500009836		Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,769.36
500009837		Mcmaster-Carr Supply Co	F110-SHOP/BLDG MACHINERY	48.41
500009838		Ferguson Enterprises	F110-SHOP/BLDG MACHINERY	44.88
500009839		Carlos Guzman Inc	G180-JANITORIAL SUPPLIES	1,891.07
500009840		OneSource Distributors, LLC	R140-RAIL/LRV DOORS/RAMP	487.29
500009841		Merrimac Petroleum Inc	A120-AUTO/TRUCK GASOLINE	20,059.68
500009842		Siemens Industry Inc	R160-RAIL/LRV ELECTRICAL	2,072.98
500009843		Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	57.08
500009844		JP Morgan Chase Bank	G200-OFFICE SUPPLIES	413.70
500009845		Smart Car Care Products Inc	R240-RAIL/LRV REPR PARTS	321.37
500009846		W.W. Grainger Inc	M110-SUB STATION	192.01
500009847			G170-LUBRICANTS	32,560.23
		Southern Counties Oil Co, LP DIRECTV	P130-EQUIP MAINT REPR SVC	1,026.72
500009848			G160-PAINTS & CHEMICALS	1,129.82
500009849		Dunn-Edwards Corporation	G200-OFFICE SUPPLIES	660.37
500009850	1/17/2017			704.69
500009851		Steven Timme	G110-BUS/TROLLEY SIGNAGE	
500009852		Mark Carass	P120-BLDG/FACILITY REPRS	815.00
500009853		711 Print Enterprises Inc	G120-SECURITY	2,377.38
500009854		Transwest San Diego LLC	B200-BUS PWR TRAIN EQUIP	11,125.02
500009855		Quality Technology Services Inc	I120-INFO TECH, SVCS	273.12
500009856		Latina & Associates Inc.	P310-ADVERTISING SERVICES	1,072.00
500009857		Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,757.03
500009858		The Filipino Press, Inc.	P310-ADVERTISING SERVICES	700.00
500009859		Vietnamese American Media Corp	P310-ADVERTISING SERVICES	240.00
500009860		Eckenroth Publications, Inc.	P310-ADVERTISING SERVICES	1,318.80
500009861	1/17/2017	San Diego Chinese Tribune	P310-ADVERTISING SERVICES	760.00
500009862		Warren Communications Inc	P310-ADVERTISING SERVICES	1,212.74
500009863		Mannis Communications	P310-ADVERTISING SERVICES	1,221.00
500009864		Professional Contractors Supplies	G160-PAINTS & CHEMICALS	97.45
500009865		San Diego Union Tribune LLC	P310-ADVERTISING SERVICES	2,264.00
500009866	1/17/2017	Kaman Industrial Technologies	G160-PAINTS & CHEMICALS	154.94
500009867		Siemens Industry Inc	R160-RAIL/LRV ELECTRICAL	828.59
500009868	1/17/2017	Brown Marketing Strategies, Inc.	P310-ADVERTISING SERVICES	3,499.00
500009869		OneSource Distributors, LLC	G170-LUBRICANTS	76.81
500009870		Transit Holdings Inc	B250-BUS REPAIR PARTS	2,548.63
500009871		Dell Marketing L.P.	I110-INFORMATION TECH	2,607.96
500009872		W.W. Grainger Inc	G140-SHOP SUPPLIES	318.50

		Purchase Or		
PO Number	PO Date	Name	Material Group	PO Value
4500009873		Cummins Pacific LLC	B250-BUS REPAIR PARTS	1,407.48
4500009874		ifm efector, inc.	R160-RAIL/LRV ELECTRICAL	1,473.06
4500009875		Matthias Moos	M120-OVRHEAD CATENARY SYS	3,620.40
4500009876		West End Holdings Inc	P260-TESTING & ANALYSIS	390.00
4500009877	1/17/2017	TK Services Inc	B250-BUS REPAIR PARTS	854.43
4500009878	1/17/2017	HMS Construction Inc	M120-OVRHEAD CATENARY SYS	66,481.76
4500009879	1/17/2017	Citywide Auto Glass Inc	R120-RAIL/LRV CAR BODY	642.80
4500009880	1/17/2017	Annex Automotive and	R240-RAIL/LRV REPR PARTS	170.72
4500009881	1/18/2017	W.W. Grainger Inc	M190-SDSU ELECTRICAL	138.80
4500009882		Prudential Overall Supply	G140-SHOP SUPPLIES	66.81
4500009883		San Diego Friction Products, Inc.	B140-BUS CHASSIS	2,537.03
4500009884		Transit Holdings Inc	B120-BUS MECHANICAL PARTS	3,018.87
4500009885		Muncie Transit Supply	B160-BUS ELECTRICAL	2,413.07
4500009886		Battery Systems Inc	B160-BUS ELECTRICAL	5,721.53
4500009887		PCMG, Inc.	I110-INFORMATION TECH	1,028.00
4500009888		Mohawk Mfg & Supply Co	B120-BUS MECHANICAL PARTS	466.30
4500009889		Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	238.43
4500009890		Office Depot	G200-OFFICE SUPPLIES	112.57
4500009891		Genuine Parts Co	B120-BUS MECHANICAL PARTS	284.47
4500009892		Quality Technology Services Inc	I120-INFO TECH, SVCS	117.90
4500009893		Transit Holdings Inc	B250-BUS REPAIR PARTS	1,613.95
4500009894		Mcmaster-Carr Supply Co	G140-SHOP SUPPLIES	104.88
4500009895		TK Services Inc	B250-BUS REPAIR PARTS	2,139.38
			P190-REV VEHICLE REPAIRS	438.03
4500009896		Freeby Signs	B120-BUS MECHANICAL PARTS	293.60
4500009897		Charter Industrial Supply Inc		2,563.67
4500009898		Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	2,958.61
4500009899		Transit Holdings Inc	B120-BUS MECHANICAL PARTS	107.76
4500009900		Grah Safe & Lock Inc	F110-SHOP/BLDG MACHINERY	93.25
4500009901		Wesco Distribution Inc	F110-SHOP/BLDG MACHINERY	
4500009902		Dell Marketing L.P.	I110-INFORMATION TECH	6,254.07
4500009903		R.S. Hughes Co Inc	G140-SHOP SUPPLIES	104.85
4500009904		Kaman Industrial Technologies	B120-BUS MECHANICAL PARTS	2,061.48
4500009905		Battery Systems Inc	B160-BUS ELECTRICAL	4,706.52
4500009906	1/18/2017		B200-BUS PWR TRAIN EQUIP	541.08
4500009907		Sherwin Williams Company	B250-BUS REPAIR PARTS	657.15
4500009908		Industrial Maintenance Supply LLC	G150-FASTENERS	96.99
4500009909		Gillig LLC	B130-BUS BODY	2,939.73
4500009910		Home Depot USA Inc	F180-BUILDING MATERIALS	1,044.87
4500009911	1/18/2017	Transwest San Diego LLC	B200-BUS PWR TRAIN EQUIP	1,326.31
4500009912		Byrne Doughty Mgt Corp	G200-OFFICE SUPPLIES	1,716.15
4500009913	1/18/2017	Stotz Equipment	R160-RAIL/LRV ELECTRICAL	274.91
4500009914		Mouser Electronics Inc	R180-RAIL/LRV LIGHTING	120.89
4500009915	1/18/2017	Waxie Sanitary Supply Inc	G140-SHOP SUPPLIES	891.23
4500009916	1/18/2017	Mohawk Mfg & Supply Co	B140-BUS CHASSIS	546.14
4500009917	1/18/2017	Muncie Transit Supply	B110-BUS HVAC SYSTEMS	2,135.14
4500009918	1/18/2017	Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	3,804.98
4500009919		Prudential Overall Supply	G140-SHOP SUPPLIES	830.38
4500009920		Jeyco Products Inc	G180-JANITORIAL SUPPLIES	151.90
4500009921	1/18/2017		B140-BUS CHASSIS	2,937.49
4500009922		Byrne Doughty Mgt Corp	G200-OFFICE SUPPLIES	513.43
4500009923		Soco Group Inc	A120-AUTO/TRUCK GASOLINE	19,469.69
4500009924		R.S. Hughes Co Inc	G140-SHOP SUPPLIES	203.06
4500009925		Norman Industrial Materials	G140-SHOP SUPPLIES	51.18
4500009926		Transit Holdings Inc	B250-BUS REPAIR PARTS	139.54
4500009927		Kaman Industrial Technologies	B250-BUS REPAIR PARTS	185.53
4500009927		Smart Car Care Products Inc	R240-RAIL/LRV REPR PARTS	185.23
1000003320		David Bueltel	G200-OFFICE SUPPLIES	29,030.68
4500009929	1/19/2017	II 12VIA BURITAL		

	man in	Purchase (DO WELL
PO Number	PO Date	Name	Material Group	PO Value
4500009931		W.W. Grainger Inc	M110-SUB STATION	1,446.48
1500009932		BJ's Rentals	T130-TRACK, DRAINAGE SYS	2,604.08
500009933		JKL Cleaning Systems	P130-EQUIP MAINT REPR SVC	182.23
500009934	1/19/2017	Professional Contractors Supplies	G140-SHOP SUPPLIES	876.23
500009935		West-Lite Supply Co Inc	R180-RAIL/LRV LIGHTING	1,232.95
500009936	1/19/2017	Flyers Energy LLC	G170-LUBRICANTS	3,243.42
500009937	1/19/2017	Werth Sanitary Supply Co Inc	G170-LUBRICANTS	256.02
500009938	1/19/2017	Airgas Inc	G190-SAFETY/MED SUPPLIES	735.94
500009939		Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,744.70
500009940		P & R Paper Supply Company Inc	G140-SHOP SUPPLIES	207.33
500009941		Ismael Frausto	R140-RAIL/LRV DOORS/RAMP	486.21
500009942		Culligan of San Diego	G140-SHOP SUPPLIES	1,260.00
500009943		Westair Gases & Equipment Inc	G140-SHOP SUPPLIES	330.19
500009944		OneSource Distributors, LLC	G190-SAFETY/MED SUPPLIES	2,617.89
500009945		Willy's Electronic Supply Co	G130-SHOP TOOLS	446.85
500009946		Waxie Sanitary Supply Inc	G180-JANITORIAL SUPPLIES	136.18
500009947		Decals By Design Inc	R120-RAIL/LRV CAR BODY	189.10
		Voith Turbo Inc	R160-RAIL/LRV ELECTRICAL	72.07
500009948			R120-RAIL/LRV CAR BODY	741.18
500009949		B Hepworth & Company Limited	R230-RAIL/LRV MECHANICAL	1,519.54
500009950		Total Filtration Services Inc		245.13
500009951		Mission Janitorial Supplies	G180-JANITORIAL SUPPLIES	
500009952		Office Depot	G200-OFFICE SUPPLIES	319.12
500009953		Susan Shepard	G230-PRINTED MATERIALS	1,029.60
500009954		Madden Construction Inc	F180-BUILDING MATERIALS	961.00
500009955		Cummins Pacific LLC	B250-BUS REPAIR PARTS	1,407.48
500009956		Freeby Signs	G140-SHOP SUPPLIES	60.12
500009957	1/19/2017	W.W. Grainger Inc	G140-SHOP SUPPLIES	530.43
500009958	1/19/2017	Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,744.70
500009959	1/19/2017	Transit Holdings Inc	B250-BUS REPAIR PARTS	121.03
500009960	1/19/2017	Kaman Industrial Technologies	G140-SHOP SUPPLIES	1,769.02
500009961		Kimley-Horn & Associates	C130-CONSTRUCTION SVCS	35,200.00
500009962		B Hepworth & Company Limited	R160-RAIL/LRV ELECTRICAL	10,647.86
500009963		Siemens Industry Inc	R160-RAIL/LRV ELECTRICAL	6,355.10
500009964		FinishMaster Inc	F120-BUS/LRV PAINT BOOTHS	3,649.86
500009965		Industrial Maintenance Supply LLC	G200-OFFICE SUPPLIES	351.07
500009966		General Auto Repair	P190-REV VEHICLE REPAIRS	359.55
500009967		Reid and Clark Screen Arts Co	G140-SHOP SUPPLIES	512.89
		Mak Cleaners Inc	C120-SPECIALTY CONTRACTOR	32.40
500009968			P210-NON-REV VEH REPAIRS	295.89
500009969		Citywide Auto Glass Inc	B250-BUS REPAIR PARTS	176.58
500009970		Transit Holdings Inc	F110-SHOP/BLDG MACHINERY	114.77
500009971		Acuity Specialty Products Inc		469.25
500009972		Cummins Pacific LLC	B250-BUS REPAIR PARTS	
500009973		Kidde Technologies Inc	B200-BUS PWR TRAIN EQUIP	3,181.51
500009974		Cummins Pacific LLC	B120-BUS MECHANICAL PARTS	825.47
500009975		Byrne Doughty Mgt Corp	G200-OFFICE SUPPLIES	115.99
500009976		Barry Sandler Enterprises	G180-JANITORIAL SUPPLIES	1,142.64
500009977		Kaman Industrial Technologies	B140-BUS CHASSIS	1,228.37
500009978		Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	2,702.50
500009979		RailPros Inc	C130-CONSTRUCTION SVCS	59,000.00
500009980	1/19/2017	Prochem Speciality Products Inc	G180-JANITORIAL SUPPLIES	3,308.54
500009981		Transwest San Diego LLC	B200-BUS PWR TRAIN EQUIP	684.53
500009982		R.S. Hughes Co Inc	G140-SHOP SUPPLIES	1,553.49
500009983		Transit Holdings Inc	B120-BUS MECHANICAL PARTS	2,849.56
500009984		Federal Express Corp	P420-MAIL SERVICES	739.94
500009985		Mohawk Mfg & Supply Co	B140-BUS CHASSIS	26.02
500009986		Waxie Sanitary Supply Inc	G130-SHOP TOOLS	28.12
500009987		Daniels Tire Service	P210-NON-REV VEH REPAIRS	1,355.58
10000000001		Sid Tool Co	G130-SHOP TOOLS	24.37

		Purchase 0		The sales of the
PO Number	PO Date	Name	Material Group	PO Value
1500009989	1/19/2017	The Regents of the Univ. of CA	P470-NEW EE TESTING	93,448.00
500009990	1/20/2017	FinishMaster Inc	F120-BUS/LRV PAINT BOOTHS	7,376.58
500009991	1/20/2017	CDW LLC	I110-INFORMATION TECH	2,814.30
500009992	1/20/2017	Airgas Inc	G190-SAFETY/MED SUPPLIES	475.39
500009993		Steven Timme	G110-BUS/TROLLEY SIGNAGE	1,639.08
500009994		Muncie Transit Supply	B140-BUS CHASSIS	8,621.08
500009995		Transit Holdings Inc	B120-BUS MECHANICAL PARTS	4,920.40
500009996		JP Morgan Chase Bank	G290-FARE REVENUE EQUIP	316.44
500009997		SPX Corporation	G290-FARE REVENUE EQUIP	173.59
500009998		Home Depot USA Inc	F220-BENCHES, BUS	91.26
500009999		SiteOne Landscape Supply Holding	F190-LANDSCAPING MAT'LS	805.27
500010000		Soco Group Inc	A120-AUTO/TRUCK GASOLINE	1,702.16
500010001		Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,586.87
500010001		Team One Repair Inc	G290-FARE REVENUE EQUIP	423.68
500010002		Home Depot USA Inc	G180-JANITORIAL SUPPLIES	335.92
500010003		San Diego Plastics Inc	P140-MAINTENANCE, HVAC	1,560.97
		Westair Gases & Equipment Inc	G140-SHOP SUPPLIES	81.46
500010005			G160-PAINTS & CHEMICALS	885.93
500010006		Applied Industrial Technologies-CA	A120-AUTO/TRUCK GASOLINE	19,371.35
500010007		Soco Group Inc		2,484.29
500010008		Gillig LLC	B250-BUS REPAIR PARTS	74.17
500010009		Golden State Supply LLC	G140-SHOP SUPPLIES	
500010010		Allied Electronics Inc	M110-SUB STATION	293.52
500010011		Harbor Diesel & Equipment	B200-BUS PWR TRAIN EQUIP	24,922.29
500010012		Dartco Transmission	B200-BUS PWR TRAIN EQUIP	7,100.00
500010013		M Power Truck & Diesel Repair	P210-NON-REV VEH REPAIRS	2,538.85
500010014		W.W. Grainger Inc	M190-SDSU ELECTRICAL	69.93
500010015	1/20/2017	OneSource Distributors, LLC	G270-ELECTRICAL/LIGHTING	355.58
500010016		Jankovich Company	G170-LUBRICANTS	2,424.38
500010017	1/23/2017	Sid Tool Co	R120-RAIL/LRV CAR BODY	128.74
500010018	1/23/2017	W.W. Grainger Inc	G190-SAFETY/MED SUPPLIES	238.95
500010019	1/23/2017	Office Solutions	G200-OFFICE SUPPLIES	39.92
500010020	1/23/2017	Chromate Industrial Corporation	G150-FASTENERS	476.64
500010021		Mcmaster-Carr Supply Co	B250-BUS REPAIR PARTS	47.46
500010022		Siemens Industry Inc	R160-RAIL/LRV ELECTRICAL	29,955.58
500010023		HI-TEC Enterprises	R160-RAIL/LRV ELECTRICAL	568.60
500010024		Kaman Industrial Technologies	B250-BUS REPAIR PARTS	621.29
500010025		Midwest Bus Corporation	B250-BUS REPAIR PARTS	518.10
500010026		Home Depot USA Inc	G140-SHOP SUPPLIES	56.01
500010027		Charter Industrial Supply Inc	B250-BUS REPAIR PARTS	275.53
500010027		Gillig LLC	B250-BUS REPAIR PARTS	1,037.55
500010029		Charter Industrial Supply Inc	B250-BUS REPAIR PARTS	86.24
500010023		TK Services Inc	B250-BUS REPAIR PARTS	262.45
500010030		Transit Holdings Inc	B250-BUS REPAIR PARTS	886.65
500010031		Knorr Brake Company	R220-RAIL/LRV TRUCKS	32,082.72
		Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	180.60
500010033			P540-MAINTENANCE TRAINING	156.80
500010034		Staples Contract & Commercial Inc	G120-SECURITY	1,295.00
500010035		Wolfcom Enterprises	A120-AUTO/TRUCK GASOLINE	1,702.16
500010036		Soco Group Inc		1,898.82
500010037		Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	13,915.61
500010038		Selective Transit Parts Inc	R220-RAIL/LRV TRUCKS	
500010039		NASG Holding Inc	R120-RAIL/LRV CAR BODY	2,564.60
500010040		Transit Holdings Inc	B160-BUS ELECTRICAL	3,229.64
500010041		Gillig LLC	B160-BUS ELECTRICAL	3,101.09
500010042		MCAS Miramar Vet	G120-SECURITY	627.10
500010043		Gillig LLC	B160-BUS ELECTRICAL	3,260.60
500010044		Quality Technology Services Inc	I120-INFO TECH, SVCS	197.70
500010045		Home Depot USA Inc	G220-OFFICE EQUIPMENT	127.15
1500010046	1/2//2017	Common Objects, LLC	P310-ADVERTISING SERVICES	3,175.00

		Purchase Or		
PO Number	PO Date	Name	Material Group	PO Value
4500010048		Aztec Shops, Ltd.	P310-ADVERTISING SERVICES	500.00
4500010049		Mark Carass	P120-BLDG/FACILITY REPRS	420.00
4500010050		The Lawton Co Inland Empire Inc	C120-SPECIALTY CONTRACTOR	7,808.00
4500010051		Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,925.95
4500010052		Advance Blueprint & Digital Copy In	G230-PRINTED MATERIALS	17.35
4500010053		Advance Blueprint & Digital Copy In	G230-PRINTED MATERIALS	23.28
4500010054		Carlson & Beauloye Machine Shop	R220-RAIL/LRV TRUCKS	382.52
4500010055		OneSource Distributors, LLC	G140-SHOP SUPPLIES	1,066.73
4500010056		BJ's Rentals	T110-TRACK, RAIL	711.15
4500010057		Merrimac Petroleum Inc	A120-AUTO/TRUCK GASOLINE	21,157.19
4500010058		Softing Inc	G200-OFFICE SUPPLIES	490.00
4500010059		General Information Systems Ltd	G120-SECURITY	424.00
4500010060		Southern Counties Oil Co, LP	G170-LUBRICANTS	6,837.18
4500010061		Gillig LLC	B250-BUS REPAIR PARTS	1,750.89
4500010062		W.W. Grainger Inc	F110-SHOP/BLDG MACHINERY	652.11
4500010063		Kaman Industrial Technologies	B250-BUS REPAIR PARTS	507.70
4500010064		Transit Holdings Inc	B250-BUS REPAIR PARTS	1,000.02
4500010065		W.W. Grainger Inc	G140-SHOP SUPPLIES	68.55
4500010066		Gillig LLC	B250-BUS REPAIR PARTS	668.05
4500010067		Sunroad Auto LLC	B250-BUS REPAIR PARTS	202.60
4500010068		Airgas Inc	G140-SHOP SUPPLIES	113.77
4500010069		Transit Holdings Inc	B250-BUS REPAIR PARTS	1,500.12
4500010070		The Truck Lighthouse	B160-BUS ELECTRICAL	35.68
4500010071		Specialty Manufacturing Inc	B130-BUS BODY	458.05
4500010072		Muncie Transit Supply	B130-BUS BODY	229.12
4500010073		Transit Holdings Inc	B130-BUS BODY	2,644.44
4500010074		Robert Costanzo	B140-BUS CHASSIS	51.35
4500010075		Rush Truck Centers of California	B200-BUS PWR TRAIN EQUIP	655.00
4500010076		Soco Group Inc	G170-LUBRICANTS	1,185.36
4500010077		W.W. Grainger Inc	G170-LUBRICANTS	721.80
4500010078		Airgas Inc	G140-SHOP SUPPLIES	608.19
4500010079		West-Lite Supply Co Inc	M180-STATION ELECTRICAL	80.51
4500010080		Allied Refrigeration Inc	R230-RAIL/LRV MECHANICAL	971.95
4500010081		Franklin Covey Client Sales Inc	P490-MANAGEMENT TRAINING	9,792.32
4500010082		Machinex, Inc.	R140-RAIL/LRV DOORS/RAMP	2,068.80
4500010083		Sid Tool Co	G180-JANITORIAL SUPPLIES	307.89
4500010084		Culligan of San Diego	G140-SHOP SUPPLIES	840.00
4500010085		Professional Contractors Supplies	G140-SHOP SUPPLIES	130.03
4500010086		Staples Contract & Commercial Inc	G180-JANITORIAL SUPPLIES	129.46
4500010087		Marco's Canopies Inc	G140-SHOP SUPPLIES	1,396.44
4500010088		Gillig LLC	B130-BUS BODY	3,210.68
4500010089		San Diego Seal Inc	R220-RAIL/LRV TRUCKS	1,686.44
4500010090		San Diego Plastics Inc	R220-RAIL/LRV TRUCKS	828.91
4500010091		Willy's Electronic Supply Co	R150-RAIL/LRV COMM EQUIP	403.76
4500010092		Industrial Maintenance Supply LLC	G150-FASTENERS	165.98
4500010093		Smart Car Care Products Inc	R240-RAIL/LRV REPR PARTS	49.45
4500010094		Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,905.61
4500010095		Citywide Auto Glass Inc	P190-REV VEHICLE REPAIRS	400.00
4500010096		W.W. Grainger Inc	F110-SHOP/BLDG MACHINERY	256.45
4500010097		Mohawk Mfg & Supply Co	B140-BUS CHASSIS	519.11
4500010098		Soco Group Inc	A120-AUTO/TRUCK GASOLINE	19,961.35
4500010099		Muncie Transit Supply	B140-BUS CHASSIS	2,196.68
4500010100		Transit Holdings Inc	B160-BUS ELECTRICAL	2,822.77
4500010101	1/25/2017		G140-SHOP SUPPLIES	58.74
4500010102		Harbor Diesel & Equipment	B200-BUS PWR TRAIN EQUIP	2,447.60
4500010103		San Diego Compressed Air Power LLC	F180-BUILDING MATERIALS	50.11
4500010104		Charter Industrial Supply Inc	B120-BUS MECHANICAL PARTS	145.47
4500010105	1/25/2017	Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	2,644.91

PO Number 4500010106 4500010107 4500010108	PO Date 1/25/2017	Purchase C Name	Material Group	DOW!
4500010107	1/25/2017		material Group	PO Value
		M Power Truck & Diesel Repair	P210-NON-REV VEH REPAIRS	2,634.45
4500010108		R.S. Hughes Co Inc	G160-PAINTS & CHEMICALS	384.48
		Transwest San Diego LLC	B200-BUS PWR TRAIN EQUIP	942.78
4500010109		Mcmaster-Carr Supply Co	B160-BUS ELECTRICAL	387.88
4500010110		Jeyco Products Inc	G130-SHOP TOOLS	1,180.46
4500010111	1/25/2017	Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	350.33
4500010112		W.W. Grainger Inc	G140-SHOP SUPPLIES	108.87
4500010113	1/25/2017	Kaman Industrial Technologies	B250-BUS REPAIR PARTS	172.94
4500010114		HMS Construction Inc	I110-INFORMATION TECH	3,063.25
4500010115		The Gordian Group Inc	I110-INFORMATION TECH	79.52
4500010116		South Bay Fence Inc	M200-YARD FACILITIES	694.99
4500010117	1/26/2017	Transit Holdings Inc	B140-BUS CHASSIS	3,207.97
4500010118	1/26/2017	Kenneth Place	G130-SHOP TOOLS	324.08
4500010119	1/26/2017	California Stamp Company	P540-MAINTENANCE TRAINING	76.28
4500010120		3rd Generation Embroidery, Inc.	P540-MAINTENANCE TRAINING	327.13
4500010121	1/26/2017	Coast United Advertising	P310-ADVERTISING SERVICES	1,650.00
4500010122		Westair Gases & Equipment Inc	G190-SAFETY/MED SUPPLIES	390.24
4500010123		Willy's Electronic Supply Co	I110-INFORMATION TECH	1,624.95
4500010124		Steven Timme	G230-PRINTED MATERIALS	149.30
4500010125		Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,932.73
4500010126		Mark Carass	P120-BLDG/FACILITY REPRS	522.00
4500010127		MCAS Miramar Vet	G120-SECURITY	126.33
4500010128		Dunn-Edwards Corporation	P110-BLDG MAINTENANCE	773.02
4500010129		CDW LLC	I110-INFORMATION TECH	246.20
4500010130		Quality Technology Services Inc	I110-INFORMATION TECH	509.07
4500010131		Federal Express Corp	G200-OFFICE SUPPLIES	94.47
4500010133		Siemens Industry Inc	R160-RAIL/LRV ELECTRICAL	8,533.80
4500010134		W.W. Grainger Inc	G140-SHOP SUPPLIES	1,434.37
4500010135		Transit Holdings Inc	B250-BUS REPAIR PARTS	538.87
4500010136		Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	1,717.88
4500010137		Steven Timme	G230-PRINTED MATERIALS	2,218.60
4500010138		Recaro North America Inc	R120-RAIL/LRV CAR BODY	2,550.19
4500010139		Citywide Auto Glass Inc	R120-RAIL/LRV CAR BODY	1,616.25
4500010140		Communication Wiring Specialists In	I120-INFO TECH, SVCS	497.22
4500010141		W.W. Grainger Inc	F110-SHOP/BLDG MACHINERY	1,328.94
4500010142		Chromate Industrial Corporation	R160-RAIL/LRV ELECTRICAL	741.33
4500010143		Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	1,042.25
4500010144		Rush Truck Centers of California	B200-BUS PWR TRAIN EQUIP	353.14
4500010145		Industrial Maintenance Supply LLC	G150-FASTENERS	87.41
4500010146		Citywide Auto Glass Inc	B250-BUS REPAIR PARTS	808.13
4500010147		Victor Stanley, Inc.	G300-GENERAL CAPITAL EQP	83,254.98
4500010148		Soco Group Inc	A120-AUTO/TRUCK GASOLINE	3,404.32
4500010149		Mohawk Mfg & Supply Co	B130-BUS BODY	101.71
4500010150	1/27/2017		B140-BUS CHASSIS	4,361.72
1500010151		Allied Refrigeration Inc	G140-SHOP SUPPLIES	134.78
4500010152		Sportworks Northwest Inc	B130-BUS BODY	124.91
4500010153		Kaman Industrial Technologies	G140-SHOP SUPPLIES	2,262.46
1500010154		Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	6,643.87
1500010156		Siemens Industry Inc	R160-RAIL/LRV ELECTRICAL	3,216.34
1500010157		Office Depot	G200-OFFICE SUPPLIES	337.33
1500010158		Kenneth Place	G130-SHOP TOOLS	354.91
1500010159		Newark Corporation	R160-RAIL/LRV ELECTRICAL	186.78
1500010159		Byrne Doughty Mgt Corp	G140-SHOP SUPPLIES	771.97
1500010161		OneSource Distributors, LLC	R140-RAIL/LRV DOORS/RAMP	487.29
1500010161		P & R Paper Supply Company Inc	G180-JANITORIAL SUPPLIES	5,790.41
1500010162		Transit Holdings Inc	B250-BUS REPAIR PARTS	663.75
1500010163		Romaine Electric Corporation	P190-REV VEHICLE REPAIRS	895.26
1000010104		W.W. Grainger Inc	G140-SHOP SUPPLIES	179.18

Purchase Orders				
PO Number	PO Date	Name	Material Group	PO Value
4500010166		Curbell Plastics Inc	B130-BUS BODY	301.68
4500010167		Cubic Transportation Systems	B190-BUS FARE EQUIP	33.75
4500010168		Hydraulic Electric Component	B160-BUS ELECTRICAL	206.73
4500010169		Transit Products and Services	B130-BUS BODY	2,586.00
4500010170		Louis Sardo Upholstery Inc	B130-BUS BODY	1,960.56
4500010171		Mission Janitorial Supplies	G180-JANITORIAL SUPPLIES	728.81
4500010172		Delphin Computer Supply	G200-OFFICE SUPPLIES	527.40
4500010173		The Truck Lighthouse	G140-SHOP SUPPLIES	113.59
4500010174		Home Depot USA Inc	G140-SHOP SUPPLIES	59.95
4500010175		Kaman Industrial Technologies	R220-RAIL/LRV TRUCKS	3,204.09
4500010176		Transit Holdings Inc	B140-BUS CHASSIS	2,150.52
4500010177		Transit Holdings Inc	B140-BUS CHASSIS	2,837.28
4500010178		Muncie Transit Supply	B140-BUS CHASSIS	474.01
4500010179		Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	1,265.23
4500010180	1/30/2017	Healy Newspapers	P310-ADVERTISING SERVICES	1,350.00
4500010181		Xerox Transport Solutions, Inc.	P190-REV VEHICLE REPAIRS	3,467.44
4500010182		Digital Printing Systems Inc	G280-FARE MATERIALS	8,986.35
4500010183		Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,912.38
4500010184		Mcmaster-Carr Supply Co	F110-SHOP/BLDG MACHINERY	150.02
4500010185		Home Depot USA Inc	F110-SHOP/BLDG MACHINERY	25.86
4500010186		Soco Group Inc	A120-AUTO/TRUCK GASOLINE	20,748.00
4500010188		Transtechnik Corp USA	R160-RAIL/LRV ELECTRICAL	5,491.35
4500010189		Knorr Brake Company	R160-RAIL/LRV ELECTRICAL	4,586.32
4500010190		Carlson & Beauloye Machine Shop	G130-SHOP TOOLS	1,724.00
4500010191		Neleco Products Inc	G170-LUBRICANTS	18,586.88
4500010192		Airgas Inc	G190-SAFETY/MED SUPPLIES	969.72
4500010193		Professional Contractors Supplies	G140-SHOP SUPPLIES	156.43
4500010194		W.W. Grainger Inc	G180-JANITORIAL SUPPLIES	235.93
4500010195		Steven Timme	G110-BUS/TROLLEY SIGNAGE	2,880.00
4500010196		Home Depot USA Inc	G180-JANITORIAL SUPPLIES	394.79
4500010197		Transit Holdings Inc	B250-BUS REPAIR PARTS	557.51
4500010198		American Battery Corporation	M110-SUB STATION	159.81
4500010199		Siemens Industry Inc	R160-RAIL/LRV ELECTRICAL	945.19
4500010200		Local Concept	P410-CONSULTING	186.03
4500010201 4500010202		Southern Counties Oil Co, LP	G170-LUBRICANTS	5,854.06
		Cubic Transportation Systems	B190-BUS FARE EQUIP	8,831.25
4500010203	1/31/2017		C120-SPECIALTY CONTRACTOR	11,662.00
4500010204		Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,980.20
4500010205		Home Depot USA Inc	F220-BENCHES, BUS	415.63
4500010206 4500010207		Freeby Signs	B250-BUS REPAIR PARTS	256.98
4500010207	1/31/2017	Strachan Enterprises Inc	G140-SHOP SUPPLIES P110-BLDG MAINTENANCE	265.71 1,287.38
4500010208		Superior Ready Mix Concrete LP	P120-BLDG/FACILITY REPRS	
4500010209		Angus Asphalt Inc	P120-BLDG/FACILITY REPRS	956.83 945.00
4500010210		American Seating Company	B250-BUS REPAIR PARTS	74.35
4500010211	1/31/2017		B130-BUS BODY	2,809.84
4500010212		Nth Generation Computing Inc	I110-INFORMATION TECH	66,109.50
4500010213		Mohawk Mfg & Supply Co	B160-BUS ELECTRICAL	675.43
4500010214		Transit Holdings Inc	B140-BUS CHASSIS	2,284.51
4500010215		APD Incorporated	G140-SHOP SUPPLIES	59.80
4500010217		Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	1,987.93
4500010217		Golden Star Technology Inc	I110-INFORMATION TECH	26,588.13
4500010218		Miramar Bobcat Inc	P210-NON-REV VEH REPAIRS	2,022.20
4500010219		Daily Journal Corporation	P310-ADVERTISING SERVICES	19,000.00
4500010220	1/31/2017		B160-BUS ELECTRICAL	2,465.54
4500010221		Siemens Industry Inc	R160-RAIL/LRV ELECTRICAL	36,383.98
4500010223		Pressnet Express Inc	G230-PRINTED MATERIALS	1,163.70
4500001111774				

11-11-1		Purchase O		
PO Number	PO Date	Name	Material Group	PO Value
4500010226		BJ's Rentals	P160-EQUIPMENT RENTALS	102.34
4500010227		San Diego Community College Distric	P540-MAINTENANCE TRAINING	469.50
4500010228		Home Depot USA Inc	M180-STATION ELECTRICAL	197.28
4500010229		OneSource Distributors, LLC	G130-SHOP TOOLS	166.75
4500010230		Kenneth Place	G130-SHOP TOOLS	171.18
4500010231	1/31/2017	Knorr Brake Company	P190-REV VEHICLE REPAIRS	134.07
4500010232	1/31/2017	Dartco Transmission	B250-BUS REPAIR PARTS	232.04
4500010233	1/31/2017	R.S. Hughes Co Inc	G190-SAFETY/MED SUPPLIES	133.53
4500010234	1/31/2017	Carlson & Beauloye Machine Shop	G130-SHOP TOOLS	398.68
4500010235	2/1/2017	Harbor Diesel & Equipment	B120-BUS MECHANICAL PARTS	160.37
4500010236	2/1/2017	Transit Holdings Inc	B140-BUS CHASSIS	3,235.87
4500010237		W.W. Grainger Inc	G140-SHOP SUPPLIES	57.13
4500010238		Transit Holdings Inc	B250-BUS REPAIR PARTS	212.60
4500010239		Battery Systems Inc	B160-BUS ELECTRICAL	4,767.94
4500010240		Citywide Auto Glass Inc	B130-BUS BODY	1,659.35
4500010241		Kaman Industrial Technologies	B140-BUS CHASSIS	2,158.35
4500010241		Transwest San Diego LLC	B200-BUS PWR TRAIN EQUIP	1,824.24
4500010242		Raindance Roof Company, Inc.	P120-BLDG/FACILITY REPRS	225.00
4500010243		W.W. Grainger Inc	F110-SHOP/BLDG MACHINERY	126.61
4500010245		Transit Holdings Inc	B250-BUS REPAIR PARTS	148.59
4500010245		Zep Vehicle Care Inc	G180-JANITORIAL SUPPLIES	932.87
4500010247		Industrial Maintenance Supply LLC	G150-FASTENERS	35.97
4500010247		Jeyco Products Inc	B160-BUS ELECTRICAL	60.09
4500010248		Muncie Transit Supply	B130-BUS BODY	1,229.99
4500010249		Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	2,439.89
4500010250		Airgas Inc	G140-SHOP SUPPLIES	77.28
			P280-GENERAL SVC AGRMNTS	2,604.00
4500010252		Rayne - San Diego Inc	G130-SHOP TOOLS	1,300.55
4500010253 4500010254		Home Depot USA Inc	B190-BUS FARE EQUIP	1,772.73
		SPX Corporation		46.77
4500010255		West-Lite Supply Co Inc	M180-STATION ELECTRICAL	
4500010256		Siemens Industry Inc	R160-RAIL/LRV ELECTRICAL	90,796.62
4500010257		OneSource Distributors, LLC	G140-SHOP SUPPLIES	2,169.58
4500010258		Office Solutions	G130-SHOP TOOLS	11.04
4500010259		Waxie Sanitary Supply Inc	G140-SHOP SUPPLIES	363.51
4500010260		Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	2,000.55
4500010261		Soco Group Inc	A120-AUTO/TRUCK GASOLINE	19,982.82
4500010262		Cubic Transportation Systems	G290-FARE REVENUE EQUIP	394.11
4500010263		Spectrasite Wireless Towers Inc	P130-EQUIP MAINT REPR SVC	4,373.16
4500010264		San Diego Community College Distric	P540-MAINTENANCE TRAINING	575.40
4500010265		Newark Corporation	M200-YARD FACILITIES	375.34
4500010266		Nth Generation Computing Inc	I110-INFORMATION TECH	12,121.31
4500010267		Nth Generation Computing Inc	I110-INFORMATION TECH	77,598.10
4500010268		Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,986.99
4500010269		Cummins Pacific LLC	B160-BUS ELECTRICAL	15,639.48
4500010270		Nth Generation Computing Inc	I140-IT CAPITAL SOFTWARE	29,320.00
4500010271		Selective Transit Parts Inc	R220-RAIL/LRV TRUCKS	21,700.85
4500010272		Wolfcom Enterprises	G120-SECURITY	1,065.00
4500010273		Gillig LLC	B130-BUS BODY	15,461.26
4500010274		Harbor Diesel & Equipment	P190-REV VEHICLE REPAIRS	2,326.98
4500010275		Western Pump Inc	F110-SHOP/BLDG MACHINERY	223.50
4500010276	2/2/2017	Transit Holdings Inc	B250-BUS REPAIR PARTS	354.99
4500010277	2/2/2017	W.W. Grainger Inc	F110-SHOP/BLDG MACHINERY	186.97
4500010278		Fastenal Company	B250-BUS REPAIR PARTS	162.36
4500010279		ABC Construction Co., Inc.	C110-GENERAL CONTRACTORS	29,061.92
4500010280		Sid Tool Co	G130-SHOP TOOLS	596.14
4500010281		Comfort Mechanical Inc	M190-SDSU ELECTRICAL	996.00
1500010282		OneSource Distributors, LLC	M110-SUB STATION	2,764.96
1500010283		W.W. Grainger Inc	M110-SUB STATION	1,916.48

Purchase Orders				
PO Number	PO Date	Name	Material Group	PO Value
4500010284	2/2/2017	Daniels Tire Service	P210-NON-REV VEH REPAIRS	452.40
4500010285	2/2/2017	City Treasurer	P130-EQUIP MAINT REPR SVC	325.46
4500010286	2/2/2017	Carlson & Beauloye Machine Shop	R120-RAIL/LRV CAR BODY	140.08
4500010287	2/3/2017	Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	406.24
4500010288	2/3/2017	Louis Sardo Upholstery Inc	B130-BUS BODY	1,418.04
4500010289		Team One Repair Inc	G290-FARE REVENUE EQUIP	12,722.66
4500010290		Harbor Diesel & Equipment	B200-BUS PWR TRAIN EQUIP	2,335.08
4500010291	2/3/2017	Steven Timme	G230-PRINTED MATERIALS	2,230.20
4500010292	2/3/2017	Mouser Electronics Inc	B250-BUS REPAIR PARTS	462.61
4500010293	2/3/2017	W.W. Grainger Inc	F110-SHOP/BLDG MACHINERY	161.99
4500010294		Transit Holdings Inc	B250-BUS REPAIR PARTS	935.29
4500010295		San Diego Seal Inc	B250-BUS REPAIR PARTS	59.90
4500010296		Janek Corporation	B250-BUS REPAIR PARTS	2,631.72
4500010297		Transit Holdings Inc	B250-BUS REPAIR PARTS	336.18
4500010298		Hogan MFG Inc	B250-BUS REPAIR PARTS	132.31
4500010299		W.W. Grainger Inc	F110-SHOP/BLDG MACHINERY	45.73
4500010300		TK Services Inc	B250-BUS REPAIR PARTS	2,243.10
4500010301		Verdugo Testing Co Inc	P120-BLDG/FACILITY REPRS	255.87
4500010302		Cubic Transportation Systems	G290-FARE REVENUE EQUIP	1,536.52
4500010303		Soco Group Inc	A120-AUTO/TRUCK GASOLINE	1,688.60
4500010304		Home Depot USA Inc	G270-ELECTRICAL/LIGHTING	11.08
4500010305		Golden State Supply LLC	G180-JANITORIAL SUPPLIES	17.78
4500010306		Golden State Supply LLC	P210-NON-REV VEH REPAIRS	10.76
4500010307		Cubic Transportation Systems	G290-FARE REVENUE EQUIP	9,296.99
4500010308		Knorr Brake Company	P190-REV VEHICLE REPAIRS	508.45
4500010309		Soco Group Inc	A120-AUTO/TRUCK GASOLINE	3,811.22
4500010310		The Truck Lighthouse	R120-RAIL/LRV CAR BODY	411.71
4500010311		Cummins Pacific LLC	B250-BUS REPAIR PARTS	2,532.47
4500010312		California Sheet Metal Works	R160-RAIL/LRV ELECTRICAL	2,943.76
4500010313		Siemens Industry Inc	R160-RAIL/LRV ELECTRICAL	1,346.88
4500010314		West End Holdings Inc	P260-TESTING & ANALYSIS	150.00
4500010315		Comfort Mechanical Inc	M190-SDSU ELECTRICAL	996.00
4500010316	2/3/2017	OneSource Distributors, LLC	G130-SHOP TOOLS	262.35
4500010317		CDW LLC	I110-INFORMATION TECH	59.27
4500010318	2/6/2017	Federal Express Corp	G200-OFFICE SUPPLIES	45.27
4500010319		Cintas Corporation No 2	P110-BLDG MAINTENANCE	124.28
4500010320		Western-Cullen-Hayes Inc	M130-CROSSING MECHANISM	2,536.44
4500010321		7-Eleven Inc	G280-FARE MATERIALS	4,200.00
4500010322	2/6/2017	California Sheet Metal Works	P190-REV VEHICLE REPAIRS	23,480.00
4500010323	2/6/2017	Transit Holdings Inc	B250-BUS REPAIR PARTS	846.17
4500010324	2/6/2017	Cummins Pacific LLC	F110-SHOP/BLDG MACHINERY	321.90
4500010325		Gillig LLC	B250-BUS REPAIR PARTS	192.30
4500010326		Mcmaster-Carr Supply Co	F110-SHOP/BLDG MACHINERY	174.64
4500010327		W.W. Grainger Inc	F110-SHOP/BLDG MACHINERY	97.22
4500010328		Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,953.07
4500010329		Soco Group Inc	F110-SHOP/BLDG MACHINERY	2,676.52
4500010330		Helix Water District	C120-SPECIALTY CONTRACTOR	99,500.00
4500010331		W.W. Grainger Inc	G140-SHOP SUPPLIES	233.61
4500010332		Siemens Industry Inc	P190-REV VEHICLE REPAIRS	60,454.50
4500010333		California Stamp Company	G200-OFFICE SUPPLIES	859.80
4500010334		Soco Group Inc	A120-AUTO/TRUCK GASOLINE	21,239.66
4500010335		K+K America Corp	G210-OFFICE FURNITURE	1,950.82
4500010336		Mark Carass	P120-BLDG/FACILITY REPRS	636.00
4500010337	2/6/2017	Transit Holdings Inc	B110-BUS HVAC SYSTEMS	1,130.60
4500010338		Western Lift Inc	F110-SHOP/BLDG MACHINERY	839.56
4500010339	2/6/2017	W.W. Grainger Inc	G140-SHOP SUPPLIES	296.09
4500010340		Delphin Computer Supply	G200-OFFICE SUPPLIES	938.52
4500010341		Annex Automotive and	F120-BUS/LRV PAINT BOOTHS	2,792.61

Purchase Orders				
PO Number	PO Date	Name	Material Group	PO Value
4500010342		FinishMaster Inc	F120-BUS/LRV PAINT BOOTHS	2,706.12
4500010343		Total Filtration Services Inc	F120-BUS/LRV PAINT BOOTHS	1,450.80
4500010344		Smart Car Care Products Inc	R240-RAIL/LRV REPR PARTS	275.46
4500010345		W.W. Grainger Inc	G170-LUBRICANTS	663.44
4500010346		Professional Contractors Supplies	G140-SHOP SUPPLIES	309.14
4500010347		Gillig LLC	B160-BUS ELECTRICAL	2,353.53
4500010348	2/7/2017	San Diego Comic Convention Inc	P310-ADVERTISING SERVICES	44,012.50
4500010349	2/7/2017	Transit Holdings Inc	B200-BUS PWR TRAIN EQUIP	2,226.74
4500010350		Recaro North America Inc	B130-BUS BODY	939.65
4500010351		Industrial Maintenance Supply LLC	G200-OFFICE SUPPLIES	38.08
4500010352		Luminator Mass Transit, LLC	B250-BUS REPAIR PARTS	951.42
4500010353		Transit Holdings Inc	B250-BUS REPAIR PARTS	915.34
4500010354		Culligan of San Diego	G140-SHOP SUPPLIES	1,680.00
4500010355		Wesco Distribution Inc	F110-SHOP/BLDG MACHINERY	26.84
4500010356		Airgas Inc	G190-SAFETY/MED SUPPLIES	889.39
4500010357		Ferguson Enterprises	F110-SHOP/BLDG MACHINERY	27.09
4500010358		Westair Gases & Equipment Inc	G140-SHOP SUPPLIES	191.92
4500010359		Tri-Signal Integration Inc	F110-SHOP/BLDG MACHINERY	300.00
4500010360		Prudential Overall Supply	G180-JANITORIAL SUPPLIES	514.55
4500010361		Staples Contract & Commercial Inc	P540-MAINTENANCE TRAINING	96.87
4500010362		Waxie Sanitary Supply Inc	G180-JANITORIAL SUPPLIES	175.64
4500010363		Transit Holdings Inc	P190-REV VEHICLE REPAIRS	379.37
4500010364		Willy's Electronic Supply Co	G130-SHOP TOOLS	339.10
4500010365	2/7/2017		F180-BUILDING MATERIALS	347.48
4500010366		OneSource Distributors, LLC	G180-JANITORIAL SUPPLIES	947.84
4500010367		San Diego Compressed Air Power LLC	F180-BUILDING MATERIALS	50.11
4500010368		Controlled Motion Solutions Inc	R240-RAIL/LRV REPR PARTS	850.80
4500010369		Kaman Industrial Technologies	B140-BUS CHASSIS	1,369.31
4500010370		Transwest San Diego LLC	B200-BUS PWR TRAIN EQUIP	442.36
4500010371		Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	3,539.34
4500010372		Mohawk Mfg & Supply Co	B160-BUS ELECTRICAL	199.97
4500010373		Mohawk Mfg & Supply Co	B140-BUS CHASSIS	31.73
4500010374		Delphin Computer Supply	G200-OFFICE SUPPLIES	601.06
4500010375		Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,939.51
4500010376		HI-TEC Enterprises	R160-RAIL/LRV ELECTRICAL	1,238.21
4500010377	2/7/2017	Byrne Doughty Mgt Corp	G200-OFFICE SUPPLIES	1,424.49
4500010378		San Diego Mold	G290-FARE REVENUE EQUIP	565.69
4500010379		Prochem Speciality Products Inc	G180-JANITORIAL SUPPLIES	3,308.54
4500010380		W.W. Grainger Inc	G140-SHOP SUPPLIES	78.61
4500010381		R.S. Hughes Co Inc	G130-SHOP TOOLS	1,366.27
4500010382		Waxie Sanitary Supply Inc	G140-SHOP SUPPLIES	373.57
4500010383		Muncie Transit Supply	B130-BUS BODY	41.52
4500010384		Jeyco Products Inc	G130-SHOP TOOLS	13.67
4500010385	2/7/2017	Mohawk Mfg & Supply Co	B140-BUS CHASSIS	2,960.97
4500010386		Pacific Flexible Metal Hose Co	B200-BUS PWR TRAIN EQUIP	97.75
4500010387	2/7/2017	The Truck Lighthouse	B160-BUS ELECTRICAL	434.60
4500010388	2/7/2017	Harbor Diesel & Equipment	B120-BUS MECHANICAL PARTS	160.37
4500010389		United Refrigeration Inc	G170-LUBRICANTS	102.59
4500010390	2/7/2017	Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	3,190.16
4500010391	2/7/2017	Lucerix International Corporation	B130-BUS BODY	308.93
4500010392	2/7/2017	Prudential Overall Supply	G140-SHOP SUPPLIES	317.79
4500010393	2/7/2017	Charter Industrial Supply Inc	B120-BUS MECHANICAL PARTS	222.95
4500010394	2/7/2017	B & S Graphics Inc	B130-BUS BODY	33.62
4500010395	2/7/2017	P & R Paper Supply Company Inc	G140-SHOP SUPPLIES	246.72
4500010396	2/7/2017	Siemens Industry Inc	R120-RAIL/LRV CAR BODY	2,498.95
4500010397	2/7/2017	Schunk Carbon Technology LLC	R160-RAIL/LRV ELECTRICAL	482.72
4500010398	2/7/2017	Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	3,725.14
4500010399	2/7/2017	California Sheet Metal Works	R160-RAIL/LRV ELECTRICAL	1,030.32

Purchase Orders				
PO Number	PO Date	Name	Material Group	PO Value
4500010400	2/7/2017	Don Oleson Inc	B200-BUS PWR TRAIN EQUIP	5,064.40
4500010401	2/7/2017	Midwest Bus Corporation	B130-BUS BODY	141.83
4500010402	2/7/2017	Aslan Capital Inc	G180-JANITORIAL SUPPLIES	425.41
4500010403	2/7/2017	Diamond Environmental Services LP	G180-JANITORIAL SUPPLIES	239.43
4500010404	2/7/2017	Tribologik Corporation	G140-SHOP SUPPLIES	2,101.85
4500010405	2/7/2017	Insultech LLC	B200-BUS PWR TRAIN EQUIP	191.24
4500010406	2/7/2017	Transit Holdings Inc	B140-BUS CHASSIS	2,788.70
4500010407	2/7/2017	Kaman Industrial Technologies	F110-SHOP/BLDG MACHINERY	240.61
4500010408	2/7/2017	Harbor Diesel & Equipment	B140-BUS CHASSIS	2,894.29
4500010409	2/7/2017	Gillig LLC	B250-BUS REPAIR PARTS	2,218.94
4500010410	2/7/2017	W.W. Grainger Inc	G140-SHOP SUPPLIES	124.64
4500010411	2/7/2017	Sherwin Williams Company	B250-BUS REPAIR PARTS	568.61
4500010412	2/7/2017	Eran Hason	P120-BLDG/FACILITY REPRS	127.75
4500010413	2/7/2017	Optimum Floorcare	P130-EQUIP MAINT REPR SVC	1,183.86
4500010414	2/7/2017	Siemens Industry Inc	R160-RAIL/LRV ELECTRICAL	67,020.51
4500010415	2/7/2017	Transtechnik Corp USA	R160-RAIL/LRV ELECTRICAL	5,878.24