



1255 Imperial Avenue, #1000
San Diego, CA 92101-7490
619.231.1466 FAX 619.234.3407

Agenda

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

July 13, 2017

Executive Conference Room
9:00 a.m.

ACTION RECOMMENDED

- | | | |
|----|---|--------------------|
| A. | ROLL CALL | |
| B. | APPROVAL OF MINUTES - June 1, 2017 | Approve |
| C. | COMMITTEE DISCUSSION ITEMS | |
| 1. | <u>Fare Collection Update (Sharon Cooney)</u> | Informational |
| 2. | <u>MTS - Private Party Fiber Swap Agreements (Karen Landers)</u>
Action would receive a report and provide direction to staff. | Possible
Action |
| 3. | CLOSED SESSION - CONFERENCE WITH REAL PROPERTY
NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE
SECTION 54956.8
<u>Property:</u> 5159 Baltimore Drive (Assessor Parcel No. 470-050-16)
<u>Agency Negotiators:</u> Paul Jablonski, Chief Executive Officer; Karen Landers,
General Counsel; and Tim Allison, Manager of Real Estate Assets
<u>Negotiating Parties:</u> DJR Companies; El Cajon Real Estate Investments, LLC
<u>Under Negotiation:</u> Price and Terms of Payment | Possible
Action |
| 4. | CLOSED SESSION - CONFERENCE WITH REAL PROPERTY
NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE
SECTION 54956.8
<u>Property:</u> The San Diego and Arizona Eastern Railway Company (SD&AE)
Desert Line from approximate Mile Post 60 to approximate Mile Post 130
(Division to Plaster City) in San Diego and Imperial Counties
<u>Agency Negotiators:</u> Paul Jablonski, Chief Executive Officer; Karen Landers,
General Counsel; and Tim Allison, Manager of Real Estate Assets
<u>Negotiating Parties:</u> Baja California Railroad, Inc. (BJRR)
<u>Under Negotiation:</u> Price and Terms of Payment under Desert Line Lease
and Operating Agreement | Possible
Action |



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

June 1, 2017

MINUTES

A. ROLL CALL

Chairman Mathis called the Executive Committee meeting to order at 10:08 a.m. A roll call sheet listing Executive Committee member attendance is attached.

B. APPROVAL OF MINUTES

Ms. Cole moved for approval of the minutes of the May 4, 2017 MTS Executive Committee meeting. Mr. McClellan seconded the motion, and the vote was 5 to 0 in favor.

C. COMMITTEE DISCUSSION ITEMS

1. Quarterly Mid-Coast Corridor Transit Project Update (John Dorow of SANDAG)

John Dorow, with SANDAG, provided a report on the Mid-Coast Corridor Transit Project (Mid-Coast). Mr. Dorow reviewed the project team, project alignment, project segments and reaches, project budget and expenditure, project contingency expenditure curve, project schedule, project schedule contingency curve, and dry and wet utility relocation. He also provided an update on construction and provided photos of recent construction. Mr. Dorow reviewed the Mid-Coast right-of-way acquisitions, environmental mitigation update, quality management/quality assurance activity, safety and security status, grade separations and stations, light rail vehicle status and public involvement.

Action Taken

No action taken. Informational item only.

2. Jolly Trolley Building Conditions Report (Bill Spraul)

Bill Spraul, Chief Operating Officer – Transit Services, provided a report on the condition of the Jolly Trolley Building located at 1501 National Avenue, San Diego, CA 92113. He provided a building and lot summary and reviewed the current condition of the building. He stated that over time the building has degraded, settled and has incurred damaging repeat water intrusion. Mr. Spraul discussed the interim action steps since the recent flooding and damage to the building. He stated that an engineering study was conducted by Kimley-Horn and Kleinfelder to determine the extent of the damage and assess the structural integrity of the building. As a result of the engineering study, Kimley-Horn and Kleinfelder recommended options for various repairs and/or replacement of the building. Mr. Spraul discussed the potential options and noted that the staff recommendation is to demolish the building and replace it with a modular building. He reviewed the advantages of a modular building which include providing more flexibility for addressing future needs; having the ability to expand, contract or move office space as MTS grows

and changes; and providing a flexible approach. He also noted that space needs for Taxicab Administration may reduce in the future if permit numbers continue to decrease. Ms. Landers noted that a modular building option would also help keep options open to easily relocate in case MTS wants to use that property for other reasons.

Mr. Roberts asked if staff has looked into steel modular buildings instead of wood frame modular buildings. Mr. Spraul replied that staff has not looked into steel modular building options, but will look into costs and options to bring back to the Executive Committee for review. The Executive Committee agreed that they would like to see the current building demolished and replaced with modular buildings. Chairman Mathis inquired if there is an interim plan in place for relocating staff while construction takes place. Mr. Spraul replied that Access eligibility staff has temporarily moved to conference rooms at the Imperial Avenue Division and they will also begin to research temporary relocation options for taxicab administration staff. Mr. Roberts asked which property location staff would move to if MTS decided to use that current property for another reason or project. Ms. Landers replied that we do not have another site identified at this time, but there are other potential properties if needed. She noted that there could be potential areas in the trolley yard that could be developed, but a plan has not been set in place yet. She stated that the modular building option would give MTS the ability to relocate to another site if needed. The Executive Committee instructed staff to research other modular building options; research potential site plans for relocation from the current site; and bring back those options to a future Executive Committee meeting.

Action Taken

No action taken.

D. REVIEW OF DRAFT June 8, 2017 BOARD AGENDA (TAKEN BEFORE CLOSED SESSION)

Recommended Consent Items

6. Investment Report - April 2017

7. Job Order Contract (JOC) - On-Call General Building and Facilities Construction - Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL234.0-17 (SANDAG Doc. No. 5007503) with ABC Construction Company, Inc. (ABC), for the provision of on-call job order general building and facilities construction services agreement for a three-year period.

8. San Diego Transit Corporation (SDTC) Gas Detection Upgrade - Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWB217.0-17 with Clean Energy, a California Corporation, for gas detection upgrades at the two SDTC locations, Imperial Avenue Division (IAD) and Kearny Mesa Division (KMD).

9. Printing and Delivery of Take One Notices - Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1987.0-17 with Neyenesch Printers, Inc., for printing and delivery of Take One notices for five (5) base years with two (2) 1-year options, exercisable at MTS's sole discretion.

10. San Diego Trolley, Inc. (SDTI) Wheel Truing Pit - Construction Changes
Action would: (1) Ratify Construction Changes for Change Order 001 to MTS Doc. No. PWL209.0-16, with Western Rim Constructors, Inc. (WRC) for \$98,584.76, which was previously issued under the Chief Executive Officer's (CEO) authority, for the Wheel Truing Pit construction; and (2) Authorize the CEO to execute Construction Change Order 002 to MTS Doc. No. PWL209.0-16, with WRC for \$95,433.26, for work associated with dewatering the wheel truing pit, adding concrete and other miscellaneous changes.
11. On-Call General Civil Construction Services - Contract Amendment
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL204.1-16 with ABC Construction Company, for an increase to the contract value.
12. Bus Tires for Contract Services - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0670.0-17 with Daniels Tire Service for the purchase of 216 tires for 40ft Standard Low Floor Buses and 270 tires for 60ft Articulated Buses.
13. Green Line Traction Power Substation Rehabilitation Services: Mass Electric Construction Contract Change Orders
Action would: (1) Ratify Change Order Nos. 2 - 5 to MTS Doc. No. PWL183.0-16 which were previously approved under the Chief Executive Officer's (CEO) approval authority; and (2) Authorize the CEO to execute change orders as necessary for the Mass Electric Construction contract (MTS Doc. No. PWL183.0-16) up to \$495,411.00 with Mass Electric Construction (MEC) Company to modify transformer to rectifier bus bar connection, add negative pullboxes for conduit reroute, replace feeder cables, and adjust for feeder cables variant.
14. Job Order Contract (JOC) On-Call Railroad Signals, Overhead Catenary Systems and Track Work Construction Services - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL235.0-17 (SANDAG Doc. No. 5007506) with HMS Construction, Inc. (HMS), for the provision of on-call job order railroad signals, overhead catenary systems and track work construction services for a three-year agreement.
15. Microsoft Licensing and Software Assurance Upgrade - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2008.0-17 with Crayon Software Experts, LLC for Microsoft Licensing and Software Assurance Upgrade for three years.
16. Regional Transit Management System (RTMS) Expansion Hardware for Copley Park Division - Sole Source Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0672.0-17 with Conduent Transport Solutions, Inc. (Conduent) for the purchase of RTMS related hardware and spare equipment for the Copley Park Division (Copley) RTMS expansion project.
17. Sole Source Award to Drake Integrations for San Diego State University (SDSU) Tunnel Fire, Life, Safety and Smoke Control System
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL237.0-17, a sole source agreement with Drake Integrations to procure, install, integrate and program a Distech Control Fire, Life, Safety and Smoke Control System at the SDSU station and tunnel.

18. Contract Ratifications and Amendments for Federal Communications Commission (FCC) Mandated 800 MHz Rebanding Services

Action would: (1) Ratify previous contract amendment G1738.1-15 with Ross & Baruzzini of \$82,282, previously issued under the Chief Executive Officer's (CEO) authority; (2) Authorize the CEO to execute amendment G1738.2-15 for Ross & Baruzzini to increase the total contract value by \$58,981, for a revised total contract value of \$291,193; and (3) Ratify previous contract amendment G1739.1-15 with Day Wireless Systems of \$53,810, previously issued under the CEO's authority.

COMMENTS - Recommended Consent Items

Ms. Rios inquired about agenda item number 8 and asked if there was a significant difference between the bidders in terms of qualifications. Ms. Landers replied that Clean Energy is a contractor that MTS has worked with before and we are confident that they are knowledgeable and capable to perform the duties.

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

There was no SANDAG Transportation Committee agenda discussion.

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

There was no Committee Member Communications and Other Business discussion.

G. PUBLIC COMMENTS (TAKEN BEFORE CLOSED SESSION)

There were no Public Comments.

The Executive Committee convened for Closed Session at 10:58 a.m.

C3. CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54956.8

Property: The San Diego and Arizona Eastern Railway Company (SD&AE) Desert Line from approximate Mile Post 60 to approximate Mile Post 130 (Division to Plaster City) in San Diego and Imperial Counties

Agency Negotiators: Paul Jablonski, Chief Executive Officer; Karen Landers, General Counsel; and Tim Allison, Manager of Real Estate Assets

Negotiating Parties: Baja California Railroad, Inc. (BJRR)

Under Negotiation: Price and Terms of Payment under Desert Line Lease and Operating Agreement

The Executive Committee reconvened from Closed Session at 11:36 a.m.

Oral Report on Final Actions Taken in Closed Session

C3. The Executive Committee received a report from staff and gave instructions.

Executive Committee Meeting – MINUTES

June 1, 2017

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H. NEXT MEETING DATE

The next Executive Committee meeting is scheduled for July 13, 2017, at 9:00 a.m. in the Executive Committee Conference Room.

I. ADJOURNMENT

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

/s/ Harry Mathis
Chairman

Attachment: Roll Call Sheet

EXECUTIVE COMMITTEE
SAN DIEGO METROPOLITAN TRANSIT SYSTEM

ROLL CALL

MEETING OF (DATE) June 1, 2017

CALL TO ORDER (TIME) 10:08 a.m.

RECESS _____

RECONVENE _____

CLOSED SESSION 10:58 a.m.

RECONVENE 11:36 a.m.

ADJOURN 11:37 a.m.

BOARD MEMBER (Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
COLE <input checked="" type="checkbox"/> (Gomez) <input type="checkbox"/>	10:08 a.m.	11:37 a.m.
MATHIS <input checked="" type="checkbox"/>	10:08 a.m.	11:37 a.m.
MCCLELLAN <input checked="" type="checkbox"/> (McWhirter) <input type="checkbox"/>	10:08 a.m.	11:37 a.m.
RIOS <input checked="" type="checkbox"/> (Salas) <input type="checkbox"/>	10:08 a.m.	11:37 a.m.
ROBERTS <input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	10:08 a.m.	11:37 a.m.
Transportation Committee Rep Slot (Mathis)		

SIGNED BY THE CLERK OF THE BOARD: Julia Tuer

CONFIRMED BY THE GENERAL COUNSEL: Merlena



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Agenda Item No. C1

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

July 13, 2017

SUBJECT:

FARE COLLECTION UPDATE (SHARON COONEY)

INFORMATIONAL ONLY

Budget Impact

None.

DISCUSSION:

The San Diego Association of Governments (SANDAG), MTS, and the North County Transit District transitioned from paper fare products to the Compass Card electronic fare collection system in 2009. MTS assumed responsibility for management of Compass Card from SANDAG in 2014. MTS staff immediately began to review the current system's status, correct system deficiencies, and begin the process for modernization and replacement of components of the system that was originally procured in 2003.

Staff will provide a report on progress on several Compass initiatives including mobile ticketing, stored value implementation, Webtix, and creation of a Concept of Operations for system modernization.

/s/ Paul C. Jablonski

Paul C. Jablonski
Chief Executive Officer

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



Fare Collection Update

Executive Committee
July 13, 2017



Compass Cloud and Compass Cash

- Cloud Launched March 30
- 35,000+ Accounts
- On-Going Marketing
- Big Push for Comic-Con

EASY FARES!

COMPASS CLOUD

Free mobile
ticketing app.



Day Passes; 30-day Passes

Buy for your entire group
on one phone.

Your phone is your ticket.



COMPASS CASH

Load money on your
Compass Card.



Great for One-Ways.

Follow prompts on
machine to load value.

Just tap and ride!

Compass Service Center
(619) 595-5636
sdmts.com



Compass Cloud

	Transactions			Revenue		
	MTS	NCTD	Total	MTS	NCTD	Total
April	9,947	3,292	13,239	\$79,769	30,872	\$110,641
May	14,497	5,686	20,183	\$122,270	\$53,327	\$175,597
June	17,675	9,171	26,846	\$155,722	\$85,567	\$241,289
Total	42,119	18,149	60,268	\$357,761	\$169,766	\$527,527



Compass Cloud

Product		April	May	June	Total	Percent
30-day						
	MTS	432	724	888	2044	3.3
	Coaster	43	72	78	193	0.3
	Spr/Brz	15	17	27	59	0.1
Day Pass						
	MTS	9,477	13,710	16,350	39,537	65.6
	NCTD	186	177	326	689	1.1
	Region+	363	489	835	1,687	2.8
Coaster RT		1,064	1,904	3,096	6,064	10.0
Coaster OW		1,666	3,077	4,492	9,235	15.3
MTS Fair			9	334	343	0.5
NCTD Fair			9	420	429	0.7



Compass Cash

- Launched June 28
- Total Purchased: \$24,661
 - 71% at TVMs; 29% on-line
- Total Used: \$ 8,047
 - One-Ways: \$ 6,547
 - Day Passes: \$ 1,500
- Remaining: \$16,614



Next Generation Fare Collection System



The current fare collection system is out of date.

- Hardware is at end of useful life
- Outdated software needs to be upgraded
 - Available upgrades were not performed
 - Requires a great deal of maintenance, troubleshooting
 - Small changes cost a great deal, take a long time
- Need updated security measures (PCI compliance)
- Want greater functionality
 - Account based system
 - Integrated with mobile ticketing
 - Non proprietary, open architecture
 - Ability to integrate with multiple hardware options
 - Better financial, data tools
 - Flexibility in fare policy



Planning for System Modernization

- MTS staff launched a process for deciding what to do next with the fare collection system in 2014
- Staff at all levels, in all departments participating
- Created a fare collection working group
- Began Fare Study with SANDAG and NCTD with a goal of fare simplification prior to system upgrades
- Requested rough order of magnitude proposals from Cubic to upgrade, rather than replace with a new software system
- Hired CH2M in 2016 to assist; presented Whitepaper to Board in December; gained approval for next step



Concept of Operations

- MTS, NCTD and SANDAG, facilitated by CH2M
- More detailed explanation of system requirements, plans for implementation
 - Current system analysis
 - Detailed system requirements
 - Fare structure analysis
 - Operations and procurement
 - System transition plan
- The completed Concept of Operations will assist in directing the procurement
 - Minimizes risk in the procurement stage
- Identified strategy for procurement



CORE PROCUREMENT

Account Based Processor

Configuration Management System

Revenue Management System

Data Warehouse

Monitoring Management

Media Inventory Management

CRM

Reporting System

Hosting

Website

Mobile Ticketing

Inspection Device (App)

Sales Terminal (Ticket Office)

SEPARATE PROCUREMENT

Payment Processor

Retail Network Administration

Mobile Router

Inspection Device (Smartphone)

Fare Media

OPTIONAL CORE PROCUREMENT

TVM

Validator

DCU

Sales Terminal (Retail)

Back Office

Hardware

Core Procurement: 2 Step Strategy

- **Step 1:** Pre-screen vendors through a request for qualifications (RFQ) process
 - vendors provide high-level responses to the Concept of Operations and demonstrate their capabilities.
 - Determination then made on qualified vendors, who will advance to next step
- **Step 2:** A Request for Proposals (RFP) is issued to the shortlisted vendors

Next Steps

- Update to Board next week
- Continue refining Concept of Operations
- Gain agreement with NCTD on procurement strategy and schedule
- Complete fare study with SANDAG, NCTD
- Continue vendor demos
- Complete RFQ procurement documents
- Issue RFQ in fall, 2017
- Begin technical specifications
- Issue RFP in Spring 2018 to qualified vendors





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Agenda Item No. C2

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

July 13, 2017

SUBJECT:

MTS – PRIVATE PARTY FIBER SWAP AGREEMENTS (KAREN LANDERS)

RECOMMENDATION:

That the Executive Committee receive a report and provide direction to staff.

Budget Impact:

None.

DISCUSSION:

Staff will provide a report on potential fiber swap agreements with private parties that could provide a benefit to MTS systems and/or MTS-SANDAG capital projects.

/s/ Paul C. Jablonski _____
Paul C. Jablonski
Chief Executive Officer

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



Executive Committee

July 13, 2017

Agenda Item C2

MTS-Private Party Fiber Swap Agreements



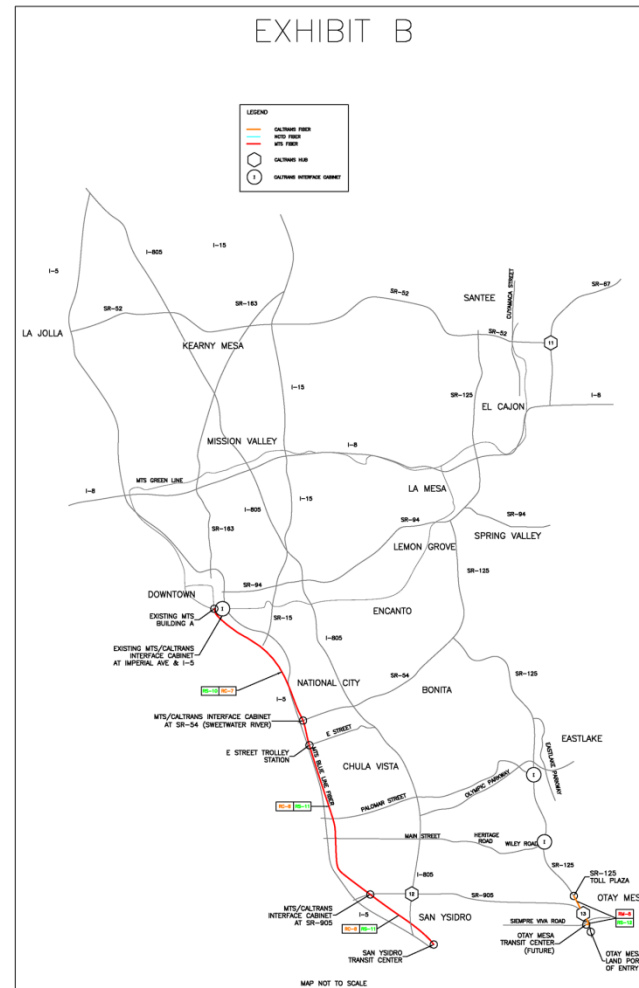
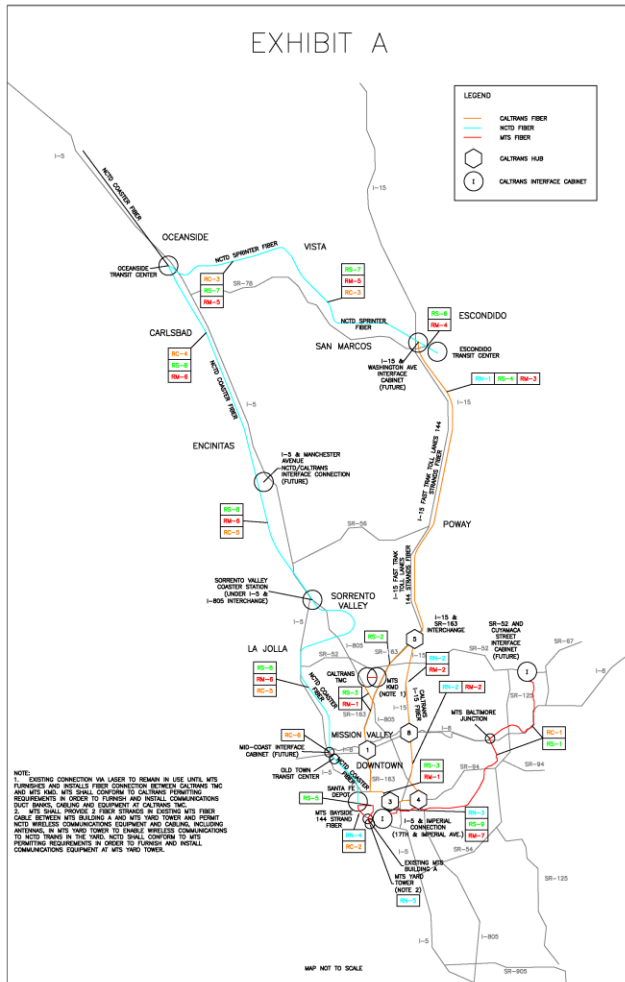
Proposal for Private Party Fiber Swap

- SANDAG has requested MTS consider a private-party fiber swap agreement that would bridge fiber network gap in Chula Vista
- Any costs to be covered by private party and SANDAG South Bay BRT Project

TODAY'S AGENDA ITEM → REVIEW CONCEPT
WITH EXECUTIVE COMMITTEE



MTS Fiber Network



Fiber Needs Assessment

- MTS uses fiber network to support:
 - Electronic Messaging Systems
 - Public Address Systems
 - Security Video Surveillance Systems
 - Traction Power Supervisory and Control Data Acquisition Systems (SCADA)
 - Centralized Train Control (Railway Signaling SCADA)
 - Fire Alarm and Emergency Management Systems
- Gaps in MTS Network:
 - Bus and non-trolley transit centers
 - Require recurring cost for lower capacity lease line services
 - Creates difficulty in timely pulling security footage, longer software update download periods, inferior video quality, and delays in public address and electronic messaging systems.



How to Fill MTS Gaps

- Public-Public Sharing of Excess Capacity
 - MTS-SANDAG-NCTD-CALTRANS
 - MTS-City of SD (B Street Corridor for Park Blvd Corridor)
 - MTS-Cities (potential for future agreements)
- Private Providers / Fiber Swap Agreements
- Construct New Fiber Network



Private Party Fiber Swap Agreements

- MTS has excess capacity in its existing fiber network
 - Meet current needs
 - Meet public sharing obligations
 - Future MTS needs
 - Existing fiber can be leveraged to obtain additional network connections / paths
 - Private Swap only if MTS gets comparable fiber in return



South Bay BRT Project

- MTS/SANDAG need fiber connection to support
 - video surveillance
 - fare collection
 - public address
 - electronic messaging
- Cost to obtain new connection:
 - SANDAG Options Analysis (*25 yr Present Cost*)
 - Construct new on E. Palomar (\$1.9M)
 - Partially construct /SDGE Pole Leasing (\$965k)
 - Lease from ATT (\$18M)



Private Party Swap Option

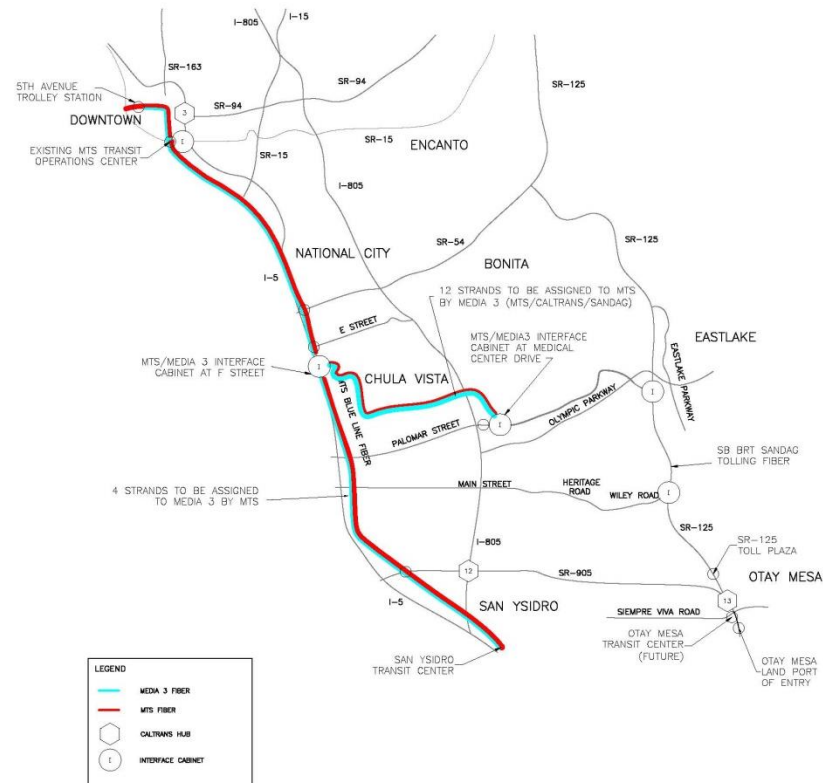
- Media 3 Communications
 - obtain a redundant path (4 strands) to data center at 525 B Street
- MTS/SANDAG
 - obtain connection (12 strands) from F Street cabinet to Medical Center Drive
- Still to be constructed (*no cost to MTS*):
 - SANDAG will construct fiber connection between BRT stations on Palomar St between Media 3 cabinet and SR-125
 - Media 3 to construct connections to 5th Ave and F Street



FIBER SWAP A

THE FIBER SWAP WILL ALLOW MTS TO DO FOLLOWING:

1. ESTABLISH LINKS FROM SOUTH BAY BRT STATIONS TO THE TRANSIT OPERATIONS CENTER IN DOWNTOWN, EXCLUDING OTAY MESA TRANSIT CENTER
2. RESERVE THE RIGHT TO SWAP FIBER WITH REGIONAL AGENCIES TO CONNECT OTAY MESA TRANSIT CENTER TO TRANSIT OPERATION CENTER DOWNTOWN (SEE FIBER SWAP B)



MAP NOT TO SCALE



Media 3 Swap Opens Add'l Connections for MTS/SANDAG/CALTRANS

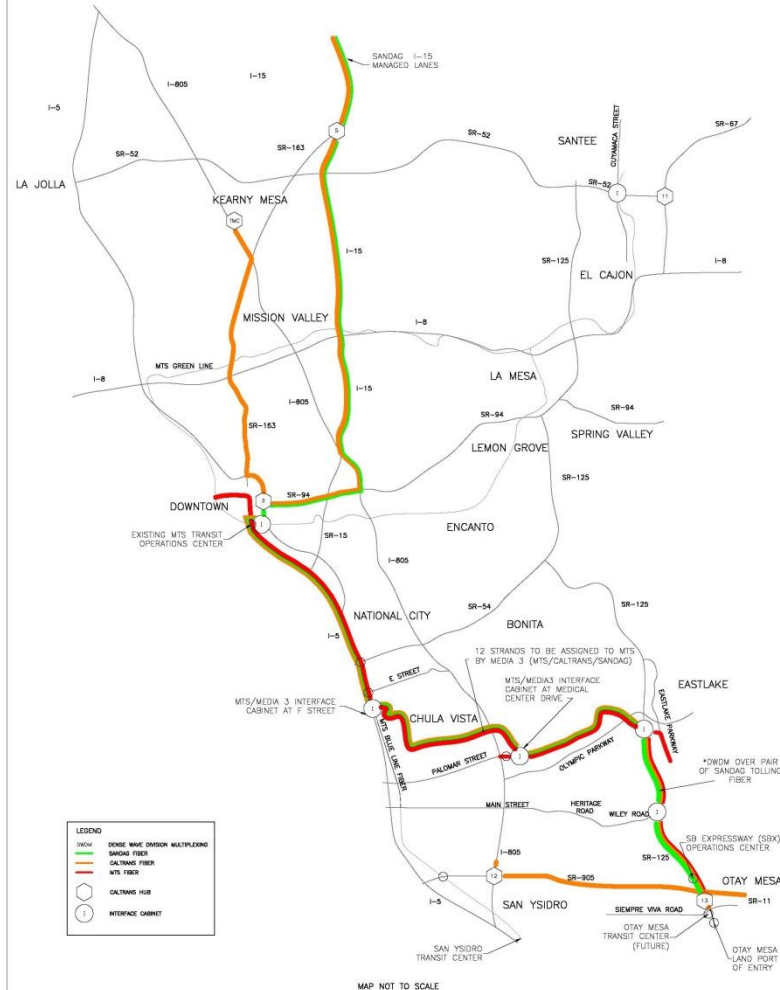
- MTS: Otay Mesa Transit Center to 12th & Imperial
- SANDAG: I-15 Managed Lanes to SB Expressway Operations Center
- Caltrans: SR-905/SR-11 to Kearny Mesa Traffic Management Center



FIBER SWAP B

THE FIBER SWAP WILL ENABLE THE FOLLOWING NETWORK CONNECTIONS:

1. CALTRANS: SR-905 & SR-11 TO TRAFFIC MANAGEMENT CENTER (TMC)
2. MTS: OTAY MESA TRANSIT CENTER TO TRANSIT OPERATIONS CENTER
3. SANDAG: I-15 MANGAGED LANES TO SB EXPRESSWAY OPERATIONS CENTER



Proposed Swap Principles

- Private Party Swap must be:
 - In the Public Interest
 - Connect a new or existing public facility
 - Provide network redundancy / improve quality
 - Result in Cost Savings over other project alternatives
 - Eliminate actual project costs
 - Swap equivalent value
 - Reduce project construction timeline or impacts
- Could be pursued as unsolicited proposals

Questions?





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REVISED DRAFT

Agenda

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

July 20, 2017

9:00 a.m.

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

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

ACTION RECOMMENDED

1. Roll Call
2. Approval of Minutes - June 8, 2017 Approve
3. Public Comments - Limited to five speakers with three minutes per speaker. Others will be heard after Board Discussion items. If you have a report to present, please give your copies to the Clerk of the Board.

Please SILENCE electronics
during the meeting

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

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



CONSENT ITEMS

- | | | |
|-----|---|--------------------|
| 6. | <u>Increased Authorization for Legal Services Contracts to Pay Projected Expenses in Fiscal Year 2018</u>
Action would: (1) Approve increasing the dollar amount of eleven (11) legal services contracts to cover anticipated fiscal year 2018 (FY18) expenses; and (2) Ratify one legal services contract amendment with approved firm. | Approve |
| 7. | <u>Fiscal Year 2018 Transportation Development Act Claim</u>
Action would adopt Resolution Nos. 17-10, 17-11, and 17-12 approving fiscal year 2018 Transportation Development Act Article 4.0, 4.5, and 8.0 claims. | Adopt/Approve |
| 8. | <u>Semiannual Uniform Report of Disadvantaged Business Enterprise (DBE) Awards and Payments</u> | Informational |
| 9. | <u>San Diego Metropolitan Transit System (MTS) Task Order Contract Amendment Approval for Old Town Transit Center West Improvements Project</u>
Action would authorize the Chief Executive Officer (CEO) to approve Amendment No. 2 to Work Order 13.18 for MTS Doc. No. G1493.0-13 with Kimley-Horn & Associates Inc. to perform Design-Engineering Services for the Old Town Transit Center West (OTTC West) Improvements Project ("Project"). | Approve |
| 10. | <u>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 Meetings on July 11, 2017</u>
Action would: (1) receive the San Diego and Imperial Valley Railroad (SD&IV), Pacific Southwest Railway Museum Association (Museum), and Desert Line quarterly reports for information; and (2) ratify actions taken by the SD&AE Board at its quarterly meeting on July 11, 2017. | Receive/
Ratify |
| 11. | <u>Proposed Revisions to San Diego Metropolitan Transit System (MTS) Board Policy No. 12, "Ownership and Operations of the San Diego and Arizona Eastern Railway Company"</u>
Action would approve the proposed revisions to MTS Board Policy No. 12, "Ownership and Operation of the San Diego and Arizona Eastern Railway Company". | Approve |
| 12. | <u>Euclid Drainage Cleanup - Award Work Order Under a Job Order Contract</u>
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. MTSJOC7501-01, under MTS Doc. No. PWL182.0-16 with Herzog Construction, Inc. (Herzog), for the provision of services, materials, and equipment for the removal and disposal of debris within the channel near the Euclid Avenue Trolley Station. | Approve |
| 13. | <u>Banking Services and Purchasing Card Program - Contract Award</u>
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1982.0-17, with JP Morgan Chase Bank (JP Morgan), to provide banking services and a purchasing card program for a five (5) year term with four (4) one year options. | Approve |

- | | | |
|-----|--|---------------|
| 14. | <u>On-Call Communications and Low Voltage Systems Wiring Services - Contract Amendment</u>
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG170.1-15 with Communication Wiring Specialists, Inc. (CWS) for \$289,224.78. | Approve |
| 15. | <u>On-Call Card Access Reader Installation, Maintenance and Repair Services - Contract Award</u>
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG168.1-15 with Electro Specialty Systems (ESS) for \$171,312.64. | Approve |
| 16. | <u>Job Order Contract (JOC) On-Call General Electrical, Traffic Signal and Communications Construction Services - Contract Award</u>
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG238.0-17 (SANDAG Doc. No. 5007502) with Select Electric, Inc., for the provision of on-call job order general electrical contracting services such as communications, traffic lights, traffic signalization and synchronization systems, and related civil construction improvements work for a three-year agreement. | Approve |
| 17. | <u>Investment Report - May 2017</u> | Informational |
| 18. | <u>Approval of Appointment to Fill Vacant Budget Development Committee Seat for 2017</u>
Action would approve the appointment of Board Member Mary Salas to the Budget Development Committee for the remainder of 2017. | Approve |
| 19. | <u>On-Call Construction Management and Engineering/Inspection Services - Master Agreements Award/Ratification</u>
Action would ratify the Chief Executive Officer's (CEO) execution of: (1) Partial Assignment of San Diego Association of Governments (SANDAG) Solicitation Capacity for On-Call Professional and Technical Construction Management and Engineering Services to MTS (MTS Doc. No. G2023.0-17); and (2) On-Call Construction Management and Engineering/Inspection Services (CM) Master Agreements with seven (7) prime consulting firms. | Approve |
| 20. | <u>Courthouse Station Construction Management Services - Work Order Agreement</u>
Action would authorize the Chief Executive Officer (CEO) to execute Work Order 1 MTS Doc. G2019.0-17 with Simon Wong Engineering, Inc. for the Courthouse Station Construction Management Services, contingent upon the approval of Agenda Item No. 19 (On-Call Construction Management and Engineering/Inspection Services – Master Agreements Award/Ratification). | Approve |

CLOSED SESSION

- | | | |
|-----|--|-----------------|
| 24. | a. CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54957.6
<u>Agency:</u> San Diego Trolley, Inc. ("SDTI")
<u>Agency-Designated Representative:</u> Jeff Stumbo
<u>Employee Organization:</u> Public Transit Employees Association (Representing Train Operators, Mechanics, Servicepersons and Clerical Staff at SDTI) | Possible Action |
|-----|--|-----------------|

b. CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS
PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54957.6

Possible
Action

Agency: San Diego Transit Corporation ("SDTC")

Agency-Designated Representative: Jeff Stumbo

Employee Organization: Amalgamated Transit Union, Local 1309 (Representing Bus Operators and Clerical Staff at SDTC)

c. CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS
PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54957.6

Possible
Action

Agency: San Diego Trolley, Inc. ("SDTI")

Agency-Designated Representative: Jeff Stumbo

Employee Organization: Transit Enforcement Officers Association (Representing Code Compliance Inspectors)

Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

25. TOP Public Hearing (Denis Desmond)

Possible
Action

DISCUSSION ITEMS

30. None.

REPORT ITEMS

45. Fare Collection Update (Sharon Cooney)

Informational

46. Operations Budget Status Report for May 2017 (Mike Thompson)

Informational

60. Chairman's Report

Informational

61. Chief Executive Officer's Report

Informational

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: August 17, 2017

65. Adjournment



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

July 20, 2017

**Draft for
Executive Committee
Review Date: 7/13/17**

SUBJECT:

INCREASED AUTHORIZATION FOR LEGAL SERVICE CONTRACTS TO PAY
PROJECTED EXPENSES IN FISCAL YEAR 2018

RECOMMENDATION:

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

- 1) Approve increasing the dollar amount of eleven (11) legal services contracts to cover anticipated fiscal year 2018 (FY18) expenses; and
- 2) Ratify one legal services contract amendment with approved firm.

Budget Impact

Sufficient funding has been programmed to pay these expenses in the current operating and capital budgets. The departments from which these expenses are drawn include: Risk & Claims, Real Estate, General Counsel, Human Resources, and the San Diego & Arizona Eastern Railway (SD&AE)

DISCUSSION:

Pursuant to Board Policy No. 52, "Procurement of Goods and Services", the CEO may enter into contracts with service providers for up to \$100,000. The Board must approve all agreements in excess of \$100,000.

On December 8, 2011, the Board established a panel of qualified law firms to assist MTS, San Diego Trolley, Inc. (SDTI) and San Diego Transit Corporation (SDTC) with various legal matters on an as-needed basis. Thereafter, MTS began contracting with eighteen of the approved firms for designated amounts. The firms provide different specialties of law, such as tort liability, workers' compensation, employment practices,



real estate, environmental, etc. Eleven of these firms will require contract increases to pay current and anticipated legal expenses in FY18. Rather than coming to the Board individually with each firm when the contract balance runs low, staff now requests Board approval on an annual basis at the start of each fiscal year.

The contract increases are based upon each firm's current caseload, the likelihood that a particular case may go to trial, and anticipated future litigation assigned to these firms in the current fiscal year. The following table includes the contracts needing Board approval to increase the dollar amount for legal services contracts for FY18:

#	Firm Name	Contract/ Amendment No.	Current Contract Amount	Proposed Increase Amount	Total Contract Amount*	Attachment
1	Parker Straus LLP	G1423.10-12	\$820,000	\$150,000	\$970,000	A
2	Mark H. Barber (Law Offices of)	G1426.8-12	\$500,000	\$75,000	\$575,000	B
3	Michael Ripley (Law Offices of)	G1428.7-12	\$780,000	\$200,000	\$980,000	C
4	Environmental Law Group	G1429.5-12	\$150,000	\$60,000	\$210,000	D
5	Paul Plevin Sullivan & Connaught	G1430.9-12	\$1,010,000	\$200,000	\$1,210,000	E
6	Ryan Carvalho & White	G1432.9-12	\$750,000	\$100,000	\$850,000	F
7	Trovillion, Inveiss & Demakis, APC	G1433.9-12	\$440,000	\$70,000	\$510,000	G
8	Wheatley Bingham & Baker	G1434.8-12	\$1,960,000	\$125,000	\$2,085,000	H
9	Laughlin, Falbo, Levy & Moresi, LLP	G1455.8-12	\$340,000	\$70,000	\$410,000	I
10	Liedle, Lounsbery, Larson & Lidl, LLP	G1490.9-13	\$1,080,000	\$650,000	\$1,730,000	J
11	Manning & Kass, Ellrod, Ramirez, Trester, LLP	G1491.7-13	\$190,000	\$60,000	\$250,000	K
Totals			\$8,020,000	\$1,710,000	\$9,730,000	

* Reflects the total contract value, including FY18 increases described in the chart above.

Today's action would also ratify increase to one contract authorized by the CEO in FY17. The following table includes one legal services contract needing Board ratification for current and future legal expenses through FY18.

#	Firm Name	Contract/ Amendment No.	Current Contract Amount	Amended Amount	Total Contract Amount	Attachment
1	Best, Best & Krieger, LLP	G1422.9-12	\$550,000	\$100,000	\$650,000	L

Therefore, staff is requesting that the Board of Directors: (1) approve increasing the dollar amount of eleven (11) legal services contracts; and (2) ratify one legal services contract with approved firm for current and future legal expenses through FY18.

/s/ Paul C. Jablonski
Paul C. Jablonski
Chief Executive Officer

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

Attachments: A. Draft MTS Doc. No. G1423.10-12
B. Draft MTS Doc. No. G1426.8-12
C. Draft MTS Doc. No. G1428.7-12
D. Draft MTS Doc. No. G1429.5-12
E. Draft MTS Doc. No. G1430.9-12
F. Draft MTS Doc. No. G1432.9-12
G. Draft MTS Doc. No. G1433.9-12
H. Draft MTS Doc. No. G1434.8-12
I. Draft MTS Doc. No. G1455.8-12
J. Draft MTS Doc. No. G1490.9-13
K. Draft MTS Doc. No. G1491.7-13
L. MTS Doc. No. G1422.9-12

DRAFT

July xx, 2017

MTS Doc. No. G1423.10-12
LEG 491 (PC 50633)

Parker Strauss, LLP
Mr. David C. Skyer
Partner
501 West Broadway, Suite 1600
San Diego, CA 92101

Dear Mr. Skyer:

Subject: AMENDMENT NO. 10 TO MTS DOC. NO. G1423.0-12; LEGAL SERVICES – GENERAL
AND TORT LIABILITY

This shall serve as Amendment No. 10 to our agreement for the legal services as further described below.

STATEMENT OF WORK

Continue to represent and defend MTS, SDTC, and SDTI in tort liability matters in accordance with the terms and conditions as stated on MTS Doc No. G1423.0-12.

SCHEDULE

There is no change to the term of this agreement.

PAYMENT

This contract amendment shall authorize additional costs not to exceed \$150,000 for legal services. The total value of this contract including this amendment shall be in the amount of \$970,000. This amount shall not be exceeded without written approval from MTS.

Please sign and return the copy 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,

Agreed:

Paul C. Jablonski
Chief Executive Officer

David C. Skyer, Attorney
David C. Skyer, APC

JULY2017.G1423.10-12.PARKERSTRAUSS.LEGAL.doc

Date: _____

Cc: S. Lockwood, K. Landers, C. Aquino, Procurement File

DRAFT

July xx, 2017

MTS Doc. No. G1426.8-12
LEG 491 (PC 50633)

Law Offices of Mark H. Barber
Mr. Mark H. Barber
Managing Attorney/Owner
2727 Camino del Rio South, Suite 220
San Diego, CA 92108

Dear Mr. Barber:

Subject: AMENDMENT NO. 8 TO MTS DOC. NO. G1426.0-12; LEGAL SERVICES – WORKER'S
COMPENSATION

This shall serve as Amendment No. 8 to our agreement for the legal services as further described below.

SCOPE

Continue to provide legal services – worker's compensation in accordance with the terms and conditions of the original agreement, MTS Doc. No. G1426.0-12.

SCHEDULE

There is no change to the term of this agreement.

PAYMENT

This contract amendment shall authorize additional costs not to exceed \$75,000 for legal services. The total value of this contract including this amendment shall be in the amount of \$570,000. This amount shall not be exceeded without written approval from MTS.

Please sign and return the copy 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,

Agreed:

Paul C. Jablonski
Chief Executive Officer

Mark H. Barber
Law Offices of Mark H. Barber

JULY2017.G1426.8-12.MARK H. BARBER.doc

Date: _____

Cc: K. Landers, S. Lockwood, A. Liebengood, E. Abutan, A. Monreal, C. Aquino, Procurement File

DRAFT

July xx, 2017

MTS Doc. No. G1428.7-12
LEG 491 (PC 50633)

Michael E. Ripley
Mr. Michael Ripley
Attorney/Proprietor
12520 High Bluff Dr., Suite 110
San Diego, CA 92130

Dear Mr. Ripley:

Subject: AMENDMENT NO. 7 TO MTS DOC. NO. G1428.0-12; LEGAL SERVICES – GENERAL
AND TORT LIABILITY

This shall serve as Amendment No. 7 to our agreement for the legal services as further described below.

STATEMENT OF WORK

Continue to represent and defend MTS, SDTC, and SDTI in tort liability matters in accordance with the terms and conditions as stated on MTS Doc No. G1428.0-12.

SCHEDULE

There is no change to the term of this agreement.

PAYMENT

This contract amendment shall authorize additional costs not to exceed \$200,000 for legal services. The total value of this contract including this amendment shall be in the amount of \$980,000. This amount shall not be exceeded without written approval from MTS.

Please sign and return the copy 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,

Agreed:

Paul C. Jablonski
Chief Executive Officer

Michael E. Ripley, Attorney/Proprietor
Michael E. Ripley

JULY2017.G1428.7-12.M.RIPLEY.LEGAL.doc

Date: _____

Cc: S. Lockwood, K. Landers, E. Abutan, A. Monreal, C. Aquino, Procurement File

DRAFT

July xx, 2017

MTS Doc. No. G1429.5-12
LEG 490 (PC 50121)

Environmental Law Group LLP, Varco & Rosenbaum
Ms. Linda C. Beresford
Attorney
225 Broadway, Suite 1900
San Diego, CA 92101-3542

Dear Ms. Beresford:

Subject: AMENDMENT NO. 5 TO MTS DOC. NO. G1429.0-12; LEGAL SERVICES –
ENVIRONMENTAL & REAL ESTATE

This shall serve as Amendment No. 5 to our agreement for the legal services as further described below.

STATEMENT OF WORK

Contractor shall continue to provide general legal advice and services for all areas of MTS operation in accordance with the terms and conditions of the original agreement, MTS Doc No. G1429.0-12.

SCHEDULE

There is no change to the term of this agreement.

PAYMENT

This contract amendment shall authorize additional costs not to exceed \$60,000 for legal services. The total value of this contract including this amendment shall be in the amount of \$210,000. This amount shall not be exceeded without written approval from MTS.

Please sign and return the copy 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,

Agreed:

Paul C. Jablonski
Chief Executive Officer

Linda C. Beresford, Attorney
Environmental Law Group
LLP, Varco & Rosenbaum

Date: _____

G1429.5-12.ENV.LAWGROUP.7.2017

Cc: S. Lockwood, K. Landers, E. Abutan, A. Monreal, C. Aquino, Procurement File

DRAFT

July xx, 2017

MTS Doc. No. G1430.9-12
LEG 491 (PC 50633)

Paul, Plevin, Sullivan, and Connaughton, LLP
Mr. J. Rod Betts
Partner
101 W. Broadway, 9th Floor
San Diego, CA 92101

Dear Mr. Betts:

Subject: AMENDMENT NO. 9 TO MTS DOC. NO. G1430.0-12; LEGAL SERVICES – LABOR AND
EMPLOYMENT, ADA, CIVIL RIGHTS AND PUBLIC

This shall serve as Amendment No. 9 to our agreement for the legal services as further described below.

SCOPE

Contractor shall continue to provide legal services – labor and employment, ADA, civil rights and public entity law in accordance with the terms and conditions of the original agreement, MTS Doc. No. G1430.0-12.

SCHEDULE

There is no change to the term of this agreement.

PAYMENT

This amendment shall authorize additional costs not to exceed \$200,000 for legal services. The total value of this contract including this amendment shall be in the amount of \$1,210,000. This amount shall not be exceeded without prior written approval from MTS.

Please sign and return the copy 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,

Agreed:

Paul C. Jablonski
Chief Executive Officer

J. Rod Betts
Paul, Plevin, Sullivan and Connaughton, LLP

JULY2017.G1430.9-12.PAULPLEVIN.doc

Date: _____

Cc: K. Landers, J. Stumbo, S. Lockwood, B. Shannon, J. DeVault, E. Abutan, A. Monreal, C. Aquino,
Procurement File

DRAFT

July xx, 2017

MTS Doc. No. G1432.9-12
LEG 491 (PC 50633)

Ryan Carvalho & White LLP
Mr. Norman Ryan
Attorney
3636 Nobel Dr., Suite 200
San Diego, CA 92122-1063

Dear Mr. Ryan:

Subject: AMENDMENT NO. 9 TO MTS DOC. NO. G1432.0-12; LEGAL SERVICES – GENERAL
LIABILITY, LABOR EMPLOYMENT, CONSTRUCTION AND INSURANCE LAW

This shall serve as Amendment No. 9 to our agreement for the legal services as further described below.

STATEMENT OF WORK

Contractor shall continue to provide legal services – general liability, labor and employment law, construction and insurance law in accordance with the terms and conditions of the original agreement, MTS Doc. No. G1432.0-12.

SCHEDULE

There is no change to the term of this agreement.

PAYMENT

This amendment shall authorize additional costs not to exceed \$100,000. The total value of this contract including this amendment shall remain the same in the amount of \$850,000. This amount shall not be exceeded without prior written approval from MTS.

Please sign and return the copy 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,

Agreed:

Paul C. Jablonski
Chief Executive Officer

Norman Ryan, Attorney
Ryan Carvalho & White LLP

JULY2017.G1432.9-12.RYANMERCALDO.LEGAL.doc

Date: _____

Cc: K. Landers, S. Lockwood, E. Abutan, A. Monreal, C. Aquino, Procurement File

DRAFT

July xx, 2017

MTS Doc. No. G1433.9-12
LEG 490 (PC 50633)

Trovillion, Inveiss and Demakis, APC
Ms. Nicole Demakis
Partner
1010 Second Ave., Suite 1600
San Diego, CA 92101

Dear Ms. Demakis:

Subject: AMENDMENT NO. 9 TO MTS DOC. NO. G1433.0-12; LEGAL SERVICES – WORKER’S
COMPENSATION

This shall serve as Amendment No. 9 to our agreement for the legal services as further described below.

SCOPE

Contractor shall continue to provide legal services – worker’s compensation in accordance with the terms and conditions of the original agreement, MTS Doc. No. G1433.0-12.

SCHEDULE

There is no change to the term of this agreement.

PAYMENT

This amendment shall authorize additional costs not to exceed \$70,000. The total value of this contract including this amendment shall remain the same in the amount of \$510,000. This amount shall not be exceeded without prior written approval from MTS.

Please sign and return the copy 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,

Agreed:

Paul C. Jablonski
Chief Executive Officer

Nicole Demakis
Trovillion, Inveiss and Demakis, APC

JULY2017.G1433.9-12.TROVILLIONINVEISSDEMAKIS.doc

Date: _____

Cc: K. Landers, S. Lockwood, A. Liebengood, E. Abutan, A. Monreal, C. Aquino, Procurement File

DRAFT

July xx, 2017

MTS Doc. No. G1434.8-12
LEG 491 (PC 50633)

Wheatley Bingham & Baker, LLP
Mr. Roger P. Bingham
Partner
462 Stevens Ave., Suite 109
Solana Beach, CA 92075

Dear Mr. Bingham:

Subject: AMENDMENT NO. 8 TO MTS DOC. NO. G1434.0-12; LEGAL SERVICES – GENERAL & TORT LIABILITY

This shall serve as Amendment No. 8 to our agreement for the legal services as further described below.

SCOPE

Contractor shall continue to provide legal services – general & tort liability in accordance with the terms and conditions of the original agreement, MTS Doc. No. G1434.0-12.

SCHEDULE

There is no change to the term of this agreement.

PAYMENT

This amendment shall authorize additional costs not to exceed \$125,000. The total value of this contract including this amendment shall remain the same in the amount of \$2,085,000. This amount shall not be exceeded without prior written approval from MTS.

Please sign and return the copy 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,

Agreed:

Paul C. Jablonski
Chief Executive Officer

Roger P. Bingham
Wheatley Bingham & Baker, LLP

JULY2017.G1434.8-12.WBB.doc

Date: _____

Cc: K. Landers, S. Lockwood, E. Abutan, A. Monreal, C. Aquino, Procurement File

DRAFT

July xx, 2017

MTS Doc. No. G1455.8-12
LEG 491 (PC 50633)

Laughlin, Falbo, Levy & Moresi LLP
Ms. Marijo Kuperman, Esq.
Managing Partner
600 B Street, Suite 2300
San Diego, CA 92101

Dear Ms. Kuperman:

Subject: AMENDMENT NO. 8 TO MTS DOC. NO. G1455.0-12; LEGAL SERVICES – WORKER'S
COMPENSATION

This shall serve as Amendment No. 8 to our agreement for the legal services as further described below.

SCOPE

Contractor shall continue to provide legal services – worker's compensation in accordance with the terms and conditions of the original agreement, MTS Doc. No. G1455.0-12.

SCHEDULE

There is no change to the term of this agreement.

PAYMENT

This amendment shall authorize additional costs not to exceed \$70,000. The total value of this contract including this amendment shall remain the same in the amount of \$410,000. This amount shall not be exceeded without prior written approval from MTS.

Please sign and return the copy 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,

Agreed:

Paul C. Jablonski
Chief Executive Officer

Marijo Kuperman
Laughlin, Falbo, Levy & Moresi LLP

LMARQUIS-CL
CL-G1455.8-12.LAUGHLINFALBO 7.2017

Date: _____

cc: K. Landers, S. Lockwood, E. Abutan, A. Monreal, C. Aquino, Procurement File

DRAFT

July xx, 2017

MTS Doc. No. G1490.9-13
LEG 491 (PC 50633)

Liedle, Lounsbery, Larson & Lidl, LLP
Mr. Matthew J. Liedle
Managing Partner
12520 High Bluff Dr., Suite 200
San Diego, CA 92130

Dear Mr. Liedle:

Subject: AMENDMENT NO. 9 TO MTS DOC. NO. G1490.0-13; LEGAL SERVICES – GENERAL LIABILITY, LABOR AND EMPLOYMENT LAW, CONSTRUCTION CONTRACTS AND CLAIMS, AMERICANS WITH DISABILITIES ACT (ADA), AND CIVIL RIGHTS

This shall serve as Amendment No. 9 to our agreement for the legal services as further described below.

SCOPE

Continue to provide legal services – general liability, labor and employment law, construction contracts and claims, Americans with Disabilities Act (ADA), and civil rights in accordance with the terms and conditions of the original agreement, MTS Doc. No. G1490.0-13.

SCHEDULE

There shall be no change to the schedule of this contract.

PAYMENT

This contract amendment shall authorize additional costs not to exceed \$650,000 for legal services. The total value of this contract including this amendment shall be in the amount of \$1,730,000. This amount shall not be exceeded without written approval from MTS.

Please sign and return the copy 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,

Agreed:

Paul C. Jablonski
Chief Executive Officer

Matthew J. Liedle, Managing Partner
Liedle, Lounsbery, Larson & Lidl, LLP

JULY2017.G1490.9-13.LLLL.doc

Date: _____

Cc: K. Landers, S. Lockwood, E. Abutan, A. Monreal, C. Aquino, Procurement File

DRAFT

July xx, 2017

MTS Doc. No. G1491.7-13
LEG 491 (PC 50633)

Manning & Kass, Ellrod, Ramirez, Trester, LLP
Ms. Marguerite Lieu Jonak
Partner
One Battery Park Plaza, 4th Floor
New York, NY 10004-1475

Dear Ms. Jonak:

Subject: AMENDMENT NO. 7 TO MTS DOC. NO. G1491.0-13; LEGAL SERVICES – GENERAL LIABILITY, WORKER'S COMPENSATION, LABOR AND EMPLOYMENT LAW, CONSTRUCTION CONTRACTS AND CLAIMS, AMERICANS WITH DISABILITIES ACT (ADA), CIVIL RIGHTS, CRIMINAL LAW, AND REAL ESTATE

This shall serve as Amendment No. 7 to our agreement for the legal services as further described below.

SCOPE

Contractor shall continue to provide legal services – general liability, worker's compensation, labor and employment law, construction contracts and claims, Americans with Disabilities Act (ADA), civil rights, criminal law, and real estate in accordance with the terms and conditions of the original agreement, MTS Doc. No. G1491.0-13.

SCHEDULE

There is no change to the term of this agreement.

PAYMENT

This amendment shall authorize additional costs not to exceed \$60,000. The total value of this contract including this amendment shall remain the same in the amount of \$250,000. This amount shall not be exceeded without prior written approval from MTS.

Please sign and return the copy 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,

Agreed:

Paul C. Jablonski
Chief Executive Officer

Marguerite Lieu Jonak
Manning & Kass, Ellrod, Ramirez, Trester, LLP

JULY2017.G1491.7-13.MANNING&KASS.doc

Date: _____

Cc: K. Landers, S. Lockwood, E. Abutan, A. Monreal, C. Aquino, Procurement File



Metropolitan Transit System

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

May 24, 2017

MTS Doc. No. G1422.9-12
LEG 491 (PC 50633)

Best Best & Krieger, LLP
Mr. Bruce W. Beach
Equity Partner
655 West Broadway, 15th Floor
San Diego, CA 92101

Dear Mr. Beach:

Subject: AMENDMENT NO. 9 TO MTS DOC. NO. G1422.0-12; LEGAL SERVICES – ALL AREAS OF
MTS OPERATION

This shall serve as Amendment No. 9 to our agreement for the legal services as further described below.

SCOPE

Contractor shall continue to provide general legal advice and services for all areas of MTS operation in accordance with the terms and conditions of the original agreement, MTS Doc. No. G1422.0-12.

SCHEDULE

There is no change to the term of this agreement.

PAYMENT

This contract amendment shall authorize additional costs not to exceed \$100,000 for legal services. The total value of this contract including this amendment shall be in the amount of \$650,000. This amount shall not be exceeded without written approval from MTS.

Please sign and return the copy 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,

Paul C. Jablonski *FOR*
Chief Executive Officer

Agreed:

Bruce W. Beach
Best Best & Krieger, LLP

Date:

5/30/17

LMARQUIS-CL
CL-G1422.9-12 BBK CAQUINO 052417

cc: K. Landers, S. Lockwood, E. Abutan, A. Monreal, C. Aquino, Procurement File

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

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

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



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Agenda Item No. 7

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

July 20, 2017

**Draft for
Executive Committee
Review Date: 7/13/17**

SUBJECT:

FISCAL YEAR 2018 TRANSPORTATION DEVELOPMENT ACT CLAIM

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors adopt Resolution No. 17-10 (Attachment A), 17-11 (Attachment B), and 17-12 (Attachment C) approving fiscal year (FY) 2018 Transportation Development Act Article 4.0, 4.5, and 8.0 claims.

Budget Impact

The FY 2018 TDA claims would result in the approval of \$94,437,807 in TDA funds for MTS to be utilized in the fiscal year 2018 operating and capital budgets.

DISCUSSION:

The Transportation Development Act (TDA) provides one-quarter percent of the state sales tax for operating and capital support of public transportation systems and non-motorized transportation projects. The San Diego Association of Governments (SANDAG), as the designated Regional Transportation Planning Agency, is responsible for the allocation of TDA funds to the region's cities, the County, and transit operators. At its February 24, 2017, meeting, the SANDAG Board of Directors approved the San Diego County Auditor's estimate of \$144,655,804 for the fiscal year 2018 TDA apportionment.

A Master Memorandum of Understanding (MOU) exists between SANDAG, MTS, and the North County Transit District (NCTD) with respect to the functions and responsibilities transferred to SANDAG as a result of Senate Bill 1703 (Peace, 2003). Pursuant to the MOU, both transit agencies transfer TDA funding to SANDAG annually to pay for the administrative and planning functions that transferred to SANDAG as a result of the consolidation. The MOU is updated as circumstances change. For fiscal



year 2018, \$1,863,771 in funding will remain with SANDAG for transferred administrative and planning functions.

TDA allocations are authorized under three separate articles of the law. Article 4 funds are used to provide general public transit services. Article 4.5 funds are designated for community transit services, and pursuant to SANDAG Board Policy No. 027, are allocated within the San Diego region to support paratransit services required by the Americans with Disabilities Act (ADA). Article 8 funds support specialized services such as express bus and ferry services.

A total of \$94,437,807 is estimated to be allocated to MTS for fiscal year 2018. This includes \$88,902,280 in TDA Article 4.0 claims, \$58,560,516 of which will fund operating activities, and the remaining \$30,341,764 will fund the capital improvement program; \$4,775,437 in Article 4.5 claims to fund the MTS Access/CTS Paratransit services; and \$760,090 in Article 8.0 claims to fund the ferry/commuter express services.

Therefore, staff recommends that the MTS Board of Directors adopt Resolution No. 17-10 (Attachment A), 17-11 (Attachment B), and 17-12 (Attachment C) approving fiscal year (FY) 2018 Transportation Development Act Article 4.0, 4.5, and 8.0 claims.

/s/ Paul C. Jablonski
Paul C. Jablonski
Chief Executive Officer

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

Attachments: A. Resolution No. 17-10
B. Resolution No. 17-11
C. Resolution No. 17-12

San Diego Metropolitan Transit System

Resolution No. 17-10

Resolution Approving Fiscal Year 2018 Transportation Development Act, Article 4.0

WHEREAS, effective August 10, 2000, the San Diego Metropolitan Transit System (MTS) area consolidated Transportation Development Act (TDA) claim process provides that MTS will be responsible for submitting a single claim for each article of the TDA for all MTS operators; and

WHEREAS, consistent with the intent of consolidating all transit funding for MTS-area operators, the San Diego Association of Governments (SANDAG) approved the MTS FY 2018 TDA claim, and

WHEREAS, MTS and SANDAG Boards must approve any alternate use of said balances differing from that for which they were originally claimed; and

WHEREAS, MTS and SANDAG staffs have analyzed this amendment and found it to be warranted pursuant to Section 6659 of Title 21 of the California Code of Regulations (CCR);

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that the MTS Board of Directors does hereby approve the FY 2018 TDA Article 4.0 MTS TDA claim of \$88,902,280; \$58,560,516 of the 4.0 TDA claim will be used for operating activities, and the remaining \$30,341,764 will be used to fund capital.

PASSED AND ADOPTED by the Board of Directors this 20th day of July 2017, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

Clerk of the Board
San Diego Metropolitan Transit System

Office of the General Counsel
San Diego Metropolitan Transit System

San Diego Metropolitan Transit System

Resolution No. 17-11

Resolution Approving Fiscal Year 2018 Transportation Development Act, Article 4.5

WHEREAS, effective August 10, 2000, the San Diego Metropolitan Transit System (MTS) area consolidated Transportation Development Act (TDA) claim process provides that MTS will be responsible for submitting a single claim for each article of the TDA for all MTS operators; and

WHEREAS, consistent with the intent of consolidating all transit funding for MTS-area operators, the San Diego Association of Governments (SANDAG) approved the MTS FY 2018 TDA claim, and

WHEREAS, MTS and SANDAG Boards must approve any alternate use of said balances differing from that for which they were originally claimed; and

WHEREAS, MTS and SANDAG staffs have analyzed this amendment and found it to be warranted pursuant to Section 6659 of Title 21 of the California Code of Regulations (CCR);

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that the MTS Board of Directors does hereby approve the FY 2018 TDA Article 4.5 MTS TDA claim of \$4,775,437. The allocation will be used to fund the MTS Access/CTS Paratransit services.

PASSED AND ADOPTED by the Board of Directors this 20th day of July 2017, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

Clerk of the Board
San Diego Metropolitan Transit System

Office of the General Counsel
San Diego Metropolitan Transit System

San Diego Metropolitan Transit System

Resolution No. 17-12

Resolution Approving Fiscal Year 2018 Transportation Development Act, Article 8.0

WHEREAS, effective August 10, 2000, the San Diego Metropolitan Transit System (MTS) area consolidated Transportation Development Act (TDA) claim process provides that MTS will be responsible for submitting a single claim for each article of the TDA for all MTS operators; and

WHEREAS, consistent with the intent of consolidating all transit funding for MTS-area operators, the San Diego Association of Governments (SANDAG) approved the MTS FY 2018 TDA claim, and

WHEREAS, MTS and SANDAG Boards must approve any alternate use of said balances differing from that for which they were originally claimed; and

WHEREAS, MTS and SANDAG staffs have analyzed this amendment and found it to be warranted pursuant to Section 6659 of Title 21 of the California Code of Regulations (CCR);

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that the MTS Board of Directors does hereby approve the FY 2018 TDA Article 8.0 MTS TDA claim of \$760,090. The allocation will be used to fund the ferry/commuter express services.

PASSED AND ADOPTED by the Board of Directors this 20th day of July 2017, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

Clerk of the Board
San Diego Metropolitan Transit System

Office of the General Counsel
San Diego Metropolitan Transit System



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Agenda Item No. 8

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

July 20, 2017

**Draft for
Executive Committee
Review Date: 7/13/17**

SUBJECT:

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

INFORMATIONAL ONLY

Budget Impact

None.

DISCUSSION:

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

I. Goals of MTS's DBE Program

The goals of MTS's DBE program are:

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



II. MTS's DBE Triennial Overall Goal

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

III. Participation by certified DBEs

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

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

Per DOT DBE Regulations 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 (LGBTBE) toward meeting its DBE Triennial Overall Goal.

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 DBEs and other small businesses in an effort to inform them of upcoming MTS procurements and provides assistance in overcoming limitations such as the inability to obtain bonding or financing. The following are some of the race-neutral measures MTS has implemented:

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

4. attend and actively promote small business conferences and programs to alert DBEs, MBEs, DVBES, WBEs, SBs or LGBTBEs of upcoming MTS procurements.

V. Federally Funded Procurements

MTS generally reserves federal funds for transit vehicle procurements, 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 October 1, 2016 to March 31, 2017 is the third of six reports 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 achieved **19.07%** DBE participation for contracts awarded and 16.63% for contracts completed.

The main reason for why MTS was able to meet its DBE Triennial Overall Goal during this reporting period was due to awarding large, multi-year contracts to a DBE.

DBE Contractor	Services	Contract Amount
NMS Management	Janitorial service	\$3,990,618.63 (80% Fed Funded)
NMS Management	Anti-graffiti window film	\$575,602.90 (80% Fed Funded)

It should also be noted that MTS is beginning to see that DBE and other small business firms met at outreach events are submitting proposals on MTS procurements. At outreach events, MTS explains the types of materials and services we procure, how firms can get notified of upcoming procurements, and adds firms to MTS's Bidder List. These measures have increased the number of DBEs and other small businesses submitting bids or proposals, which further increases the chances they will be awarded a procurement through either low bid or best value.

	Federal Contract Awards/Commitments			Goal
<u>REPORTING PERIOD</u>	<u>Total Federal \$\$</u>	<u>DBE \$\$</u>	<u>DBE %</u>	<u>vs</u> <u>3.75%</u>
Federal Funds: Oct 1, 2016 to Mar 31, 2017	\$19,827,518.60	\$3,781,098.94	19.07%	+15.32%

	Federal Contracts Completed (Actual Payments)			Goal
<u>REPORTING PERIOD</u>	<u>Total Federal \$\$</u>	<u>DBE \$\$</u>	<u>DBE %</u>	<u>vs</u> <u>3.75%</u>
Federal Funds: Oct 1, 2016 to Mar 31, 2017	\$2,695,738.52	\$448,373.56	16.63%	+12.88%

VII. Summary of DBE Participation (Local Funds Only)

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

	Local Contract Awards/Commitments		
REPORTING PERIOD	Total \$\$	DBE \$\$	DBE %
Local Funds: Oct 1, 2016 to Mar 31, 2017	\$72,689,411.31	\$1,830,067.76	2.52%

	Local Contracts Completed (Actual Payments)		
REPORTING PERIOD	Total \$\$	DBE \$\$	DBE %
Local Funds: Oct 1, 2016 to Mar 31, 2017	\$53,003,382.63	\$950,455.68	1.79%

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

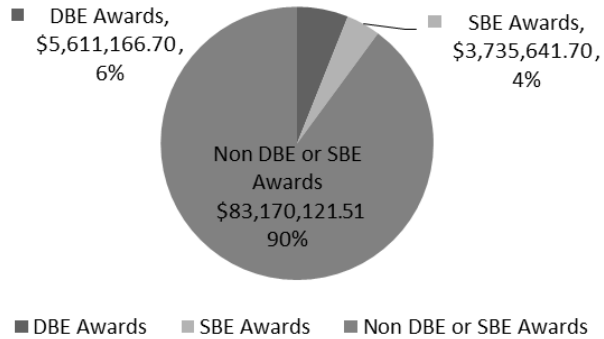
Although MTS cannot report to the FTA the participation of MBE, DVBE, WBE, SB and LGBTBE (together referred to as SBEs) for its FTA DBE Semi Annual Report, MTS does record the participation of these businesses to gauge the success of its program to foster small business participation. Of particular note this reporting period is the award of a large, multi-year contract to a WBE.

WBE Contractor	Services	Contract Amount
Medical Transportation Management	ADA Paratransit certification services	\$1,683,196.03 (100% Locally Funded)

MTS encourages the participation of SBEs 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:

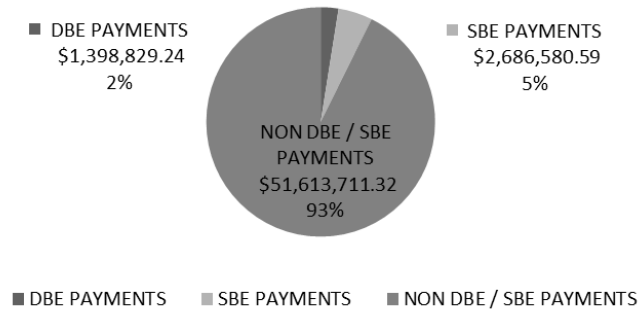
	ALL Contract Awards/Commitments				
REPORTING PERIOD	Total \$\$	DBE \$\$	DBE %	SBE \$\$	SBE %
Total Funds: Oct 1, 2016 to Mar 31, 2017	\$92,516,929.91	\$5,611,166.70	6.07%	\$3,735,641.70	4.04%

Total DBE and SBE Awards Oct 1 2016 - Mar 31 2017



	All Contracts Completed (Actual Payments)				
REPORTING PERIOD	Total \$\$	DBE \$\$	DBE %	SBE \$\$	SBE %
Total Funds: Oct 1, 2016 to Mar 31, 2017	\$55,699,121.15	\$1,398,829.24	2.51%	\$2,686,580.59	4.82%

Total DBE and SBE Payments on Completed Contracts Oct 1 16 - Mar 31 17



/s/ Paul C. Jablonski
 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

MTS History of DBE Semi Annual Reports
Contract Awards/Commitments****

	<u>DBE GOAL</u>	<u>REPORTING PERIOD</u>	<u>TOTAL DOLLARS AWARDED (fed & local)</u>	<u>Total DBE \$\$</u>	<u>Total DBE %</u>	<u>Total SBE \$\$</u>	<u>Total SBE %</u>	<u>Total Federal \$\$</u>	<u>Federal DBE \$\$</u>	<u>Federal DBE %</u>	<u>Federal SBE \$\$</u>	<u>Federal SBE %</u>	<u>Total Local \$\$</u>	<u>Local DBE \$\$</u>	<u>Local DBE %</u>	<u>Local SBE \$</u>	<u>LOCAL SBE %</u>
FFY13	4.1%	Oct 1 12 to Mar 31 13	\$ 20,565,498.83	\$ 812,417.51	3.95%	\$ 157,030.00	0.76%	\$ 18,372,446.95	\$ 759,369.25	4.13%	\$ 62,535.00	0.34%	\$ 2,193,051.88	\$ 53,048.26	2.42%	\$ 94,495.00	4.31%
		Apr 1 13 to Sept 30 13	\$ 34,460,457.63	\$ 898,221.82	2.61%	\$ 1,200,261.58	3.48%	\$ 15,870,139.09	\$ 898,221.82	5.66%	\$ 877,362.58	5.53%	\$ 18,590,318.54	\$ -	0.00%	\$ 322,899.00	1.74%
FFY14		Oct 1 13 to Mar 31 14	\$ 30,396,564.63	\$ 1,045,587.65	3.44%	\$ 778,423.64	2.56%	\$ 24,982,372.54	\$ 1,041,961.65	4.17%	\$ 679,320.38	2.72%	\$ 5,414,192.09	\$ 3,626.00	0.07%	\$ 99,103.26	1.83%
		Apr 1 14 to Sept 30 14	\$ 36,667,958.68	\$ 2,901,661.10	7.91%	\$ 1,412,502.45	3.85%	\$ 22,871,104.47	\$ 2,699,042.86	11.80%	\$ 1,151,923.37	5.04%	\$ 13,796,854.21	\$ 202,618.24	1.47%	\$ 260,579.08	1.89%
FFY15*		Oct 1 14 to Mar 31 15	\$ 406,896,924.96	\$ 115,969.00	0.03%	\$ 2,073,475.82	0.51%	\$ 60,000,489.70	\$ -	0.00%	\$ 352,186.97	0.59%	\$ 346,896,435.26	\$ 115,969.00	0.03%	\$ 1,721,288.85	0.50%
		Apr 1 15 to Sept 30 15	\$ 23,961,456.64	\$ 1,032,738.82	4.31%	\$ 1,066,325.73	4.45%	\$ 3,006,532.71	\$ 89,113.74	2.96%	\$ 134,572.59	4.48%	\$ 20,954,923.93	\$ 943,625.08	4.50%	\$ 931,753.14	4.45%
FFY16**	3.75%	Oct 1 15 to Mar 31 16	\$ 63,883,438.52	\$ 298,902.02	0.47%	\$ 2,929,504.04	4.59%	\$ 4,094,298.13	\$ 11,859.89	0.29%	\$ 246,645.99	6.02%	\$ 59,789,140.39	\$ 287,042.13	0.48%	\$ 2,682,858.05	4.49%
		Apr 1 16 to Sept 30 16	\$ 32,178,592.14	\$ 976,115.34	3.03%	\$ 996,434.97	3.10%	\$ 6,418,545.41	\$ 255,760.97	3.98%	\$ 148,325.08	2.31%	\$ 25,760,046.73	\$ 720,354.37	2.80%	\$ 848,109.89	3.29%
FFY17***		Oct 1 16 to Mar 31 17	\$ 92,516,929.91	\$ 5,611,166.70	6.07%	\$ 3,735,641.71	4.04%	\$ 19,827,518.60	\$ 3,781,098.94	19.07%	\$ 196,188.57	0.99%	\$ 72,689,411.31	\$ 1,830,067.76	2.52%	\$ 3,539,453.14	4.87%
FFY16-18	3.75%	Oct 1, 2015 thru Sept 30, 2018 (6 semi-annual reports - in progress)	\$ 188,578,960.57	\$ 6,886,184.06	3.65%	\$ 7,661,580.72	4.06%	\$ 30,340,362.14	\$ 4,048,719.80	13.34%	\$ 591,159.64	1.95%	\$158,238,598.43	\$ 2,837,464.26	1.79%	\$ 7,070,421.08	4.47%

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.

In FY17, MTS began using the U.S. Small Business Administration Database, which provides a listing of Small Businesses. This Database tracks firms in which revenues and/or number of employees do not exceed the NAICS code's small business size standards.

***Transit Vehicle Procurements (bus, trolley) from Transit Vehicle Manufacturers (TVM) are not included in this Report per DOT DBE Regulations. TVMs have their own DBE Program, Goals and Reporting requirements. Inventory procurements are also not included.

Only at time an inventory item is issued from store room will the federal/local breakdown be known, not at the time of purchase. ***

MTS History of DBE Semi Annual Reports

Contracts Completed (Actual Payments)****

	DBE GOAL	REPORTING PERIOD	TOTAL DOLLARS COMPLETED (fed & local)	DBE \$\$	DBE %	SBE \$\$	SBE %	Total Federal \$\$	Federal DBE \$\$	Federal DBE %	Federal SBE \$\$	Federal SBE %	Total Local \$\$	Local DBE \$\$	Local DBE %	Local SBE \$\$	Local SBE %
FFY13	4.1%	Oct 1 12 to Mar 31 13	\$ 4,101,792.33	\$ 206,245.24	5.03%	\$ 75,180.00	1.83%	\$ 2,407,395.30	\$ 84,745.24	3.52%	\$ 6,135.00	0.25%	\$ 1,694,397.03	\$ 121,500.00	7.17%	\$ 69,045.00	4.07%
		Apri 1 13 to Sept 30 13	\$ 13,663,022.32	\$ 319,170.50	2.34%	\$ 46,176.20	0.34%	\$ 7,977,919.62	\$ 319,170.50	4.00%	\$ 2,771.20	0.03%	\$ 5,685,102.70	\$ -	0.00%	\$ 43,405.00	0.76%
FFY14		Oct 1 13 to Mar 31 14	\$ 13,649,354.70	\$ 293,289.20	2.15%	\$ 135,927.37	1.00%	\$ 6,823,674.29	\$ 292,533.65	4.29%	\$ 115,167.05	1.69%	\$ 6,825,680.41	\$ 755.55	0.01%	\$ 20,760.32	0.30%
		Apri 1 14 to Sept 30 14	\$ 17,416,560.55	\$ 3,910,674.11	22.45%	\$ 701,129.62	4.03%	\$ 8,885,583.71	\$ 3,768,706.60	42.41%	\$ 14,654.00	0.16%	\$ 8,530,976.84	\$ 141,967.51	1.66%	\$ 686,475.62	8.05%
FFY15*		Oct 1 14 to Mar 31 15	\$ 4,358,155.38	\$ 10,891.00	0.25%	\$ 1,290,954.40	29.62%	\$ 1,209,954.09	\$ -	0.00%	\$ 40,960.72	3.39%	\$ 3,148,201.29	\$ 10,891.00	0.35%	\$ 1,249,993.68	39.71%
		Apri 1 15 to Sept 30 15	\$ 204,192,796.67	\$ 309,784.63	0.15%	\$ 379,786.82	0.19%	\$ 47,336,783.90	\$ -	0.00%	\$ 44,373.93	0.09%	\$ 156,856,012.77	\$ 309,784.63	0.20%	\$ 335,412.89	0.21%
FFY16**	3.75%	Oct 1 15 to Mar 31 16	\$ 5,768,931.07	\$ 26,502.82	0.46%	\$ 591,017.84	10.24%	\$ 1,206,599.18	\$ 3,916.70	0.32%	\$ 344,129.82	28.52%	\$ 4,562,331.89	\$ 22,586.12	0.50%	\$ 246,888.02	5.41%
		April 1 16 to Sept 30 16	\$ 30,343,223.50	\$ 1,505,492.73	4.96%	\$ 522,113.41	1.72%	\$ 2,300,973.59	\$ 493,660.84	21.45%	\$ 126,072.16	5.48%	\$ 28,042,249.91	\$ 1,011,831.89	3.61%	\$ 396,041.25	1.41%
FFY17***		Oct 1 16 to Mar 31 17	\$ 55,699,121.15	\$ 1,437,850.27	2.58%	\$ 2,049,699.71	3.68%	\$ 2,695,738.52	\$ 448,373.56	16.63%	\$ 111,959.85	4.15%	\$ 53,003,382.63	\$ 989,476.71	1.87%	\$ 1,937,739.86	3.66%
FFY16-18	3.75%	Oct 1, 2015 thru Sept 30, 2018 (6 semi-annual reports - in progress)	\$ 91,811,275.72	\$ 2,969,845.82	3.23%	\$ 3,162,830.96	3.44%	\$ 6,203,311.29	\$ 945,951.10	15.25%	\$ 582,161.83	9.38%	\$ 85,607,964.43	\$ 2,023,894.72	2.36%	\$ 2,580,669.13	3.01%

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.

In FY17, MTS began using the U.S. Small Business Administration Database, which provides a listing of Small Businesses. This Database tracks firms in which revenues and/or number of employees do not exceed the NAICS code's small business size standards.

****Transit Vehicle Procurements (bus, trolley) from Transit Vehicle Manufacturers (TVM) are not included in this Report per DOT DBE Regulations. TVMs have their own DBE Program, Goals and Reporting requirements. Inventory procurements are also not included.

Only at time an inventory item is issued from store room will the federal/local breakdown be known, not at the time of purchase. ***



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(619) 231-1466 • FAX (619) 234-3407

Agenda Item No. 9

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

July 20, 2017

**Draft for
Executive Committee
Review Date: 7/13/17**

SUBJECT:

SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS) TASK ORDER CONTRACT
AMENDMENT APPROVAL FOR OLD TOWN TRANSIT CENTER WEST
IMPROVEMENTS PROJECT

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to approve Amendment No. 2 to Work Order 13.18 for MTS Doc. No. G1493.0-13 with Kimley-Horn & Associates Inc. to perform Design-Engineering Services for the Old Town Transit Center West (OTTC West) Improvements Project ("Project").

Budget Impact

The funding for Work Order 13.18 Amendment No. 2 (\$149,445.21) is allocated under MTS Capital Improvement Project (CIP) for MTS Fiscal Year 2018, Capital Improvement Project Budget No. 3006007702. With this amendment, the total value of Kimley-Horn Task Order 13.18 will increase to \$288,445.21.

DISCUSSION:

The bus facilities on the west side of the OTTC West are constrained by limited capacity and in need of refurbishment after nearly 20 years of service. The ability to add service on some of our highest ridership routes is limited by a lack of bus bays. Multiple routes share bays, and standby buses for west side routes are inefficiently staging on the east side. During peak times, buses are circling through the center while waiting for an available bay. Additionally, many of the amenities, equipment, and furnishings, first installed in 1996, are beyond their useful life after nearly twenty years of very heavy passenger use.



MTS has initiated a capital improvement project to upgrade certain elements of the entire transit center, with an added focus on OTTC West towards improving capacity and operational efficiency. The first phase of the project will refurbish and replace the amenities most in need. Phase 2 of the project will design and construct improvements to amenities and capacity, specifically at OTTC West. These upgrades are anticipated to include increasing bus bay capacity, improving pedestrian access, repairing or replacing the remaining facilities which are beyond their useful life (not already covered in Phase I). The upgrades will also update pavement markings and traffic signage, station lighting, shelters and passenger waiting areas, next-arrival signage, and wayfinding signage and station maps.

On July 16, 2015 (AI 8), the Board authorized Task Order 13.18 with Kimley-Horn & Associates Inc. for \$139,000 (907 labor hours) to perform design work through final design. Through the design process it was discovered that additional permits would be required and additional design approval work would need to be performed to satisfy permit requirements. Phase 1 of the project has been completed. The design work for Phase 2 is at approximately 60%.

Amendment No. 1 to Task Order 13.18 added additional legal terms to the task order but did not change the scope or cost.

This Amendment No. 2 to Task Order 13.18 for \$149,445.21 (1058 labor hours) will allow MTS to satisfy all outstanding permitting needs and complete the final design process.

The Scope of Work for Amendment No. 2 consists of the following tasks:

- Task 1 – Urban Design Advancement
- Task 2 – (not used)
- Task 3 – Drainage Study
- Task 4 – Water Quality Study
- Task 5 – Engineering Design – 90 percent
- Task 6 – Engineering Design – Final
- Task 7 – Engineering Design – Bid-Ready
- Task 8 – Caltrans Coordination and Project Permit Services
- Task 9 – City of San Diego Project Development Review
- Task 10 – Design Services During Construction

The anticipated schedule for Phase 2 is for design and engineering work to continue through October 2017. Improvements designed under this Scope of Work would begin construction in FY2018 with carryover FY2017 CIP funding.

Today's action would also extend the term of Task Order 13.18 through June 30, 2018.

/s/ Paul C. Jablonski
Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. Draft Work Order No. 13.18.2 (Amendment No. 2 to MTS Doc. No. G1493.0-13)

July 7, 2017

MTS Doc. No. G1493.0-13
Work Order No. 13.18.02

Mr. Dennis Landaal
Contract Project Manager
Kimley-Horn & Associates
401 B Street, Suite 600
San Diego, CA 92101

Dear Mr. Landaal:

Subject: MTS DOC. NO. G1493.0-13, AMENDMENT 2 TO WORK ORDER 13.18; GENERAL
ENGINEERING SERVICES OLD TOWN TRANSIT CENTER WEST IMPROVEMENTS

This letter shall serve as Amendment 2 to our agreement for Work Order 13.18 to MTS Doc. No. G1493.0-13, for professional services under the General Engineering Consultant Agreement, as further described below.

SCOPE OF SERVICES

Provide general engineering services for Old Town Transit Center West Improvements, in accordance with the attached Scope of Services (Attachment A).

SCHEDULE

The Scope of Services, as described above, shall extend through May 31, 2018.

PAYMENT

The Payment for this Amendment 2 shall be based on actual costs in accordance with the attached Fee Proposal (Attachment B), not to exceed \$150,000 without prior authorization. The total Work Order amount including all amendments to date is \$289,000. General engineering services will incorporate prevailing wage requirements where applicable as attached in Attachment C, Prevailing Wage (Attachment C).

If you agree with the above, please sign 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

Dennis Landaal
Kimley-Horn & Associates, Inc.

LMARQUIS-CL
CL-G1493.0-13.WO13.18.02.KIMLEYHORN.TALLISON.061417

Date: _____

Attachment(s): A - Scope of Services
B - Fee Proposal
C - Prevailing Wage

WORK ORDER TITLE: Old Town Transit Center (OTTC) West Improvements

Develop 90%/Final/Bid-Ready construction and supporting documents (e.g. design studies, plans, opinion of probable construction costs, specifications) and City, Caltrans approvals for the Old Town Transit Center Expansion.

I. Proposed Scope of Amendment**Design Studies:**

1. *Urban Design Advancement* – The Consultant will coordinate with project stakeholders to obtain final decisions on the visual elements of the project prior to the start of final design for those project elements. Final decisions for each element will be documented in a Design MOU for use in preparing Final PS&E.

1.1. Urban Design Advancement

- Ticket vending machines/PCIDs
- Signage/Wayfinding information
- Paving types within the OTTC limits
- Site furnishings within the OTTC limits
- Restroom Facilities
- Security requirements
- Security infrastructure specifications (Data services/duct banks)
- Station recorder vs. data link to central server
- Fiber/Communications to OTTC Comm Facilities
- Site Lighting fixtures
- Lighting/Electrical power requirements and conduit sizing
- Electrical service and metering
- Water supply requirements
- Water service and metering

Meeting Materials (includes up to two rounds of revisions):

- OTTC layout exhibit
- Paving types exhibit
- Site furnishing exhibits displaying product types, colors, materials and finishes with recommendations for existing and proposed products

1.2. Material samples for selection of materials, colors and finishes for Landscape and Irrigation Concept Design

The Consultant will:

- Develop a preliminary Landscape Concept for the approved OTTC site plan. The landscape concept will adhere to the City of San Diego and the State of California Water Efficient Landscape Regulations and ordinances and California State Building code requirements in effect at the time of work order execution.
- Develop a preliminary Irrigation Concept Plan for the approved OTTC site plan. The concept plan will look at initial irrigation design feasibility, systems coordination. This initial submittal will include:

Meetings:

- Up to 2 meetings with MTS regarding Urban Design Advancement concepts including a discussion regarding warranties, maintenance and operations.

Meeting Materials:

- Landscape Concept Rendering,
- Plant Palette/Landscape materials Exhibit,
- Preliminary locations of point of connections (meters, back flow preventers, controllers, power supply)

1.3. OTTC Communication and Electrical – The Consultant will coordinate with MTS to identify the appropriate communications and electrical improvements for the OTTC. The following will be performed by the Consultant:

- Identify OTTC electrical/communications conduit needs, for example
 1. Station Lighting
 2. Fare Technology (PCIDs and TVMs)
 3. CCTV Cameras
 4. VMS Signs
 5. Video Surveillance System
 6. Payphones
- Layout electrical/communications conduit, communications cabling and electrical wiring
- Prepare load calculations
- Develop Electrical Service Panel Schedule and sub-panel circuit breaker designations and load calculations
- Coordinate with MTS to develop communication layouts
- Identify and develop network equipment designation and device connection details

The Consultant assumes:

- Wide Area Network (WAN) design will not be required
- Items assumed to be furnished and installed by others: CCTV Cameras and associated equipment, network switch, VMS sign panels, PCID units, and TVM's.

1.4. Lighting Photometric Calculations Study -- The Consultant will:

- Prepare a photometric analysis of the proposed preliminary lighting layout within the limits of the OTTC. The analysis will be prepared to assist with the appropriate placement of safety lighting and pedestrian lighting. The photometric study will include the evaluation of up to four (4) different lighting fixtures, or lighting configurations. The average, maximum and minimum horizontal footcandle measurements will be included in the photometric study. The photometric calculation will then be evaluated and compared with the standard lighting levels per MTS design guidelines.

2. TASK NUMBER NOT USED.

3. *Drainage Study Only (No Hydromodification Design Assumed Required)* – A drainage study will be prepared for the project to analyze and size the proposed drainage infrastructure. The drainage

study for the City of San Diego and Caltrans will include the following sections; Introduction, methodology, hydrologic and hydraulic analysis, conclusions/recommendations. The study will be prepared in accordance with the agency's standard for the preparation of drainage studies in effect at the time of execution of this work order.

The Consultant will:

- Attend up to 3 meetings with the City of San Diego and Caltrans to discuss the final design of the proposed system prior to DSD / Caltrans review. Each meeting is assumed to last up to 3 hours (with 2 Consultant attendees) including preparation time for agendas, graphics, sign-in sheets, and meeting summary preparation, QC review, and email distribution.
- Prepare drainage basin mapping
- Calculate hydraulic capacity, peak flow rates, and estimation of proposed pipe and inlet sizes
- Submit a draft Drainage Study to MTS.
- Submit final Drainage Study to MTS for final review and approval to submit to the City of San Diego for project development review.
- Submit the final Drainage to the City of San Diego for project development review.

This task assumes:

- Significant changes to the preliminary concepts that were approved by the agency during the preliminary design/environmental phase of the project will not be required.
- Drainage studies will further refine the concepts already prepared and approved by the agencies.

4. *Water Quality Study* – The Consultant will update the Water Quality Study prepared during the environmental phase of the project for the City of San Diego. The update to the Water Quality Technical Report will be based on the preliminary concepts that were approved by the agencies during the preliminary design/environmental phase of the project.

The Consultant will:

- Coordinate and process the WQTR through the City of San Diego only and it is assumed no coordination with the Regional Board is required.
- Update report to show the implementation of the previously approved water quality treatment concepts for each section of the project.
- Submit a draft WQTR to MTS at the 90% level of plans completion.
- Submit final WQTR to MTS for final review and approval to submit to the City of San Diego for project development review.
- Submit the final WQTR to the City of San Diego for project development review.
- Provide up to three review cycle submittals for the WQTR.

This task assumes:

- Significant changes to the preliminary concepts that were approved by the agency during the preliminary design/environmental phase of the project will not be required.
- The Water Quality Technical Reports will further refine the concepts already prepared and approved by the agencies.
- Comments on the reports will be minor and not require significant changes to the overall concept of the water quality treatment that was previously approved.

STORM WATER DATA REPORT (SWDR) - Consultant shall prepare a Storm Water Data Report per Caltrans standards in place at the time of execution of this work order. This task assumes that only new impervious area will be required to be treated and that 100% treatment for the increased impervious area could be a combination of treatment of existing and proposed pavement to achieve 100% equivalent treatment for the project.

5, 6, & 7. Engineering Design (90%, Final & Bid Ready Construction Packages) – Supersedes Task 6 and 7 of Work Order 13-18. These tasks will advance OTTC Improvements through the Concept Development stage of completion and Draft PS&E (90% complete) and Final PS&E (100% complete). **~\$25K**

In addition, the consultant will prepare preliminary dry utility system design alignments based on improvement plans and existing condition base plan for the removal, relocation, undergrounding, and new service systems required to meet the project's dry utility requirements. Final plans will be the responsibility of the respective utility owner.

A. Plan Features

- a. Plan format (i.e. title sheet and sheet borders) will be in a MTS format with local jurisdiction signature blocks (including the improvements in Caltrans R/W). Standard notes for the local jurisdiction and MTS will be included.
- b. Horizontal control – Design will generally include computed centerlines with horizontal control based on station-and-offset values. Non-linear project elements such as station site plans will rely on dimensions between project features and a table of coordinates at key locations.

The scale of plan sheets are anticipated to be the city standard of 1"=40' for less detailed plans (e.g. signing and striping, temporary water pollution control) and 1"=20' for more detailed plans (e.g. station layouts, ramp improvements, precise grading).

The Consultant will provide bid package development and support services, for the tasks identified below, up to the level of effort identified in the section entitled "Bid Construction Package" in Attachment B. Bid phase services are not included in this amendment.

- Incorporate review comments to the Final Construction Plans submittal and prepare "Bid-Ready" plan sets for MTS Procurement to advertise project.
- Incorporate review comments to the Final Construction Specifications submittal and prepare "Bid-Ready" specifications for MTS Procurement to advertise project.
- Incorporate review comments to the Final Construction Cost Estimates submittal and prepare "Bid-Ready" construction cost estimates for MTS Procurement Department to advertise project.
- QC "Bid-Ready" PS&E Package and submit "Bid-Ready" bid packages to MTS Contracts Department for advertisement.

The Consultant will submit improvement plans for Caltrans, and City of San Diego review and comment at the 90% and final levels of completion. Review comments from the 90% plan submittal will be addressed in the final plans preparation effort. The Consultant will meet with MTS, Caltrans, and the City of San Diego to resolve conflicting and unclear comments (one meeting for each submittal). The Consultant will incorporate review comments, as appropriate, into the plans, so they are reflected in the

next scheduled submittal. After receipt of all 90% review comments, the Consultant will submit final plans for approval.

8. COORDINATION AND PROJECT PERMIT SERVICES:

Agency coordination will include:

- Caltrans - Task 8
- City of San Diego - Task 9

8.1 Caltrans Encroachment Permit Process – The Consultant will develop supporting Caltrans documentation in support of the Project Encroachment Permit process. It is assumed that a separate Landscape Maintenance Agreement will not be required and is therefore excluded from this scope of work.

The Consultant will perform the following subtasks to support MTS's request for an Encroachment Permit to construct improvements on Old Town Transit Center.

8.5.1 Initiating Permit Process

The Consultant will develop and submit to Caltrans a project initiation submittal package upon completion of the 90% Plans and Specification reviewed by MTS. The submittal package will include:

- Letter of Intent addressed to Deputy District Director of Traffic Operations (Consultant to develop as part of this task)
- Standard Encroachment Permit Application (Consultant to complete as part of this task)
- Location map (Consultant to develop as part of this task)
- Cost Estimate for Improvements within Caltrans R/W
- Project and Construction Schedule
- Layout Plan showing the proposed improvements

8.5.2 Review Submittals based on "Project Funded by Public Agencies"

The Consultant will prepare two rounds of submittals (i.e. review cycles) of the following package:

- Project Plans with Special Provisions (100% Plans) (14 copies)
- Transportation Management Plan (14 Copies)
- Drainage Report, Traffic Handling Plans, Construction Staging Plans (14 copies)
- Mandatory Design Exception Fact Sheets (i.e. 11' lanes)
- Environmental Review (Record of Completion)
- Storm Water Data Report (Short Form)
- Geotechnical Technical Memorandum
- Right of Way and Maintenance Exhibit
- Storm Water Pollution Control Plan

This task assumes each submittal to require four weeks of review time by Caltrans' functional groups.

8.5.3 Final Submittal for Permit Processing

The Consultant will prepare a final submittal of the following package:

- Approved Set of Project Plans and Specifications (14 copies)
- Approved Reports in Review Submittal Package (4 sets of each report)
- Inspection Fee Deposit (provided by MTS staff)

9. *City of San Diego Project Development Review - The Consultant will submit draft final construction plans (MTS approved) and related storm drainage and water quality reports to the City of San Diego for Project Development Review. The Consultant will enter City review comments and Consultant responses from each submittal review into a comment log for documentation. The Consultant will meet with MTS to go over the City comments and verify MTS concurrence with Consultant responses (assume 1 meeting x 3 submittals x 2 hours x 2 documents (plans and reports)). The Consultant will meet with the City to resolve conflicting and unclear comments. The Consultant will incorporate City review comments, as appropriate, so they are reflected in the next submittal to the City (assume 4 meetings x 3 submittals x 1 hours x 2 documents (plans and reports)). This scope of services assumes 3 rounds of review and comment to obtain City approval of the plans and the drainage and water quality documents. This scope also assumes that City comments will be cosmetic in nature and not require redesign work. The consultant will perform the project development review process for up to 3 rounds of review and comment on each deliverable document or up to the level of effort identified in Attachment B.*

Upon approval by the City, the Consultant will prepare signed and sealed mylar bid set plans for signature by the City Engineer.

Upon completion of the City's approval process, the Consultant will prepare the final Notice of Intent and SWPPP report, and post the applicable documents to the State Board's SMARTS website.

Assumptions:

City requested betterment of City facilities will not be required or added to the project after submittal of the final design plans for City project development review. The Consultant will provide these services up to the level of effort identified in Attachment B.

10. *Construction Support Services – Consultant will provide up to 100 hours for technical engineering resource staff support services to MTS on an as needed basis to assist MTS staff with the activities relating to OTTC West improvements. Consultant will provide the support services described above to MTS on a time and materials basis to the extent budgeted in Attachment B.*

Work Order Estimate Summary

MTS Doc. No. **G1493.0-13**

Work Order No. **13-18 Amend#2**

Attachment: **B**

Work Order Title: **Old Town Transit Center (OTTC) West Improvements**

Project No:

Table 1 - Cost Codes Summary (Costs & Hours)

Item	Cost Codes	Cost Codes Description	Total Costs
1		Old Town Transit Center	\$149,445.21
2			

Totals = **\$149,445.21**

Table 2 - TASKS/WBS Summary (Costs & Hours)

Item	TASKS/WBS	TASKS/WBS Description	Labor Hrs	Total Costs
1	1	Urban Design Advancement	104.0	\$15,068.94
2	2	Task Number not Used		
3	3	Drainage Study	99.0	\$12,430.25
4	4	Water Quality Study	169.0	\$21,182.65
5	5	Engineering Design - 90%	301.0	\$45,284.32
6	6	Engineering Design - Final	113.0	\$15,164.24
7	7	Engineering Design - Bid Ready	47.0	\$6,917.16
8	8	Caltrans Coordination and Project Permit Services	45.0	\$7,546.85
9	9	City of San Diego Project Development Review	80.0	\$11,834.45
10	10	Design Services During Construction	100.0	\$14,016.35

Totals = **1,058.0** **\$149,445.21**

Table 3 - Consultant/Subconsultant Summary (Costs & Hours)

(If Applicable, Select One)				Consultant	Labor Hrs	Total Costs
DBE	DVBE	SBE	Other			
				Kimley-Horn and Associates	864.0	\$119,092.99
				Aguirre and Associates	32.0	\$7,218.84
				Ninyo and Moore	162.0	\$23,133.38

Totals = **1,058.0** **\$149,445.21**

ATTACHMENT C
Prevailing Wage

Prevailing Wage

A. PUBLIC WORK

Work performed by Contractor and Subcontractor in accordance with this Contract may be a public work under California Labor Code, 1720, et seq. All public work projects are subject to compliance monitoring and enforcement by the Department of Industrial Relations (DIR).

The following requirements listed in this section apply to any bid or proposal submitted on or after March 1, 2015 and any contract for public work entered into on or after April 1, 2015:

A contractor or subcontractor shall not be qualified to bid on, be listed in a bid or proposal subject to the requirements of Public Contract Code, 4104, or engage in the performance of any contract for public work unless currently registered and qualified by the DIR to perform a public work project pursuant to Labor Code, 1725.5. (Labor Code, 1771.1 subd. (a)).

MTS will not accept a bid or enter into any contract or subcontract without proof of the Contractor and Subcontractor's current registration to perform public work pursuant to Labor Code, 1725.5. (Labor Code, 1771.1 subd. (b)). If a contract is entered into with an unregistered contractor or subcontractor, the contract shall be subject to cancellation, but shall not be voided solely for failure to comply with Labor Code, 1725.5 or 1771.1.

If an unregistered contractor submits a bid that is authorized by Business and Professions Code, 7029.1 or by Public Contract Code, 10164 or 20103.5, it will not be violation of Labor Code, 1771.1 so long as the contractor is registered at the time the contract is awarded.

If by inadvertent error an unregistered subcontractor is listed in a bid proposal, it shall not be grounds for filing a bid protest or grounds for considering the bid nonresponsive, provided that any of the following apply: 1) subcontractor is registered at bid opening; 2) within 24 hours after the bid opening, the subcontractor is registered and has paid the penalty registration fee; or 3) the subcontractor is replaced by another registered subcontractor pursuant to Public Contract Code, 4107.

To register with the DIR, use the following link:

<http://www.dir.ca.gov/Public-Works/PublicWorks.html>.

B. PREVAILING WAGE

(1) Payment of Prevailing Wage

If work performed under this Contract is a public work, state prevailing wages may be applicable. When applicable, the Contractor shall pay its employees the general prevailing rate of wages as determined by the Director of the DIR for all public works projects (See Labor Code, 1771, 1774).

It is the sole responsibility of Contractor to ensure that all workers who perform work pursuant to this Contract are paid the correct rate of prevailing wages. This includes ensuring compliance with the requirements relating to the employment and payment of prevailing wage to apprentices, in accordance with Labor Code, 1777.5. Noncompliance with state prevailing wage regulations may be subject to penalties, as prescribed in Labor Code, 1775, 1776, 1813 and 1815.

If Contractor will receive federal funds, this Contract may also be subject to the payment of prevailing wages pursuant to the Davis-Bacon Act, 40 U.S.C. 3141 et seq., and other federal laws. When working on a federally funded project, Contractor shall ensure that all

workers entitled to the payment of prevailing wages receive the higher of the applicable State or federal prevailing wage.

MTS has obtained from the Director of the DIR general prevailing wage determinations for the locality in which work is being performed. These determinations are on file and available at MTS' offices located at 1255 Imperial Avenue, Suite 1000, San Diego, California 92101, and are available from the DIR on the internet at <http://www.dir.ca.gov//DLSR/PWD/>. Federal prevailing wage rates are available from the U.S. Department of Labor on the internet at www.access.gpo.gov.

(2) Certified Payroll

If work performed under this Contract is a public work, each Contractor and Subcontractor shall comply with Labor Code, 1776 regarding maintaining accurate payroll records. This includes certifying the payroll records and making the certified payroll records available for inspection or furnishing upon request.

(3) Job Site Notice

For all public work contracts awarded on or after January 1, 2015, the prime contractor shall post a notice at each job site stating prevailing wage rates will be enforced in accordance with 8 CCR 16451 subd. (d). In addition, the prime contractor shall post a notice at each job site of the applicable DIR prevailing wage rates in accordance with Labor Code, 1773.2.

Labor Compliance

Before invoicing MTS, the successful Prime Contractor shall provide a copy of the invoice and an original copy of the labor compliance documents to MTS Labor Compliance Consultant for review and approval to the following address:

Teresa Gonzalez-White
3439 Via Beltran
San Diego, CA 92117

For questions regarding Prevailing Wage, please contact Teresa Gonzalez-White at (619) 518-1821 or by e-mail at tgwhite@sprintmail.com.



1255 Imperial Avenue, Suite 1000
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Agenda Item No. 10

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

July 20, 2017

**Draft for
Executive Committee
Review Date: 7/13/17**

SUBJECT:

SAN DIEGO AND ARIZONA EASTERN (SD&AE) RAILWAY COMPANY QUARTERLY
REPORTS AND RATIFICATION OF ACTIONS TAKEN BY THE SD&AE BOARD OF
DIRECTORS AT ITS MEETING ON JULY 11, 2017

RECOMMENDATION:

That the Board of Directors:

- 1) receive the San Diego and Imperial Valley Railroad (SD&IV), Pacific Southwest Railway Museum Association (Museum), and Desert Line quarterly reports (Attachment A) for information; and
- 2) ratify actions taken by the SD&AE Board at its quarterly meeting on July 11, 2017.

Budget Impact

None.

DISCUSSION:

Pursuant to the Agreement for Operation of Freight Rail Services, SD&IV and Museum, have provided operations reports during the second quarter of 2017 (Attachment A).

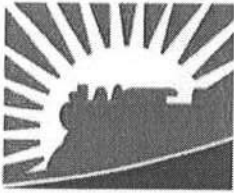
/s/ Paul C. Jablonski

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 7/11/2017 SD&AE Meeting





**SAN DIEGO & ARIZONA
EASTERN RAILWAY
COMPANY**

A NEVADA NONPROFIT
CORPORATION

1255 IMPERIAL AVE., STE. 1000
SAN DIEGO, CA
92101-7490
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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

July 11, 2017

9:00 a.m.

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

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

ACTION RECOMMENDED

1. Approval of the Minutes of April 18, 2017
Action would approve the SD&AE Railway Company Minutes of April 18, 2017. Approve
2. Statement of Railway Finances (Erin Dunn) Informational
3. Report on San Diego and Imperial Valley (SD&IV) Railroad Operations (Matt Domen) Informational
4. Report on Pacific Southwest Railway Museum (Diana Hyatt) Informational
5. Report on the Desert Line Informational
6. Proposed Revisions to MTS Board Policy No. 12 (Ownership and Operation of the San Diego and Arizona Eastern Railway) (Karen Landers)
Action would approve the proposed revisions to MTS Policy No. 12 (Ownership and Operation of the San Diego and Arizona Eastern Railway) and forward a recommendation to the MTS Board of Directors for final approval and adoption of the policy. Approve
7. Real Property Matters (Tim Allison)
 - a. Summary of SD&AE Documents Issued Since April 18, 2017 Informational
 - b. CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54956.9(d)(1) CHRIS REIMER v. THE CITY OF NATIONAL CITY, ET AL., SCSC CASE NO. 37-2015-00038580-CU-PO-CTL Possible Action
8. Board Member Communications
9. Public Comments
10. Next Meeting Date: October 10, 2017
11. Adjournment

MINUTES

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

April 18, 2017

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 April 18, 2017, at 9:00 a.m.

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

San Diego Metropolitan Transit System:	Tim Allison, Karen Landers, Wayne Terry, Shiela Dilayre
Pacific Southwest Railway Museum:	Dave Tomeraasen, Diana Hyatt, James Caestecker
Pacific Imperial Railroad, Inc.:	Victor Constantino
SD Freight/Burlington No. Santa Fe:	John Hoegemeier
Mintz Levin:	Antony Nash

1. Approval of Minutes

Mr. Domen moved to approve the Minutes of the January 17, 2017, SD&AE Railway Board of Directors meeting. Mr. Jablonski seconded the motion, and it was unanimously approved.

Ms. Landers noted that the agenda format has been revised going forward akin to the MTS Board agenda wherein items for review do not require a "motion to receive" but instead are informational items.

2. Statement of Railway Finances

Shiela Dilayre (sitting in for Erin Dunn) reviewed the Statement of Railway Finances for the period ending February 28, 2017 (attached to the agenda item).

Action Taken

Informational item only. No action taken.

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

Matt Domen reviewed the SD&IV Periodic Report for activities for the first quarter of 2017 (attached to the agenda item). Mr. Jablonski commended SD&IV on coming up on its 20th year of injury-free reporting to the FRA.

Action Taken

Informational item only. No action taken.

4. Report on Pacific Southwest Railway Museum Operations

Diana Hyatt introduced Dave Tomeraasen, Pacific Southwest Railway Museum (PSRM) Board Treasurer. Ms. Hyatt reviewed PSRM's 1st quarter report (attached to the agenda item).

Mr. Jablonski stated that he has been getting e-mails from an organization that is conducting an on-line petition for the Carrizo Gorge Scenic Railroad. This group is petitioning MTS Board Chair Harry Mathis to allow train service through the Carrizo Gorge. Ms. Landers noted for the record that MTS has no association with this organization—no requests have ever been approved, and it has no rights through this area. Mr. Jablonski added that the petition is being generated through Change.Org, and five people have signed the petition. Mr. Jablonski forwarded the e-mail to Diana Hyatt so that she can follow up with the organization.

Action Taken

Informational item only. No action taken.

5. Report on the Desert Linea. Report on the Desert Line

Karen Landers gave an update on the status of Desert Line activities. She stated that last Thursday, the MTS Board of Directors formally consented to an assignment of the Pacific Imperial Railroad (PIR) Desert Line lease to International Transportation Associates (ITA), which is an entity created by Baja Rail. The bankruptcy court has been overseeing the sale of PIR's assets—one of which is its interest in the Desert Line lease. This is essentially the master lease and the obligations and rights for the last ten miles; PIR previously subleased the first 60 miles to Baja Rail. The MTS Board and all parties have signed a consent approval. Ms. Landers stated that it is her understanding that yesterday was the last day for anyone to object with the bankruptcy court. Ms. Landers is waiting for formal confirmation from PIR and Baja Rail that the transaction has closed.

Victor Constantino with PIR stated that he will forward the final determination from the judge to Ms. Landers.

Ms. Landers clarified that for all intents and purposes, Baja Rail and/or its entity ITA is now in control of the PIR lease. The transfer of any other PIR assets is pending the court's final determination. Ms. Landers stated that MTS will be working with Baja Rail to negotiate an amended and restated lease agreement. Currently, there is a sublease and master lease, which will be merged into one agreement directly with Baja Rail. The time lines will also be addressed in the new lease. The current time line for the entire line to be completed is by December 2018. Given the current delays of the bankruptcy and other issues, that time line is no longer realistic. The new lease and time lines will go to the MTS Board of Directors for approval possibly at the May 2017 meeting or no later than the June 2017 meeting.

Ms. Landers reported that plans submitted by Baja Rail will be reviewed by MTS's engineer, Dan Davis. MTS has given Mr. Davis a list of specific information needed. At this point, the goal is to initially go bridge-by-bridge starting with Bridge 66 (just east of the Museum) first because that will open up all the way to Jacumba. All of the materials that will be used must meet MTS's standards before installation. Ms. Landers noted that

there has been a delay because she has requested that Baja Rail get an environmental attorney-issued opinion. Ms. Landers added that it is believed that the work on the bridges includes repair and replacement and is accepted under CEQA, but she wants Baja Rail to have an independent CEQA attorney provide that opinion.

Ms. Landers stated that Baja Rail is eager to get started, and MTS is trying to accommodate the work as soon as possible. She added that there are other things that are needed that can be worked on concurrently. Ms. Landers reported that things are moving along, and Baja Rail has made a significant investment—especially by purchasing the asset out of the bankruptcy. She expects that Baja Rail will move diligently to get to the point of operations.

Action Taken

Informational item only. No action taken.

b. Identification and Disposal of Abandoned Personal Property / Rolling Stock on the Desert Line

Ms. Landers stated that MTS has authorized Baja Rail to go out and clean up at Jacumba Depot area. Additionally, train cars and equipment have been there since 2012 when a lease was formally issued to PIR, and there are no good records of who put them there or when. Ms. Landers stated that for efficient freight operations to begin, any unnecessary items need to be removed. There are no records of lease or storage agreements for this equipment, so they've been stored without MTS's express consent and without paying any storage fees. Ms. Landers explained that it is necessary to give notice to people who may claim an ownership interest. She added that Ms. Hyatt and others from the Museum provided a list (see attachment to the agenda item) last year of some of the items that they were aware of that are on the line.

Ms. Landers asked that the Board be aware and authorize staff to go through a process to send out a notice to anyone who would relay that they would like to be notified, such as the people who are associated with Carrizo Gorge Railway. She added that they would have 30 days to submit a claim with proof of ownership and a plan to remove the rolling stock by June 1. There is a caveat because some of the items are further out on the rail; due to the embargo on the line, no one should go out and traverse the rails to get their items. Before anyone removes any items from the property, they need to have MTS's consent and agreement. For items on the line that cannot be moved by truck, a plan will have be devised to allow removal by the owner once the rail is accessible and the items can be removed expeditiously.

Ms. Hyatt noted a correction to Attachment A. The two SD&AE box cars are only at Campo House Track (they are listed as being at Jacumba as well).

- Public Speaker – Antony Nash

Mr. Nash stated that he represents Gary Sweetwood who will claim some of the equipment listed—specifically the locomotives. Mr. Nash provided his business card and asked to be sent a notice regarding the process that Ms. Landers mentioned previously. He also asked to interface to understand exactly what SD&AE will be requiring in terms of evidence of ownership and a plan to remove equipment as his client believes that he owns many of the pieces of equipment.

Ms. Landers reiterated that it will be a formal process that will follow rules related to abandoned property, but it is also "come as you go." She stated that submittal of a claim of ownership will be required and information related to the claim. If no one else makes a claim for the same property by the deadline and there is no dispute as to ownership during that period, then plans could be made for removal. She added that if someone else did make a claim to the same property, a resolution would have to be determined. The end goal is to identify any property claimed by a third party and how to remove it. If no one makes an ownership claim, then the property in question could be owned by SD&AE (but it is not assumed). SD&AE would be authorized to decide what to do with the property. Ms. Landers clarified for Mr. Nash that May 18, 2017, is the deadline to make a claim.

Ms. Landers clarified the process of identifying potential third parties who may own property. She stated that she is open to any suggestions. She reached out to former parties of Mr. Sweetwood. Discussion ensued, and it was decided that Mr. Gooch would make contact with Union Pacific (UP) and Ms. Landers would make contact with Ed Kravitz to notify them regarding identifying potential third parties who may own property. Ms. Hyatt suggested putting a publication in one of the industry magazines. Ms. Landers will send a notice to the Secretary of State Web site as the registered agent for service for Carrizo Gorge Railway Company. She added that Mr. Sweetwood may also have suggestions as to whom to contact. It was noted that there are three locomotives owned by PIR that are not on the list.

Ms. Landers agreed with Mr. Domen that as to the June 1 removal deadline, the assets that can be trucked off of the line will be done so expeditiously. She added that the deadline date may be flexible within reason. She clarified that MTS does have a right to assess storage fees; however, Ms. Landers is proposing that if a third party can prove ownership and make a plan to remove assets as soon as possible, then storage fees could be waived. Ms. Landers added that if someone made a claim of ownership after the asset was auctioned off, then all storage fees and the cost of auction would be recovered before turning over any proceeds.

Mr. Jablonski stated that storage fees could be attached but could be waived if deemed acceptable to SD&AE upon disposition of the assets.

Mr. Domen stated that some of the locomotives on the line have been leaking. He questioned whether SD&AE would have to cover the cost of any clean-up. Ms. Landers responded that currently any clean-up that is necessary is covered under the lease with Baja Rail. She stated that an assessment of the clean-up should be made. Ms. Landers and MTS staff will be going on a site visit to Campo and Jacumba on Friday. She extended an invitation to anyone who would like to accompany staff on this visit.

Action Taken

Mr. Domen moved to approve authorizing staff to take all necessary and appropriate steps to identify and remove abandoned property on the Desert Line. Mr. Jablonski seconded the motion, and it was unanimously approved.

6. Real Property Mattersa. Summary of SD&AE Documents Issued Since January 17, 2017

Tim Allison noted that since the January 17, 2017, SD&AE Railway Company Board of Directors meeting, the documents described below have been processed by staff.

- S200-16-643: Right of Entry Permit to the Earth Mechanics, Inc. to perform geotechnical studies for the Bayshore Bikeway Segment 8B in Chula Vista.
- S200-17-644: Right of Entry Permit to San Diego Charter Co. for running shuttle service from the Spring Street Trolley Station.
- S200-17-645: Right of Entry Permit to Park N Play for running shuttle service from the Spring Street Trolley Station.
- S200-17-654: Right of Entry Permit to SC Valley Engineering, Inc. to perform storm drainage repair in the City of El Cajon.
- S200-17-655: Right of Entry Permit to Vailston Company, Inc. for sidewalk repair in the City of San Diego along the Orange Line in the Encanto neighborhood.

Action Taken

Informational item only. No action taken.

b. Easement for Street Improvements for the City of La Mesa

Tim Allison gave a PowerPoint presentation. He explained the City of La Mesa's improvements along Spring Street south of Interstate 8 in La Mesa. He showed easements that are thought to have been historically granted to public agencies that had control over the area. He pointed out the areas that are covered under existing easements. He explained that instead of trying to find the historical documents, it was decided that it would be easier to grant an easement to cover the sidewalk and retaining-wall improvements requested by the City of La Mesa. Mr. Allison showed the area that would be covered by a new easement. He stated that today's action would be to approve an easement for the areas that should have already been covered by easements but that staff was unable to locate.

Board members discussed concerns regarding major safety issues associated with adding a sidewalk at grade next to a busy freeway off-ramp, which would also allow pedestrians to cross railroad tracks without having any railroad crossing gates or signage upgrades approved by the California Public Utilities Commission (CPUC). Board members agreed that those safety measures would have to be incorporated before they would approve any easements in this location. Wayne Terry added that he relayed that message a recent meeting with City of La Mesa staff. He stated that the City of La Mesa and the CPUC were interested in incorporating a pedestrian crossing at grade adjacent to the original crossing and add a pedestrian gate as well as a push gate as an improvement to the original crossing. Mr. Terry's advice to the CPUC was to submit a formal General Order 88-B application for a new crossing but the CPUC

representative indicated that the Commission would not approve it. Discussion followed regarding current pedestrian access and signage.

Action Taken

Mr. Domen moved to approve issuing an easement to the City of La Mesa for sidewalk and retaining-wall improvements along Spring Street contingent upon the MTS CEO's satisfaction regarding the resolution of all necessary safety enhancements/improvements related to pedestrian crossings. Mr. Jablonski seconded the motion, and it was unanimously approved.

c. Licenses for Aerial Fiber East of Campo

Tim Allison reviewed AT&T's request for licenses for aerial fiber-crossing within the SD&AE right-of-way east of Campo. He added that the poles exist and the plan is to overlap new fiber to the existing lines because the capacity is running low. Mr. Allison stated that the action would grant an amended/restated license for aerial telephone and fiber lines.

Action Taken

Mr. Domen moved to approve licenses for aerial fiber-crossing within the SD&AE right-of-way east of Campo. Mr. Jablonski seconded the motion, and it was unanimously approved.

d. Campo Indian Band Renewable Energy Project

Mr. Allison presented this item for direction from the Board regarding a proposal by Archer Cleantech, Inc. (Archer) and the Campo Band of Mission Indians (Campo) for a renewable-energy project on Campo lands, which would require routing a private transmission line through existing Desert Line right-of-way. Mr. Allison introduced Paul Blaha with Archer and Marcus Cuero with the Campo Tribal Council. Mr. Allison stated that the SD&AE Board was presented a few years ago with a similar request from a company called Soitec; however, that project was never completed. He stated that this current project has a lot of momentum and would include wind and solar energy. Mr. Allison added that the parties wanted to find out if SD&AE was amenable to such a project before putting forth a lot of money. Mr. Blaha defined the areas noted on the attachment to the agenda item. Mr. Allison discussed the areas on the attachment where Baja Rail may potentially operate, which would require that there be certain agreements in place in regard to engineering and any necessary regulatory actions. He added that staff wants to have the ability to negotiate with Archer through the regulatory process.

Discussion followed regarding the location of the proposed aerial lines and potential issues in relation to the proximity of the railroad. Mr. Blaha discussed next steps, which include applying to join a CAL ISO Study by April 30 that—if approved—would give Archer permission to study the project further and work through engineering scenarios.

Mr. Jablonski stated that he does not have any problem with further studies, but he has concern with a one-sided study; he would want to know if there were any downsides that may not be recognized. Mr. Allison responded that could be part of the action, and Dan Davis could be brought in to conduct a study (that Archer would need to fund).

Mr. Blaha confirmed for Ms. Landers that the CAL ISO Study is a requirement for the connectivity, which would be basically at or near the right-of-way. The connectivity is not a physical connection, but it is something that needs to be studied. He also clarified that Archer has already confirmed the feasibility of the project to be the best solution and is satisfied with the economic potential.

Ms. Landers stated that we would need to scope out the questions that we have from a railroad standpoint regarding studies and funding. Mr. Jablonski added that an agreement would be necessary before proceeding. Mr. Allison stated that the value would need to be determined as well during negotiations. Mr. Blaha acknowledged a request from Mr. Jablonski to look into the economics of using conduit. Mr. Jablonski reiterated the need to understand any of the downsides to the project. Ms. Landers added that consideration must also be given to any future double-tracking and the fact that there would need to be enough room in the right-of-way to operate.

Action Taken

Informational item only. No action taken.

7. Board Member Communications

Ms. Landers confirmed for Board members that Baja Rail will attend future meetings and give quarterly reports.

8. Public Comments

There were no additional public comments.

9. Next Meeting Date

The next meeting of the SD&AE Railway Company Board of Directors is on July 11, 2017.

10. Adjournment

The meeting was adjourned at 10:05 a.m.



President

General Counsel

Agenda Item No. 2

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

July 11, 2017

SUBJECT:

STATEMENT OF RAILWAY FINANCES

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors receive a financial report for the , period ending May 31, 2017.

Budget Impact

None.

DISCUSSION:

Attached are SD&AE's financial results for the period ending May 31, 2017.

As of May 31, 2017, fiscal year-to-date revenues are \$992,000 favorable to budget primarily due to the Desert Line Lease revenue not included in the budget.

Fiscal year-to-date expenses are \$10,000 favorable to budget due to favorable variances in Personnel Costs and Outside Services, which is partially offset by \$71,000 in past-due property taxes.

The Net Income for the period ending May 31, 2017, was \$869,000.

Attachment: SD&AE Operating Statement for period ending May 31, 2017

SD&AE Operating Statement FY2017-16

								FY 2016	
	Q1 Actual	Q2 Actual	Q3 Actual	Q4 Actual (Apr - May)	YTD Actual (Jul - May)	YTD Budget (Jul - May)	Variance	Q1 - Q4 Actual (Jul - May)	Variance
Revenues									
Right of Entry Permits	\$ 3,000	\$ 12,999	\$ 3,600	\$ 3,225	\$ 22,824	\$ 26,687	\$ (3,863)	\$ 7,400	\$ 15,424
Lease Income	19,103	19,019	24,311	14,471	76,904	68,366	8,538	73,784	3,120
Desert Line Lease Revenue	250,000	250,000	250,000	166,667	916,667	-	916,667	916,667	-
Operator Income - SD&IV 1% Freight Fee	8,500	8,500	25,487	6,200	48,687	23,000	25,687	28,903	19,784
Misc. Revenue (Cure of Default - DL lease assignment)	-	-	-	45,000	45,000	-	45,000	-	45,000
Total Revenue	280,603	290,518	303,398	235,563	1,110,081	118,053	992,028	1,026,754	83,327
Expenses									
Personnel Costs	2,752	4,347	6,959	5,744	19,802	41,080	21,278	30,740	10,938
Outside Services	14,059	1,830	39,826	79,708	135,424	195,260	59,836	25,749	(109,675)
Risk Management	3,762	4,177	3,744	2,195	13,877	13,976	99	13,517	(360)
Misc. Operating Expenses	1,146	-	-	71,000	72,146	1,146	(71,000)	693	(71,453)
Total Expense	21,719	10,354	50,529	158,647	241,249	251,462	10,213	70,699	(170,550)
Net Income/(Loss)	\$ 258,884	\$ 280,163	\$ 252,869	\$ 76,916	\$ 868,832	\$ (133,409)	\$ 1,002,241	\$ 956,055	\$ (87,223)
Reserve Balance July 1, 2016	<u>\$ 1,581,452</u>								
Allocated Interest Earnings - Estimated	9,167								
Operating Profit/(Loss) - YTD	868,832								
Less Desert Line Lease Revenue	(916,667)								
Reserve Balance as of May 31, 2017	<u>\$ 1,542,784</u>								

Agenda Item No. 3

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

July 11, 2017

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 2nd Quarter of 2017



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

June 22, 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 2nd Quarter of 2017 are listed as follows:

1. Labor

At the end of June 30, 2017 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 2nd Quarter had a 39% decrease as compared to the same quarter in 2016. Bridge traffic into Mexico had a 57% decrease due to the loss of LPG traffic to modal competition. Traffic terminating or originating on the SDIY was up 28% versus last year due to additional traffic handled at the San Ysidro transload facility.

3. Reportable Injuries/Environmental

Days through year to date, June 30, 2017, there were no FRA Reportable injuries or Environmental incidents on the SDIV Railroad.

Days FRA Reportable Injury Free: 7392

4. Summary of Freight

	2017	2016	2015
Total rail carloads that moved by SDIY Rail Service in the quarter.	981	1601	1030
Total railroad carloads Terminating/Oriinating Mexico in the quarter.	549	1263	687
Total railroad carloads Terminating/Oriinating El Cajon, San Diego, National City, San Ysidro, California in the quarter.	432	338	343
Total customers directly served by SDIY in the quarter	10	11	12
Regional Truck trips that SDIY Railroad Service replaced in the quarter	2943	4803	3090

Respectfully,

Matt Domen

General Manager

Agenda Item No. 4

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

July 11, 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:

A report will be presented during the meeting.

Attachment: Not submitted in time for mail-out

Agenda Item No. 5

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

July 11, 2017

SUBJECT:

REPORT ON THE DESERT LINE

RECOMMENDATION:

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

Budget Impact

None.

DISCUSSION:

A report will be presented during the meeting.

Attachment: Not submitted in time for mail-out

Agenda Item No. 6

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

July 11, 2017

SUBJECT:

PROPOSED REVISIONS TO MTS BOARD POLICY NO. 12 (OWNERSHIP AND OPERATION OF THE SAN DIEGO AND ARIZONA EASTERN RAILWAY) (KAREN LANDERS)

RECOMMENDATION:

That the SD&AE Board of Directors approve the proposed revisions to MTS Policy No. 12 (Ownership and Operations of the San Diego and Arizona Eastern Railway) and forward a recommendation to the MTS Board of Directors for final approval and adoption of the policy.

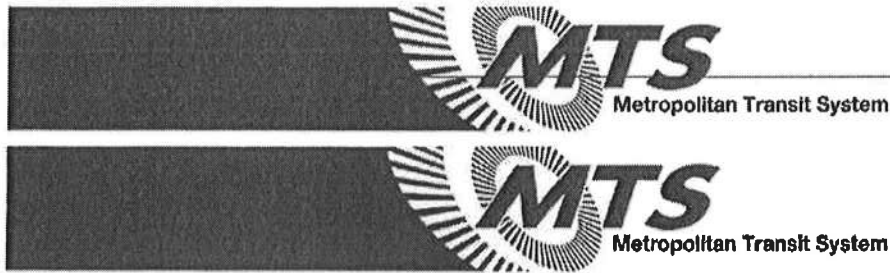
Budget Impact

None.

DISCUSSION:

MTS staff is proposing updates to Board Policy No. 12, "Ownership and Operation of the San Diego and Arizona Eastern Railway Company". The purpose of the modifications is to update the policy to reflect the current freight operators and related business practices in particular for the Desert Line.

Attachment: Proposed Revisions to Policy No. 12 (red-line version)



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

Policies and Procedures

No. 12

SUBJECT:

2/12/047/20/2017

Board Approval:

OWNERSHIP AND OPERATION OF THE SAN DIEGO AND ARIZONA EASTERN RAILWAY COMPANY

PURPOSE:

To establish a method for handling matters relating to the management, operations, administration, and property of the San Diego and Arizona Eastern (SD&AE) Railway Company. (SD&AE).

BACKGROUND:

~~The~~ In 1979, the San Diego Metropolitan Transit System (MTS) purchased SD&AE as a means of assuring right-of-way for actual and proposed light rail transit (LRT) projects. Freight As required by federal law, MTS is responsible for maintaining freight service is continued by contract over on portions of the SD&AE right-of-way by RailTex, Inc. MTS does not directly operate freight service. Instead, through its subsidiary, San Diego Imperial Valley Railroad Company, Inc. (collectively referred to as "SD&IV"). MTS also lease or operating agreements, MTS contracts with San Diego Trolley, Inc. for passenger service out freight service rights and obligations to third party railroads.

1. Ownership and Control. SD&AE is a nonprofit public benefit corporation registered in the State of Nevada. MTS is the sole owner/member of the SD&AE. SD&AE is an exempt organization under Internal Revenue Code section 501(c)(3). SD&AE has no separate staff or employees. MTS provides all staff resources for the benefit of SD&AE. The MTS Board of Directors has appointed the MTS Chief Executive Officer as the President of SD&AE. Unless otherwise



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc., nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

stated herein, matters for SD&AE should comply with applicable MTS Board Policies covering MTS actions and authority.

2. Freight Operations-Carrier Contracts.

a. Main Line (12th & Imperial to San Ysidro), Orange Line, and Coronado Branch: Through an "Agreement for the Operation of Freight Service and Control through Management," dated March 8, 1984, as amended, SD&AE and MTS contracted contract with RailTex San Diego & Imperial Valley Railroad (SD&IV) to operate freight service over the SD&AE Main Line, Orange Line and to manage the SD&AE. RailTex, Inc., with the consent of MTS, assigned its contract to SD&IV. Coronado Branch. The Coronado Branch is not currently operational.

3. Transit Passenger Operations. The agreement between SD&AE, MTS, and RailTex for the operation of freight service excludes passenger operations. Where trackage is jointly used by passenger and freight operations the agreement states, "MTS, through San Diego Trolley, Inc., shall have exclusive dispatching control, provided that reasonable provisions shall be made for orderly, scheduled freight service during nighttime "window" or such other times acceptable to San Diego Trolley, Inc. so as not to unreasonably interfere with the Operating Company's obligation to maintain effective freight service."

b. Desert Line. Through an agreement dated December 21, 2012, as amended, MTS and SD&AE contracted with Baja California Railroad, Inc. (BJRR) to operate freight service and maintain the Desert Line.

c. Substitution of Freight Contractors. From time to time, through negotiation or through exercise of contractual or legal rights, an individual freight contractor may be replaced. SD&IV and BJRR are collectively referred to in this Policy No. 12 as the "Freight Contractors". In the event SD&IV or BJRR are replaced as a freight contractor on an MTS railroad line, the replacement contractor shall be considered a "Freight Contractor" under this Policy No. 12.

3. Transit Passenger Operations. MTS has expressly reserved the right to operate passenger services on the SD&AE right-of-way. MTS currently operates passenger service on the Main Line and the Orange Line portions of the SD&AE right-of-way. Because the Main Line and Orange Line trackage is jointly used by freight and passenger operations, the Federal Railroad Administration (FRA) has imposed a temporal separation between freight (heavy rail) and trolley (light rail) services. Freight is provided with an absolute block of track usage nightly. MTS and SD&IV may agree to revise the absolute block days and / or times by mutual agreement so long as it is compliant with federal law.

4. Management of the SD&AE Board of Directors. The Board of Directors of SD&AE is composed of three members: a representative of MTS, to be selected by MTS (currently the Chief Executive Officer or his designated representative) and two representatives of SD&IV, to be selected by SD&IV. In the event that SD&IV defaults with regard to freight operations, MTS (as the owner of the SD&AE) has the right to remove SD&IV directors on the SD&AE Board and

~~replace them with MTS directors. SD&IV provides management for SD&AE. It is contemplated that SD&AE will function as a land-holding company as opposed to acting as an operator~~ the Freight Contractors. As set forth below, the role of the SD&AE Board of Directors is to advise and consult with MTS regarding proposed projects or uses that may impact both freight and passenger services, and to authorize the SD&AE President to take certain actions. As the sole member / owner of SD&AE, the MTS Board of Directors may directly approve actions and projects affecting SD&AE right-of-way or other assets and liabilities.

5. SD&AE Business Operations. It is contemplated that SD&AE will function as a land-holding company as opposed to acting as a railroad operator.

POLICY:

1. Management Relationships—Freight Operations. MTS has no immediate involvement in the day-to-day management of freight operations by ~~SD&IV~~ its Freight Contractors. All matters concerning freight shippers, the quality of freight service, the maintenance of the freight right-of-way, freight operator labor and freight management will be handled by ~~SD&IV~~ the Freight Contractors, and all problems relating thereto will be referred thereto by MTS without action.

The foregoing notwithstanding, as a public agency, MTS may be subject to criticism by the public for freight operations conducted over the SD&AE right of-way. MTS can be expected to request certain actions or make certain recommendations to ~~SD&IV~~ the Freight Contractors to preserve a positive quality of freight service and community confidence in MTS and ~~SD&IV~~ the Freight Contractors. MTS will in such instances endeavor:

- (a) to work with ~~SD&IV~~ Freight Contractors;
- (b) To identify ~~SD&IV~~ or BJRR as the action agent in all public communications and actions; and
- (c) only in extreme cases involving public safety or dereliction of service responsibility seek direct action from the Boards of Directors of SD&AE and/or MTS.

2. Management Relationships—Joint Operations and Right-of-Way Matters. As the owner of SD&AE, MTS will have the final decision in all matters involving joint operation and right-of-way. ~~The desires/needs of SD&IV as freight operator~~ the Freight Contractors and the desires of San Diego Trolley, Inc. as transit ~~MTS trolley passenger operator operations~~ will, at all times, be given full consideration. Through SD&AE, MTS may take actions affecting the operational status of the joint passenger/freight corridors (actual or proposed) and the physical status of all corridors only with. Subject to the full prior knowledge and consent of MTS. Such Freight Contractors contractual rights, such actions will may include but not be limited to:

- (a) The granting, changing, or canceling of easements and other rights affecting the right-of-way.
- (b) Changes in scheduled freight operations, equipment, and maintenance that might impact passenger operations, safety, and service.
- (c) The negotiation and agreement with local government entities and agencies on matters concerning grade crossings, street improvements or changes, bicycle paths, pedestrian access, and public safety.
- (d) The location, construction, and content of advertising structures.
- (e) The review of adjacent improvements (subdivisions, rezonings, construction of industrial facilities and shopping centers, recreational facilities, etc.) that might impact passenger operations directly or indirectly through constraints imposed on passenger or freight operations. SD&IV The Freight Contractors shall work with the MTS staff in all matters where the SD&AE is the legal entity entering agreements, granting rights, making concessions, reviewing proposals, or otherwise interacting with the community.

In the event that MTS staff and SD&IV staff are unable to reach an agreement, the matter, with 3. SD&AE Board action, will be referred to the MTS Board of Directors and the SD&IV Board of Directors for resolution within the scope and authority legally residing with the various parties to the dispute.

SD&AE Board Meetings.

3. SD&AE Monitoring by MTS.

- (a) Participation on Board. Board membership on the SD&AE gives MTS management a direct line of communication on all significant matters relating to the SD&AE.
- (b) Quarterly Reports to MTS SD&AE Board. On SD&AE Board meetings are scheduled on a quarterly basis, SD&IV management is required to. At each SD&AE Board meeting, the Freight Contractors shall report items of significance as they affect the SD&IV and its operations to SD&AE, MTS or the obligations under the Freight Contractors' agreements with MTS.
- (c) Monthly Review Reports to SD&AE Board. MTS staff will and the Freight Contractors shall confer with SD&IV staff on a regular basis, such conferences to include a review of on the following areas of concern, and report on such items at each SD&AE Board meeting:

- (1) Cash-flow problems/financial status.

- (2) Requests for changes, additions, deletions of easements and other rights affecting the right-of-way, and physical assets of the SD&AE.
- (3) Maintenance of way activities.
- (4) Customer complaints.
- (5) Schedule adherence/problems.
- (6) Freight moved.
- (7) Customers gained/lost.
- (8) Capital investment activities.
- (9) Marketing efforts.
- (10) Labor relations/employment level.
- (11) Community relations—noise, crossings, accidents, repair upgrading requests, easements/property requests.
- (12) Results of Federal Railroad Administration (FRA)/Public Utilities Code (PUC) Inspections.
- (13) Other areas of concern.

(d) — MTS or its representatives shall have the unrestricted right at all reasonable times to inspect and audit the physical properties, books, and records of SD&AE and the SD&IV, and the physical properties, books, and records of the freight and transit operators, which are pertinent to SD&AE freight and/or transit operations.

Audits, reviews, and/or inspections will be conducted at least once a year.

PROCEDURES:

1. Matters Related to Freight Operations. All inquiries, requests, complaints, and suggestions concerning freight operations received by MTS will routinely be referred to SD&IV the Freight Contractors by MTS. SD&IV Freight Contractors' management will, to the extent possible and subject to limitations of this policy and the written agreements between the parties, resolve the matter directly with the initiator without participation by MTS. MTS will not be or become an ombudsman in freight matters. However, public safety or other public considerations may indicate require MTS involvement from time to time; for example, as a mediator or communications conduit. The delicate balance required is to show MTS acting responsibly and constructively while not undermining the authority of SD&IV the Freight Contractors as the action agent.

2. Matters Related to Joint Operations and Right-of-Way Considerations. All inquiries, requests, complaints, suggestions, and actions to be taken with regard to transit passenger operations and joint-track operations will be referred to ~~San Diego Trolley, Inc~~ MTS.
3. Processing Applicants Applications Affecting SD&AE or MTS Property. All applications and requests relating to SD&AE or MTS property will be referred to MTS staff for initial review, recommendation, and processing:
 - (a) All applications that seek rights to construct items such as utilities, drainage structures, roadway improvements/widening, signs, or freight leads will be reviewed by MTS staff.
 - (1) All applications that may affect ~~other SD&T or SD&IV Freight Contractor~~ operations will be referred in writing by MTS staff to ~~SD&T and SD&IV Freight Contractors~~ with replies in writing requested by a specific date.
 - (2) Applications viewed favorably by the applicable staffs shall be referred to the Board of Directors of SD&AE for implementation and final endorsement by the MTS Board of Directors or the Board's ~~designated~~ designee.
 - (3) Where appropriate, general counsel for MTS and the MTS insurance consultant will review proposed actions and comments and/or make recommendations.
 - (4) ~~Where circumstances dictate expedited handling, the MTS Chief Executive Officer may, with consent of SD&IV management, grant a temporary right of entry if (4) For routine right-of-entry permits or revocable real property rights, the SDAE President may execute real property permits and agreements upon a determination that the applicant's activity will not be detrimental to freight and/or transit operations and/or safety. All permits or agreements issued shall be reported at the next scheduled SD&AE Board meeting.~~
 - (5) All final agreement documents between SD&AE and/or SD&IV management and applicants will be reviewed by MTS general counsel General Counsel before execution. Such agreements will utilize standard forms and conditions where possible.
 - (6) MTS staff will maintain a log of all applications. Staff will ensure that prompt action is taken at each step so that applications may be promptly processed.
 - (7) MTS shall establish and charge applicants fees for such processing, based upon the actual costs incurred, as determined by the ~~Director of Engineering and Construction.~~ Such fees shall

~~be waived when the applicant is SD&IV or SDT~~MTS Board Policy No. 50.

- ~~4. Use of Fees Paid by SD&IV and Railway Museum. Such fees shall be reserved by MTS in a rail improvement fund and made available to SD&AE for such capital improvements and other rail uses as may, from time to time, be recommended by SD&IV and approved by MTS. Monies existent in this rail improvement fund shall be invested in accordance with MTS's applicable statutes and the interest earned on the invested money shall accrue to the fund. Those fees paid by the Railway Museum shall be used on capital improvements and other rail uses within the areas or properties licensed for museum use.~~
4. Ratification of SD&AE Actions by MTS Board. All reports and actions taken by the SD&AE Board shall be presented for ratification at the next scheduled MTS Board meeting.

POLICY.12.OWNERSHIP OPERATION SDAE RAILWAY CO
~~7/11/06~~

Original Policy adopted on 1/14/80.
Policy revised 2/28/83.
Policy revised 10/18/84.
Policy revised 6/25/92.
Policy revised/renumbered on 2/12/04.
Policy revised on 7/20/17.

Agenda Item No. 7a

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

July 11, 2017

SUBJECT:

SUMMARY OF SD&AE DOCUMENTS ISSUED SINCE APRIL 18, 2017

RECOMMENDATION:

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

Budget Impact

None.

DISCUSSION:

Since the April 18, 2017, SD&AE Railway Company Board of Directors meeting, the documents described below have been processed by staff.

- S200-16-657: Right of Entry Permit to the City of La Mesa for its Flag Day Parade.
- S200-17-658: License agreement with Pacific Bell for aerial fiber crossings east of Campo in San Diego County.
- S200-17-660: Right of Entry Permit to West Coast General Co. for construction of the North Avenue Crossing in the City of Lemon Grove.
- S200-17-661: Right of Entry Permit to Kunzik & Sara Construction, Inc. for construction adjacent to the right-of-way south of Wagner on Marshall Avenue in the City of El Cajon.
- S200-17-662: Right of Entry Permit to the San Diego County Bicycle Coalition for the 2017 Bike the Bay event.
- S200-17-663: Right of Entry Permit to the Navy SW Morale Welfare & Rec for the 30th Annual Bay Bridge Run.



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Agenda Item No. 11

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

July 20, 2017

Draft for Executive Committee Review Date: 7/13/17

SUBJECT:

PROPOSED REVISIONS TO SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)
BOARD POLICY NO. 12, "OWNERSHIP AND OPERATION OF THE SAN DIEGO AND
ARIZONA EASTERN RAILWAY COMPANY"

RECOMMENDATION:

That the Board of Directors approve the proposed revisions to MTS Board Policy No. 12, "Ownership and Operation of the San Diego and Arizona Eastern Railway Company" (Attachment A).

Budget Impact

None.

DISCUSSION:

MTS staff is proposing updates to Board Policy No. 12, "Ownership and Operation of the San Diego and Arizona Eastern Railway Company". The purpose of the modifications is to update the policy to reflect the current freight operators and related business practices in particular for the Desert Line.

/s/ Paul C. Jablonski
Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. Proposed Revisions to Policy No. 12 (red-line version)
B. Proposed Revisions to Policy No. 12 (clean version)

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

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





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Policies and Procedures

No. 12

SUBJECT:

2/12/047/20/2017

Board Approval:

OWNERSHIP AND OPERATION OF THE SAN DIEGO AND ARIZONA EASTERN RAILWAY COMPANY

PURPOSE:

To establish a method for handling matters relating to the management, operations, administration, and property of the San Diego and Arizona Eastern ~~(SD&AE)~~ Railway Company- (SD&AE).

BACKGROUND:

~~The~~In 1979, the San Diego Metropolitan Transit System (MTS) purchased SD&AE as a means of assuring right-of-way for actual and proposed light rail transit (LRT) projects. ~~Freight~~As required by federal law, MTS is responsible for maintaining freight service is continued by contract over on portions of the SD&AE right-of-way by RailTex, Inc.. MTS does not directly operate freight service. Instead, through its subsidiary, San Diego Imperial Valley Railroad Company, Inc. (collectively referred to as "SD&IV"). MTS also lease or operating agreements, MTS contracts with San Diego Trolley, Inc. for passenger service out freight service rights and obligations to third party railroads.

1. Ownership and Control. SD&AE is a nonprofit public benefit corporation registered in the State of Nevada. MTS is the sole ~~owner~~member of the SD&AE. SD&AE is an exempt organization under Internal Revenue Code section 501(c)(3). SD&AE has no separate staff or employees. MTS provides all staff resources for the benefit of SD&AE. The MTS Board of Directors has appointed the MTS Chief Executive Officer as the President of SD&AE. Unless otherwise



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

stated herein, matters for SD&AE should comply with applicable MTS Board Policies covering MTS actions and authority.

2. Freight ~~Operations~~-Carrier Contracts.

a. Main Line (12th & Imperial to San Ysidro), Orange Line, and Coronado Branch: Through an "Agreement for the Operation of Freight Service and Control through Management," dated March 8, 1984, as amended, SD&AE and MTS ~~contracted~~contract with ~~RailTex~~San Diego & Imperial Valley Railroad (SD&IV) to operate freight service over the ~~SD&AE Main Line, Orange Line~~ and ~~to manage the SD&AE.~~ RailTex, Inc., with the consent of MTS, assigned its contract to SD&IV. Coronado Branch . The Coronado Branch is not currently operational.

3. ~~Transit Passenger Operations.~~ The agreement between SD&AE, MTS, and RailTex for the operation of freight service excludes passenger operations. Where trackage is jointly used by passenger and freight operations the agreement states, "MTS, through San Diego Trolley, Inc., shall have exclusive dispatching control, provided that reasonable provisions shall be made for orderly, scheduled freight service during nighttime "window" or such other times acceptable to San Diego Trolley, Inc. so as not to unreasonably interfere with the Operating Company's obligation to maintain effective freight service."

b. Desert Line. Through an agreement dated December 21, 2012, as amended, MTS and SD&AE contracted with Baja California Railroad, Inc. (BJRR) to operate freight service and maintain the Desert Line.

c. Substitution of Freight Contractors. From time to time, through negotiation or through exercise of contractual or legal rights, an individual freight contractor may be replaced. SD&IV and BJRR are collectively referred to in this Policy No. 12 as the "Freight Contractors". In the event SD&IV or BJRR are replaced as a freight contractor on an MTS railroad line, the replacement contractor shall be considered a "Freight Contractor" under this Policy No. 12.

3. Transit Passenger Operations. MTS has expressly reserved the right to operate passenger services on the SD&AE right-of-way. MTS currently operates passenger service on the Main Line and the Orange Line portions of the SD&AE right-of-way. Because the Main Line and Orange Line trackage is jointly used by freight and passenger operations, the Federal Railroad Administration (FRA) has imposed a temporal separation between freight (heavy rail) and trolley (light rail) services. Freight is provided with an absolute block of track usage nightly. MTS and SD&IV may agree to revise the absolute block days and / or times by mutual agreement so long as it is compliant with federal law.

4. Management of the SD&AE Board of Directors. The Board of Directors of SD&AE is composed of three members: a representative of MTS, to be selected by MTS (currently the Chief Executive Officer or his designated representative) and two representatives of SD&IV, to be selected by SD&IV. ~~In the event that SD&IV defaults with regard to freight operations, MTS (as the owner of the SD&AE) has the right to remove SD&IV directors on the SD&AE Board and~~

~~replace them with MTS directors. SD&IV provides management for SD&AE. It is contemplated that SD&AE will function as a land-holding company as opposed to acting as an operator~~the Freight Contractors. As set forth below, the role of the SD&AE Board of Directors is to advise and consult with MTS regarding proposed projects or uses that may impact both freight and passenger services, and to authorize the SD&AE President to take certain actions. As the sole member / owner of SD&AE, the MTS Board of Directors may directly approve actions and projects affecting SD&AE right-of-way or other assets and liabilities.

5. SD&AE Business Operations. It is contemplated that SD&AE will function as a land-holding company as opposed to acting as a railroad operator.

POLICY:

1. Management Relationships—Freight Operations. MTS has no immediate involvement in the day-to-day management of freight operations by ~~SD&IV~~its Freight Contractors. All matters concerning freight shippers, the quality of freight service, the maintenance of the freight right-of-way, freight operator labor and freight management will be handled by ~~SD&IV~~the Freight Contractors, and all problems relating thereto will be referred thereto by MTS without action.

The foregoing notwithstanding, as a public agency, MTS may be subject to criticism by the public for freight operations conducted over the SD&AE right of-way. MTS can be expected to request certain actions or make certain recommendations to ~~SD&IV~~the Freight Contractors to preserve a positive quality of freight service and community confidence in MTS and ~~SD&IV~~the Freight Contractors. MTS will in such instances endeavor:

- (a) to work with ~~SD&IV~~Freight Contractors;
- (b) To identify SD&IV or BJRR as the action agent in all public communications and actions; and
- (c) only in extreme cases involving public safety or dereliction of service responsibility seek direct action from the Boards of Directors of SD&AE and or MTS.

2. Management Relationships—Joint Operations and Right-of-Way Matters. As the owner of SD&AE, MTS will have the final decision in all matters involving joint operation and right-of-way. The ~~desires~~needs of ~~SD&IV as freight operator~~the Freight Contractors and ~~the desires of San Diego Trolley, Inc. as transit~~MTS trolley passenger ~~operator~~operations will, at all times, be given full consideration. Through SD&AE, MTS may take actions affecting the operational status of the joint passenger/freight corridors (actual or proposed) and the physical status of all corridors ~~only with~~. Subject to the ~~full prior knowledge and consent of MTS.~~ ~~Such~~Freight Contractors contractual rights, such actions ~~will~~may include but not be limited to:

- (a) The granting, changing, or canceling of easements and other rights affecting the right-of-way.
- (b) Changes in scheduled freight operations, equipment, and maintenance that might impact passenger operations, safety, and service.
- (c) The negotiation and agreement with local government entities and agencies on matters concerning grade crossings, street improvements or changes, bicycle paths, pedestrian access, and public safety.
- (d) The location, construction, and content of advertising structures.
- (e) The review of adjacent improvements (subdivisions, rezonings, construction of industrial facilities and shopping centers, recreational facilities, etc.) that might impact passenger operations directly or indirectly through constraints imposed on passenger or freight operations. SD&IV The Freight Contractors shall work with the MTS staff in all matters where the SD&AE is the legal entity entering agreements, granting rights, making concessions, reviewing proposals, or otherwise interacting with the community.

~~In the event that MTS staff and SD&IV staff are unable to reach an agreement, the matter, with 3. SD&AE Board action, will be referred to the MTS Board of Directors and the SD&IV Board of Directors for resolution within the scope and authority legally residing with the various parties to the dispute.~~

SD&AE Board Meetings.

~~3. SD&AE Monitoring by MTS.~~

- (a) ~~Participation on Board.~~ Board membership on the SD&AE gives MTS management a direct line of communication on all significant matters relating to the SD&AE.
- ~~(b)~~ Quarterly Reports to MTS SD&AE Board. ~~On SD&AE Board meetings are scheduled on~~ a quarterly basis, ~~SD&IV management is required to.~~ At each SD&AE Board meeting, the Freight Contractors shall report items of significance as they affect the SD&IV and its operations to SD&AE, MTS or the obligations under the Freight Contractors' agreements with MTS.
- (c) ~~Monthly Review Reports to SD&AE Board.~~ MTS staff ~~will and the Freight Contractors shall confer with SD&IV staff on a regular basis, such conferences to include a review of~~ on the following areas of concern, and report on such items at each SD&AE Board meeting:
 - (1) Cash-flow problems/financial status.

- (2) Requests for changes, additions, deletions of easements and other rights affecting the right-of-way, and physical assets of the SD&AE.
- (3) Maintenance of way activities.
- (4) Customer complaints.
- (5) Schedule adherence/problems.
- (6) Freight moved.
- (7) Customers gained/lost.
- (8) Capital investment activities.
- (9) Marketing efforts.
- (10) Labor relations/employment level.
- (11) Community relations—noise, crossings, accidents, repair upgrading requests, easements/property requests.
- (12) Results of Federal Railroad Administration (FRA)/Public Utilities Code (PUC) Inspections.
- (13) Other areas of concern.

~~(d) — MTS or its representatives shall have the unrestricted right at all reasonable times to inspect and audit the physical properties, books, and records of SD&AE and the SD&IV, and the physical properties, books, and records of the freight and transit operators, which are pertinent to SD&AE freight and/or transit operations.~~

~~Audits, reviews, and/or inspections will be conducted at least once a year.~~

PROCEDURES:

1. Matters Related to Freight Operations. All inquiries, requests, complaints, and suggestions concerning freight operations received by MTS will routinely be referred to ~~SD&IV~~the Freight Contractors by MTS. ~~SD&IV~~Freight Contractors' management will, to the extent possible and subject to limitations of this policy and the written ~~agreement~~agreements between the parties, resolve the matter directly with the initiator without participation by MTS. MTS will not be or become an ombudsman in freight matters. However, public safety or other public considerations may ~~indicate~~require MTS involvement from time to time; for example, as a mediator or communications conduit. The delicate balance required is to show MTS acting responsibly and constructively while not undermining the authority of ~~SD&IV~~the Freight Contractors as the action agent.

2. Matters Related to Joint Operations and Right-of-Way Considerations. All inquiries, requests, complaints, suggestions, and actions to be taken with regard to transit passenger operations and joint-track operations will be referred to San Diego Trolley, IncMTS.
3. Processing ApplicantsApplications Affecting SD&AE or MTS Property. All applications and requests relating to SD&AE or MTS property will be referred to MTS staff for initial review, recommendation, and processing:
 - (a) All applications that seek rights to construct items such as utilities, drainage structures, roadway improvements/widening, signs, or freight leads will be reviewed by MTS staff.
 - (1) All applications that may affect other SDTI or SD&IV Freight Contractor operations will be referred in writing by MTS staff to SDTI and SD&IV Freight Contractors with replies in writing requested by a specific date.
 - (2) Applications viewed favorably by the applicable staffs shall be referred to the Board of Directors of SD&AE for implementation and final endorsement by the MTS Board of Directors or the Board's designated designee.
 - (3) Where appropriate, general counsel for MTS and the MTS insurance consultant will review proposed actions and comments and/or make recommendations.
 - ~~(4) — Where circumstances dictate expedited handling, the MTS Chief Executive Officer may, with consent of SD&IV management, grant a temporary right of entry if (4) For routine right-of-entry permits or revocable real property rights, the SDAE President may execute real property permits and agreements upon a determination that~~ the applicant's activity will not be detrimental to freight and/or transit operations and/or safety. All permits or agreements issued shall be reported at the next scheduled SD&AE Board meeting.
 - (5) All final agreement documents between SD&AE and ~~/or SD&IV management and~~ applicants will be reviewed by MTS ~~general counsel~~General Counsel before execution. Such agreements will utilize standard forms and conditions where possible.
 - (6) MTS staff will maintain a log of all applications. Staff will ensure that prompt action is taken at each step so that applications may be promptly processed.
 - (7) MTS shall establish and charge applicants fees for such processing, based upon the actual costs incurred, as determined by the ~~Director of Engineering and Construction. Such fees shall~~

~~be waived when the applicant is SD&IV or SDT.~~ MTS Board Policy No. 50.

- ~~4. Use of Fees Paid by SD&IV and Railway Museum. Such fees shall be reserved by MTS in a rail improvement fund and made available to SD&AE for such capital improvements and other rail uses as may, from time to time, be recommended by SD&IV and approved by MTS. Monies existent in this rail improvement fund shall be invested in accordance with MTS's applicable statutes and the interest earned on the invested money shall accrue to the fund. Those fees paid by the Railway Museum shall be used on capital improvements and other rail uses within the areas or properties licensed for museum use.~~
4. Ratification of SD&AE Actions by MTS Board. All reports and actions taken by the SD&AE Board shall be presented for ratification at the next scheduled MTS Board meeting.

POLICY.12.OWNERSHIP OPERATION SDAE RAILWAY CO
7/11/06

Original Policy adopted on 1/14/80.
Policy revised 2/28/83.
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Policies and Procedures

No. 12

SUBJECT:

Board Approval: 7/20/2017

OWNERSHIP AND OPERATION OF THE SAN DIEGO AND ARIZONA EASTERN
RAILWAY COMPANY

PURPOSE:

To establish a method for handling matters relating to the management, operations, administration, and property of the San Diego and Arizona Eastern Railway Company (SD&AE).

BACKGROUND:

In 1979, the San Diego Metropolitan Transit System (MTS) purchased SD&AE as a means of assuring right-of-way for actual and proposed light rail transit (LRT) projects. As required by federal law, MTS is responsible for maintaining freight service on portions of the SD&AE right-of-way. MTS does not directly operate freight service. Instead, through lease or operating agreements, MTS contracts out freight service rights and obligations to third party railroads.

1. Ownership and Control. SD&AE is a nonprofit public benefit corporation registered in the State of Nevada. MTS is the sole member of the SD&AE. SD&AE is an exempt organization under Internal Revenue Code section 501(c)(3). SD&AE has no separate staff or employees. MTS provides all staff resources for the benefit of SD&AE. The MTS Board of Directors has appointed the MTS Chief Executive Officer as the President of SD&AE. Unless otherwise stated herein, matters for SD&AE should comply with applicable MTS Board Policies covering MTS actions and authority.
2. Freight Carrier Contracts.
 - a. Main Line (12th & Imperial to San Ysidro), Orange Line, and Coronado Branch. Through an "Agreement for the Operation of Freight Service and Control through Management," dated March 8, 1984, as amended, SD&AE and MTS contract with San Diego & Imperial Valley Railroad



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(SD&IV) to operate freight service over the Main Line, Orange Line and Coronado Branch . The Coronado Branch is not currently operational.

- b. Desert Line. Through an agreement dated December 21, 2012, as amended, MTS and SD&AE contracted with Baja California Railroad, Inc. (BJRR) to operate freight service and maintain the Desert Line.
 - c. Substitution of Freight Contractors. From time to time, through negotiation or through exercise of contractual or legal rights, an individual freight contractor may be replaced. SD&IV and BJRR are collectively referred to in this Policy No. 12 as the "Freight Contractors". In the event SD&IV or BJRR are replaced as a freight contractor on an MTS railroad line, the replacement contractor shall be considered a "Freight Contractor" under this Policy No. 12.
3. Transit Passenger Operations. MTS has expressly reserved the right to operate passenger services on the SD&AE right-of-way. MTS currently operates passenger service on the Main Line and the Orange Line portions of the SD&AE right-of-way. Because the Main Line and Orange Line trackage is jointly used by freight and passenger operations, the Federal Railroad Administration (FRA) has imposed a temporal separation between freight (heavy rail) and trolley (light rail) services. Freight is provided with an absolute block of track usage nightly. MTS and SD&IV may agree to revise the absolute block days and / or times by mutual agreement so long as it is compliant with federal law.
 4. SD&AE Board of Directors. The Board of Directors of SD&AE is composed of three members: a representative of MTS, to be selected by MTS (currently the Chief Executive Officer or his designated representative) and two representatives of the Freight Contractors. As set forth below, the role of the SD&AE Board of Directors is to advise and consult with MTS regarding proposed projects or uses that may impact both freight and passenger services, and to authorize the SD&AE President to take certain actions. As the sole member / owner of SD&AE, the MTS Board of Directors may directly approve actions and projects affecting SD&AE right-of-way or other assets and liabilities.
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The foregoing notwithstanding, as a public agency, MTS may be subject to criticism by the public for freight operations conducted over the SD&AE right of-way. MTS can be expected to request certain actions or make certain recommendations to the Freight Contractors to preserve a positive quality of

freight service and community confidence in MTS and the Freight Contractors. MTS will in such instances endeavor:

- (a) to work with Freight Contractors;
- (b) To identify SD&IV or BJRR as the action agent in all public communications and actions; and
- (c) only in extreme cases involving public safety or dereliction of service responsibility seek direct action from the Boards of Directors of SD&AE and/or MTS.

2. Management Relationships—Joint Operations and Right-of-Way Matters. As the owner of SD&AE, MTS will have the final decision in all matters involving joint operation and right-of-way. The needs of the Freight Contractors and MTS trolley passenger operations will, at all times, be given full consideration. Through SD&AE, MTS may take actions affecting the operational status of the joint passenger/freight corridors (actual or proposed) and the physical status of all corridors. Subject to the Freight Contractors contractual rights, such actions may include but not be limited to:

- (a) The granting, changing, or canceling of easements and other rights affecting the right-of-way.
- (b) Changes in scheduled freight operations, equipment, and maintenance that might impact passenger operations, safety, and service.
- (c) The negotiation and agreement with local government entities and agencies on matters concerning grade crossings, street improvements or changes, bicycle paths, pedestrian access, and public safety.
- (d) The location, construction, and content of advertising structures.
- (e) The review of adjacent improvements (subdivisions, rezonings, construction of industrial facilities and shopping centers, recreational facilities, etc.) that might impact passenger operations directly or indirectly through constraints imposed on passenger or freight operations. The Freight Contractors shall work with the MTS staff in all matters where the SD&AE is the legal entity entering agreements, granting rights, making concessions, reviewing proposals, or otherwise interacting with the community.

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- (a) Quarterly Reports to SD&AE Board. SD&AE Board meetings are scheduled on a quarterly basis. At each SD&AE Board meeting, the Freight Contractors shall report items of significance as they affect SD&AE, MTS or the obligations under the Freight Contractors' agreements with MTS.

- (c) Reports to SD&AE Board. MTS staff and the Freight Contractors shall confer on a regular basis on the following areas of concern, and report on such items at each SD&AE Board meeting:
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 - (13) Other areas of concern.

PROCEDURES:

1. Matters Related to Freight Operations. All inquiries, requests, complaints, and suggestions concerning freight operations received by MTS will routinely be referred to the Freight Contractors by MTS. Freight Contractors' management will, to the extent possible and subject to limitations of this policy and the written agreements between the parties, resolve the matter directly with the initiator without participation by MTS. MTS will not be or become an ombudsman in freight matters. However, public safety or other public considerations may require MTS involvement from time to time; for example, as a mediator or communications conduit. The delicate balance required is to show MTS acting responsibly and constructively while not undermining the authority of the Freight Contractors as the action agent.
2. Matters Related to Joint Operations and Right-of-Way Considerations. All inquiries, requests, complaints, suggestions, and actions to be taken with regard

to transit passenger operations and joint-track operations will be referred to MTS.

3. Processing Applications Affecting SD&AE or MTS Property. All applications and requests relating to SD&AE or MTS property will be referred to MTS staff for initial review, recommendation, and processing:

- (a) All applications that seek rights to construct items such as utilities, drainage structures, roadway improvements/widening, signs, or freight leads will be reviewed by MTS staff.
 - (1) All applications that may affect Freight Contractor operations will be referred in writing by MTS staff to Freight Contractors with replies in writing requested by a specific date.
 - (2) Applications viewed favorably by the applicable staffs shall be referred to the Board of Directors of SD&AE for implementation and final endorsement by the MTS Board of Directors or the Board's designee.
 - (3) Where appropriate, general counsel for MTS and the MTS insurance consultant will review proposed actions and comments and/or make recommendations.
 - (4) For routine right-of-entry permits or revocable real property rights, the SDAE President may execute real property permits and agreements upon a determination that the applicant's activity will not be detrimental to freight and/or transit operations and/or safety. All permits or agreements issued shall be reported at the next scheduled SD&AE Board meeting.
 - (5) All final agreement documents between SD&AE and applicants will be reviewed by MTS General Counsel before execution. Such agreements will utilize standard forms and conditions where possible.
 - (6) MTS staff will maintain a log of all applications. Staff will ensure that prompt action is taken at each step so that applications may be promptly processed.
 - (7) MTS shall establish and charge applicants fees for such processing, based upon the actual costs incurred, as determined by the MTS Board Policy No. 50.

4. Ratification of SD&AE Actions by MTS Board. All reports and actions taken by the SD&AE Board shall be presented for ratification at the next scheduled MTS Board meeting.

Original Policy adopted on 1/14/80.

Policy revised 2/28/83.

Policy revised 10/18/84.

Policy revised 6/25/92.

Policy revised/renumbered on 2/12/04.

Policy revised on 7/20/17.



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Agenda Item No. 12

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

July 20, 2017

**Draft for
Executive Committee
Review Date: 7/13/17**

SUBJECT:

EUCLID DRAINAGE CLEANUP – 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. MTSJOC7501-01 (in substantially the same format as Attachment A), under MTS Doc. No. PWL182.0-16, with Herzog Construction, Inc. (Herzog), for the provision of services, materials, and equipment for the removal and disposal of debris within the channel near the Euclid Avenue Trolley Station.

Budget Impact

The total cost for this work order will not exceed \$159,016.71 inclusive of a direct cost of \$157,426.54 and the contractor share of administrative fees totaling \$1,590.17. Total administrative fees are \$4,229.85 (contractor share \$1,590.17 and MTS share \$2,639.68). Funding will be from the fiscal year (FY) 2018 Capital Improvement Project (CIP) number 2005007203, OL Tie Replacement.

DISCUSSION:

In September 2015, the MTS Board of Directors authorized the CEO to execute MTS Doc. No. PWL182.0-16 with Herzog, for the provision of as-needed railroad construction services that include, but not limited to, main track rehabilitation, replacement, grade crossing repairs, special track work, environmental, and storm water pollution prevention projects located in or near the railroad right of way.

This project would remove all sediment, vegetation, trees, trash, rocks, and other debris from the concrete-lined drainage channel adjacent to the Euclid Avenue Trolley Station. The channel is within the railroad right of way, located north of the trolley platform and south of the bus bay. The removal will take place in the channel 40 feet east of the most



easterly pedestrian bridge, and 13 feet west of the most westerly pedestrian bridge, for a total length of 438 linear feet.

Therefore staff recommends that the MTS Board of Directors authorize the CEO to execute Work Order No. MTSJOC7501-01 (in substantially the same format as Attachment A), under MTS Doc. No. PWL182.0-16 with Herzog Construction, Inc., for the provision of services, materials, and equipment for the removal and disposal of debris within the channel near Euclid Avenue Trolley Station.

/s/ Paul C. Jablonski

Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. Draft Work Order MTSJOC7501-01

JOB ORDER CONTRACT
WORK ORDER

PWL182.0-16

CONTRACT NUMBER

MTSJOC7501-01

WORK ORDER NUMBER

THIS AGREEMENT is entered into this _____ day of _____, 2017, in the state of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following, hereinafter referred to as "Contractor":

Name: Herzog Construction, Inc.
120

Address: 3760 Kilroy Airport Way Suite

Form of Business: Corporation
(Corporation, partnership, sole proprietor, etc.)

Long Beach, CA 90806

Telephone: (562) 595-7414

Authorized person to sign contracts: Gene Chimits Project Manager
Name Title

Pursuant to the existing Job Order Contract (MTS Doc. No. PWL182.0-16), MTS issues a Work Order to Contractor to complete the detailed Scope of Work (attached as Exhibit A.), the Cost Breakdown for the Scope of Work (attached as Exhibit B.), and the subcontractor listing form applicable to this Work Order (attached as Exhibit C.)

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

The total cost for this work order will not exceed \$159,016.71 inclusive of a direct cost of \$157,426.54 and a 1% Gordian Group license fee of \$1,590.17.

TOTAL PAYMENTS TO CONTRACTOR SHALL NOT EXCEED \$157,426.54

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

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
<u>\$ 157,426.54</u>	<u>2005007203</u>	<u>2018</u>

By: _____
Chief Financial Officer
(_____ total pages, each bearing contract number and work order number)

Date



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Agenda Item No. 13

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

July 20, 2017

**Draft for
Executive Committee
Review Date: 7/13/17**

SUBJECT:

BANKING SERVICES AND PURCHASING CARD PROGRAM – CONTRACT AWARD

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1982.0-17, (in substantially the same format as Attachment A) with JP Morgan Chase Bank (JP Morgan), to provide banking services and a purchasing card program for a five (5) year term with four (4) one year options.

Budget Impact

The total cost of this agreement will not exceed \$650,961.60 for the base years and \$540,769.44 for all option years for a total not to exceed award of \$1,191,731.04 over the entire term of the agreement. This contract will be locally funded under Budget Account 902010-579900.

DISCUSSION:

MTS's current banking agreement with JP Morgan, MTS Doc. No. G1413.0-13, expires on October 31, 2017. Under the existing agreement, JP Morgan has provided banking services and a purchasing card program to MTS for the past five years. The existing banking services include management of five accounts with various restrictions depending on the account type, the processing of large volumes of armored car cash deposits each day as well as providing robust online services and a purchasing card program with adequate controls. Recent enhancements that accompanied the implementation of SAP have expanded MTS's service needs to include direct transmissions for Automated Clearing House payments as well as positive pay protection on paper disbursements.

Furthermore, the replacement agreement will include all of the existing and expanded services as well as allow for possible future enhancements as the banking industry continues to focus on paperless solutions and enhanced cyber security.



MTS Policy No. 52, "Procurement of Goods and Services", requires a formal competitive process for acquisitions exceeding \$100,000.

On January 31, 2017, prior to the release of the Request for Proposals (RFP), MTS contacted the following small and local banks in order to notify and encourage them to participate in the potential award opportunity:

1. Bank Of Hope
2. Cathay Bank
3. Pacific Commerce Bank
4. East West Bank
5. Hanmi

On February 2, 2017, MTS issued the Request for Proposals (RFP) for Banking Services and two (2) proposals were received on the due date of March 17, 2017, as follows:

1. JPMorgan Chase Bank
2. Wells Fargo Bank

Both submissions were deemed responsive and responsible.

A selection committee, consisting of representatives from MTS Finance, Trolley Revenue Operations, and Transit Support Services, met and scored the proposals based on the following:

- | | | |
|----|--|------|
| 1. | Financial Stability | 15% |
| 2. | Conversion Plan, Qualifications/Relevant Experience, and Ability to Provide All Services | 25% |
| 3. | Customer Service | 30% |
| 4. | Community Reinvestment Act (CRA) | 5% |
| 5. | Cost and Price | 25% |
| | Total | 100% |

After the initial evaluation of proposals received, the evaluation panel determined it would be in MTS's best interest to interview both proposers as they were determined to be within the competitive range. Following interviews of both proposers, MTS requested revised technical and cost proposals and the panel re-evaluated the revised submissions per the RFP requirements.

The following table represents the proposers' final scores and rankings following the interviews and evaluation of revised technical and cost proposals:

BANKING SERVICES				
PROPOSER NAME	TOTAL AVG. TECH. SCORE	COST SCORE	TOTAL SCORE (TECH + COST)	RANKING
JP MORGAN CHASE	69.85	18.73	88.58	1
WELLS FARGO	55.00	25.00	80.00	2

Staff then negotiated with JP Morgan Chase to reduce the overall Not to Exceed (NTE) amount for the entire term of the Agreement including an increase to the earnings credit allowance from .55% to .65%. As a result, the total cost of this project was reduced by \$37,108.80, from the originally proposed \$1,228,839.84 to a downward adjusted \$1,191,731.04 and the earnings credit allowance of .65% is further expected to result in a lower overall agreement cost.

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to execute MTS Doc. No. G1982.0-17, (in substantially the same format as Attachment A) with JPMorgan Chase Bank (JPMorgan) for the provision of Banking Services, for a five (5) year term with four (4) one year options, exercisable at MTS's sole determination.

/s/ Paul C. Jablonski
Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. Draft MTS Doc. No. G1982.0-17

G1982.0-17
CONTRACT NUMBER

STANDARD SERVICES AGREEMENT

360
FILE/PO NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2017, in the State of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following, hereinafter referred to as "Contractor":

Name: JPMorgan Chase BankAddress: West Broadway Ste. 840
San Diego, CA 92101Form of Business: Corporation
(Corporation, partnership, sole proprietor, etc.)Telephone: 949-833-4061Email Address: Kerwin.p.deese@jpmorgan.com

Authorized person to sign contracts: Kerwin P. Deese - Vice President Relationship Mgr. Government Banking
Name Title

The attached Standard Conditions are part of this Agreement. The Contractor agrees to furnish to MTS services and materials, as follows:

JPMorgan Chase Bank shall provide MTS with comprehensive Banking services, as specified in the Scope of Work (attached as Exhibit A), the Negotiated Cost Proposal (attached as Exhibit B), and in accordance with the Standard Services Agreement, including the Standard Conditions Services (attached as Exhibit C).

The contract term is for up to a nine (9) year period with [five (5) year base and four (4) one-year options] exercisable at MTS's sole discretion. The base period shall commence on November 1, 2017 through October 31, 2022 and Option Years 1 through 4 shall be effective November 1, 2022 through October 31, 2026, if exercised.

The total contract award amount shall not exceed \$650,961.60 for the base period and \$540,769.44 for all option years (1 through 4) for a total not to exceed amount of \$1,191,731.04.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CONTRACTOR AUTHORIZATION
By: _____ Chief Executive Officer	Firm: _____
Approved as to form:	By: _____ Signature
By: _____ Office of General Counsel	Title: _____
AMOUNT ENCUMBERED	BUDGET ITEM
\$1,191,731.04	579900-902010
	FISCAL YEAR
	2017-2022

By: _____
Chief Financial Officer Date

(XX total pages, each bearing contract number)

SA-SERVICES (REV 2/22/2017)
DATE



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Agenda Item No. 14

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

July 20, 2017

**Draft for
Executive Committee
Review Date: 7/13/17**

SUBJECT:

ON-CALL COMMUNICATIONS AND LOW VOLTAGE SYSTEMS WIRING SERVICES -
CONTRACT AMENDMENT

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG170.1-15 with Communication Wiring Specialists, Inc. (CWS) for \$289,224.78 (Attachment A).

Budget Impact

The new value of this agreement will not exceed \$782,924.78 (\$493,700+\$289,224.78). Funding for fiscal year 2018 is included in the Information Technology (IT) department operating and maintenance budget. Funding for future fiscal years will be included in the IT department's operating budget (661010 - 571250) as follows:

Year	Original Agreement	Amendment 1
Base Year 1 (FY16)	80,627	289,224.78
Base Year 2 (FY17)	80,627	
Base Year 3 (FY18)	82,283	
Option Year 1 (FY19)	82,283	
Option Year 2 (FY20)	83,940	
Option Year 3 (FY21)	83,940	
Total	493,700	
New Overall Total (Base + Option years)	782,924.78	



DISCUSSION:

MTS uses CWS to provide both routine, urgent communications and voltage wiring services. Services include new wiring installations, maintenance and repair to support MTS networks and equipment. Services also support data storage and servers, network switches and routers, desktops and laptops, printers, back office systems including the fare system, centralized train control (CTC), telephones, internet access and variable message signs (VMS).

On September 17, 2015 the MTS Board approved MTS Doc. No. PWG170.0-15 with CWS, competitively solicited through a Request for Proposals, for three base years and three option years, exercisable at MTS's sole discretion for \$493,700.

From 2015 to date, MTS has seen an increase in service needs due to the implementation of the Next Train Arrival (NTA) project. During implementation of the project, it was determined that issues related to the inaccurate display of real time information at some stations was due to problems with the existing network cabling which had to then be replaced.

Additional projects are now approved which will require CWS services. These projects include the cabling to support network equipment relocation, a technology refresh for Centralized Train Control, as well as an extension of fiber along the Green Line.

Due to the increased services, from contract execution on October 1, 2015 to May 31, 2017, the actual contract usage has exceeded the previously approved amount for the base years by \$80,340.22, a monthly difference between actual usage and authorized spend of \$4,017.01. Based on this additional usage, from June 1, 2017 through the end of the base years on September 31, 2018, the anticipated additional cost is \$64,272.17. For the three (3) optional years from October 2018 to September 2021, the anticipated additional amount is \$144,612.39.

Based on this increased usage, staff recommends adding funds to the existing agreement so that work can continue on the current and upcoming projects through September 30, 2021.

The table below summarizes the proposed amendment:

	Usage	Spend	Difference
Average Monthly	\$10,735.93	\$6,718.92	4,017.01
Contract Period (October 1, 2015 to May 31, 2017)	\$214,718.55	\$134,378.33	\$80,340.22
Remaining Base Years' 16 Months (June 1, 2017 to September 2018; \$4,017.01 x 16 months)			\$64,272.17
3 Optional Years (October 2018 to September 2021; \$4,017.01 x 36 months)			\$144,612.39
AMENDMENT TOTAL			\$289,224.78

Therefore, staff recommends that the San Diego MTS Board of Directors authorize the CEO to execute MTS Doc. No. PWG170.1-15 (in substantially the same format as Attachment A) with Communication Wiring Specialists (CWS) for \$289,224.78.

/s/ Paul C. Jablonski
Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. MTS Doc. No. PWG170.1-15

July 20, 2017

MTS Doc. No. PWG170.1-15

Eric Templin
Communication Wiring Specialists, Inc.
8909 Complex Drive, Suite F
San Diego, CA 92123

Subject: AMENDMENT NO. 1 TO MTS DOC. NO. PWG170.0-15; ON-CALL COMMUNICATION AND
LOW VOLTAGE SYSTEMS WIRING SERVICES

This shall serve as Amendment No. 1 to our agreement for On-Call Communication and Low Voltage
Systems Wiring Services as further described below.

SCOPE OF SERVICES

There shall be no changes to the scope of services of this agreement.

SCHEDULE

There shall be no changes to the schedule provision of this agreement.

PAYMENT

As a result of this amendment the contract amount is increased by \$289,224.78. The new contract total is
amended from \$493,700 to \$782,924.78 for both base and option years. Contractor shall not exceed this
amount without MTS' written approval.

Please sign and return the copy 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,

Agreed:

Paul C. Jablonski
Chief Executive Officer

Eric Templin
Communication Wiring Specialists, Inc.

LMARQUIS-CL
PWG170.1-15.CWS.DSINGLETON.062117

Date: _____

cc: J. Saul, Contract File



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Agenda Item No. 15

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

July 20, 2017

**Draft for
Executive Committee
Review Date: 7/13/17**

SUBJECT:

ON-CALL CARD ACCESS READER INSTALLATION, MAINTENANCE AND REPAIR
SERVICES - CONTRACT AMENDMENT

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG168.1-15 with Electro Specialty Systems (ESS) for \$171,312.64 (Attachment A).

Budget Impact

The new value of this agreement will not exceed \$467,772.64. Funding is through each respective department's annual operating and maintenance budgets. The system-wide annual budgeted amounts will not exceed the following:

Year	Original Agreement	Amendment 1
Base Year 1 (FY16)	47,220	171,312.64
Base Year 2 (FY17)	48,860	
Base Year 3 (FY18)	48,860	
Option Year 1 (FY19)	49,960	
Option Year 2 (FY20)	49,960	
Option Year 3 (FY21)	51,600	
Total	296,460	
New Overall Total (Base + Option years)	467,772.64	



DISCUSSION:

MTS has access control hardware that includes over 140 card access readers with controllers at 17 locations throughout San Diego County. When installation, maintenance or repair services are required, MTS utilizes ESS to provide the services.

On September 17, 2015, the MTS Board of Directors approved MTS Doc. No. PWG168.0-15 with ESS, competitively solicited through a Request for Proposals, for three base years and three option years, exercisable at MTS's sole discretion for \$296,460.

From 2015 to date, MTS has seen an increase in card access service requests in projects such as the new MTS East County Bus Maintenance Facility, relocation of the MTS Transit Store, rehabilitation of the San Ysidro Freight Yard and the new MTS UTC Bus Terminal.

In addition to the above projects, future services are required to replace the old and obsolete access control hardware at various MTS facilities and properties.

Due to the increased services, from contract execution on October 1, 2015 to April 30, 2017, the actual contract usage has exceeded the previously approved amount for the base years by \$45,207.50, a monthly difference between actual usage and authorized spend of \$2,379.34. Based on this additional usage, from May 1, 2017 through the end of the base years on September 31, 2018, the anticipated additional cost is \$40,448.82. For the three (3) optional years from October 2018 to September 2021, the anticipated additional amount is \$85,656.32.

Based on this increased usage, staff recommends adding funds to the existing agreement so that work can continue on the current and upcoming projects through September 30, 2021.

The table below summarizes the proposed amendment:

	Usage	Spend	Difference
Average Monthly	\$6,364.69	\$3,985.35	\$2,379.34
Contract Period (October 1, 2015 to April 30, 2017)	\$120,929.17	\$75,721.67	\$45,207.50
Remaining Base Year's 17 Months (May 1, 2017 to September 2018; \$2,379.34 x 17 months)			\$40,448.82
Three (3) Optional Years (October 2018 to September 2021; \$2,379.34 x 36 months)			\$85,656.32
AMENDMENT TOTAL			\$171,312.64

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to execute MTS Doc. No. PWG168.1-15 (in substantially the same format as Attachment A) with Electro Specialty Systems (ESS) for \$171,312.64.

/s/ Paul C. Jablonski
Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. MTS Doc. No. PWG168.1-15

July 20, 2017

MTS Doc. No. PWG168.1-15

Daniel Brault
Electro Specialty Systems (ESS)
7940 Convoy Court
San Diego, CA 92111

Subject: AMENDMENT NO. 1 TO MTS DOC. NO. PWG168.0-15; CARD ACCESS READER
MAINTENANCE AND REPAIR ON-CALL SERVICES

This shall serve as Amendment No. 1 to our agreement for Card Access Reader Maintenance and Repair
On-Call Services as further described below.

SCOPE OF SERVICES

There shall be no changes to the scope of services of this agreement.

SCHEDULE

There shall be no changes to the schedule provision of this agreement.

PAYMENT

As a result of this amendment the contract amount is increased by \$171,312.64. The new contract total is
amended from \$296,460 to \$467,772.64 for both base and option years. Contractor shall not exceed this
amount without MTS' written approval.

Please sign and return the copy 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,

Agreed:

Paul C. Jablonski
Chief Executive Officer

Daniel Brault
Electro Specialty Systems (ESS)

LMARQUIS-CL
PWG168.1-15.ESS.DSINGLETON.062117

Date: _____

cc: J. Saul, T. Nguyen, Contract File



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Agenda Item No. 16

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

July 20, 2017

**Draft for
Executive Committee
Review Date: 7/13/17**

SUBJECT:

JOB ORDER CONTRACT (JOC) ON-CALL GENERAL ELECTRICAL, TRAFFIC
SIGNAL AND COMMUNICATIONS CONSTRUCTION SERVICES – CONTRACT
AWARD

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG238.0-17 (SANDAG Doc. No. 5007502) (in substantially the same format as Attachment A) with Select Electric, Inc., for the provision of on-call job order general electrical contracting services such as communications, traffic lights, traffic signalization and synchronization systems, and related civil construction improvements work for a three-year agreement.

Budget Impact

The total value of these agreements will not exceed \$2,000,000.00. Funding will be included in the budget of each project for which a task order will be issued under this agreement.

DISCUSSION:

Job Order Contracting (JOC) is a procurement method under which public agencies may accomplish frequently encountered repairs, maintenance, and construction projects through a single, competitively procured long-term agreement. A catalog of specific construction tasks with pre-set unit prices is provided to potential bidders who submit competitive bids for a multiplier, or unit price Adjustment Factor, that will be applied to the pre-set unit prices. Once contractors are selected, the total price for a specific project will be the sum of all pre-set unit prices required for that specific project, multiplied by their respective adjustment factors. This is an efficient procurement tool as it eliminates the time consuming processes inherent in the typical project acquisition approach.



MTS Policy No. 52, "Procurement of Goods and Services", requires a formal competitive process for procurements exceeding \$100,000.

In September 2016, the San Diego Association of Governments (SANDAG) and MTS issued a joint solicitation for the provision of on-call JOC general electrical, traffic signal and communications construction services. MTS took the opportunity to enter into a joint solicitation with SANDAG to more efficiently procure JOC related services as well as utilize the economies of scale.

On October 26, 2016, after conducting price reasonableness analyses and reviewing all bids received for responsiveness and responsibility, staff determined that Select Electric, Inc., presented the lowest responsive and responsible unit price adjustment factor.

Today's action authorizes award of this on call contract to Select Electric, Inc. However, no specific project or spending is authorized. Individual projects/task orders will be processed according to the signature authority set forth in Board Policy No. 41 (e.g. task orders under \$100,000 will be approved by the CEO; task orders over \$100,000 will require Board approval).

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to execute MTS Document No. PWG238.0-17 (in substantially the same format as Attachment A) with Select Electric, Inc. for the provision of on-call job order contract general electrical, traffic signal and communications construction services for a three-year agreement.

/s/ Paul C. Jablonski
Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. Draft MTS Doc. No. PWG238.0-17

DRAFT

STANDARD SERVICES AGREEMENT

PWG238.0-17
CONTRACT NUMBER

FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2017, in the State of California by and between San Diego Metropolitan Transit System, a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Select Electric, Inc. Address: 2790 Business Park Drive
 Form of Business: Corporation Vista, CA 92081
 (Corporation, partnership, sole proprietor, etc.)
 Telephone: (619) 673-8647

Authorized person to sign contracts: Brooks Roffey President
 Name Title

The attached Standard Conditions are part of this agreement. The Contractor agrees to furnish to MTS services and materials, summarized as follows:

Provide Job Order Construction (JOC) services as described in SANDAG JOC No.5007502 SANDAG Conformed Special Provisions, Bid Summary, Construction Task Catalog and Technical Specification (attached as Exhibit A) Standard Conditions Services (attached as Exhibit B) and Federal Requirement (attached as Exhibit C).

This contract shall be effective August 1, 2017 through July 31, 2020.

The total cost of this contract shall not exceed \$2,000,000.

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

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
-------------------	-------------	-------------

\$To be encumbered on JOC

By: _____ Date
 Chief Financial Officer

(___ total pages, each bearing contract number)



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Agenda Item No. 17

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

July 20, 2017

**Draft for
Executive Committee
Review Date: 7/13/17**

SUBJECT:

INVESTMENT REPORT – MAY 2017

INFORMATIONAL ONLY

Budget Impact

None.

DISCUSSION:

Attachment A comprises a report of the San Diego Metropolitan Transit System (MTS) investments as of May 31, 2017. The combined total of all investments has decreased month to month from \$105.1 million to \$104.3 million. This \$0.8 million decrease is attributable to \$1.8 million in capital expenditures, 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.

/s/ Paul C. Jablonski
Paul C. Jablonski
Chief Executive Officer

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

Attachment: A. Investment Report for May 2017



**San Diego Metropolitan Transit System
Investment Report
May 31, 2017**

	Restricted	Unrestricted	Total	Average rate of return
Cash and Cash Equivalents				
JP Morgan Chase - concentration account	-	26,065,727	26,065,727	0.00%
Total Cash and Cash Equivalents	-	26,065,727	26,065,727	
Cash - Restricted for Capital Support				
US Bank - retention trust account	2,303,606	-	2,303,606	N/A*
San Diego County Investment Pool				
Proposition 1B TSGP grant funds	4,439,801	444,055	4,883,856	
Total Cash - Restricted for Capital Support	6,743,407	444,055	7,187,462	
Investments - Working Capital				
Local Agency Investment Fund (LAIF)	11,323,891	59,714,656	71,038,547	0.925%
Total Investments - Working Capital	11,323,891	59,714,656	71,038,547	
Total cash and investments	\$ 18,067,298	\$ 86,224,438	\$ 104,291,736	



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Agenda Item No. 18

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

July 20, 2017

**Draft for
Executive Committee
Review Date: 7/13/17**

SUBJECT:

APPROVAL OF APPOINTMENT TO FILL VACANT BUDGET DEVELOPMENT
COMMITTEE SEAT FOR 2017

RECOMMENDATION:

That the Board of Directors approve the appointment of Board Member Mary Salas to the Budget Development Committee for the remainder of 2017.

Budget Impact

None.

DISCUSSION:

On May 11, 2017, Board Member John Minto announced that he would no longer be a member of the MTS Board of Directors (Board). John Minto was appointed to the 2017 Budget Development Committee (BDC) on January 19, 2017. His departure from the Board created a vacant seat on the BDC. As a result, Chairman Harry Mathis asked Board Member Mary Salas to fill the vacant BDC seat for the remainder of 2017 pending the approval of the Board.

/s/ Paul C. Jablonski
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. 19

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

July 20, 2017

**Draft for
Executive Committee
Review Date: 7/13/17**

SUBJECT:

ON-CALL CONSTRUCTION MANAGEMENT AND ENGINEERING/INSPECTION
SERVICES – MASTER AGREEMENTS AWARD / RATIFICATION

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors ratify the Chief Executive Officer's (CEO) execution of:

- 1) Partial Assignment of San Diego Association of Governments (SANDAG) Solicitation Capacity for On-Call Professional and Technical Construction Management and Engineering Services to MTS (MTS Doc. No. G2023.0-17); and
- 2) On-Call Construction Management and Engineering/Inspection Services (CM) Master Agreements with seven (7) prime consulting firms (Attachment B).

Budget Impact

The total aggregate value of Master Agreements will not exceed \$3,000,000.00, without prior authorization from the Board. Funding and budget allocations will be controlled and monitored per work order issued under the each Master Agreement.

DISCUSSION:

As part of its MTS-led capital infrastructure projects, MTS needs CM services to provide onsite owner representation in construction management, engineering and inspection. In order to timely accommodate projects, staff determined that the best method for procuring such services would be to enter into on-call, five year agreements with several prime consulting firms (and their designated sub-consultants) with the expertise that may be needed in an MTS project. On a project or task basis, staff will determine which on-call consultant should be awarded the work order, consistent with state and federal law.



From time to time, MTS and SANDAG coordinate procurements for services that may be of need to each agency. This can take the form of a joint procurement, or by making sure the lead agency has the right to assign some of the solicited capacity to MTS.

In early 2016, SANDAG completed a procurement process and entered into agreements with seven (7) CM firms to provide on-call CM services. MTS Policy No. 52, "Procurement of Goods and Services", requires a formal competitive process for acquisitions exceeding \$100,000. The policy requires MTS to award the contracts to the most highly rated offeror(s), in accordance with the Cal. Gov. Code §§ 4525 et seq. and the Brooks Act, if federally funded. The solicitation and award process used by SANDAG for these services is compliant with MTS Policy No. 52 and included language permitting assignment of a portion of the contracts to MTS.

On June 7, 2017, SANDAG assigned \$3,000,000 in collective capacity for its On-Call CM services contracts to MTS. The list of qualified firms is as follows¹:

- AECOM Technical
- Caltrop Corporation
- CH2M Hill, Inc.
- DHS Consulting, Inc
- EPC Consultants, Inc.
- PGH Wong Engineering
- Simon Wong Engineering

Following the assignment of On-Call CM capacity, the CEO executed Master Agreements directly with each prime consultant firm, which will allow MTS to issue work orders on a project or task basis to each firm. Individual work orders will include such items as a statement of work, period of performance, pricing, deliverable(s), schedule, DBE considerations, and any other essential commitments and provisions that support MTS operations and future CM needs.

Today's action ratifies the assignment of capacity from SANDAG and the award of on-call contracts to the seven (7) qualified firms (see Attachment B). However, no specific project or spending has been authorized. Individual projects/work orders will be processed according to the signature authority set forth in Board Policy No. 41 (e.g. work orders under \$100,000 will be approved by the CEO; work orders over \$100,000 will require Board approval).

/s/ Paul C. Jablonski
Paul C. Jablonski
Chief Executive Officer

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

Attachments: A. Proposed List of Qualified Prime Construction Management Firms
B. Master Agreement List

¹ For a full list of the prime consultants' designated sub-consultants, see Attachment A.

Prime Contractor	
AECOM Technical Services, Inc.	Construction Management and Engineering Services
Sub-Contractors	
Cogstone Resource Management, Inc.	Environmental and resource agency permit compliance, archaeological/paleontological surveys, record search, mitigation planning, construction monitoring
CPM Partners	Construction Management services including Resident Engineering, Inspection, Document/Project Controls, Construction Administration, Cost Estimating, Scheduling and Claims
Global Signals Group, Inc. (GSG)	Signal engineering, construction, inspection and project management, constructability reviews
DHS Consulting, Inc.	Construction Management, Inspection and Project Administration
Dudek	Environmental Monitoring
Hunter Pacific Group	Cost estimating, Value engineering
Jacobs Project Management Co.	Contract QA, field inspection, transportation inspection, field office engineering, and administration, project scheduling, contract dispute assistance and resolution, constructability reviews, NPDES compliance, traffic handling support, management systems integration, job site safety, systems start-up and testing, and independent cost estimating
Leighton Consulting, Inc.	Material testing and inspection, hazardous materials services, geotechnical services
MTGL, Inc.	Material Testing and Sampling.
Nimbus Software, Inc.	Electronic document control and business intelligence expertise, construction project and document management
RailPros, Inc.	Field & Transit Inspection / FOA/ Constructability Reviews/ NPDES/ Doc Mgmt Sys Integration / System Start-Up and Testing
Rincon Consultants, Inc.	Storm water compliance, environmental and resources agency permit compliance, contaminated hazardous waste assessment, and other services, such as cultural and biological resource services
RT Engineering & Associates (RTEA)	Construction management, engineering, inspection, public outreach, utility coordination & environmental mitigations, field office administration, constructability reviews
Safework, Inc.	Safety management, construction inspection and administration services, transit inspection, field office administration, constructability reviews, labor compliance, auditing
San Dieguito Engineering, Inc.	Quality assurance / FOA/ Scheduling/ Const. Review / Surveying/ Doc Mgmt System Integration
Sequoia Consultants, Inc.	Field Inspection / Materials Testing
Stack Traffic Consulting, Inc. (STC)	Construction Engineering, Construction Inspection, Construction Management, Transit Inspection, Constructability review
Towill, Inc.	Constructability reviews/ surveying
Vali Cooper & Associates, Inc.	Construction management and inspection, contract dispute and resolution, constructability reviews, NPDES compliance, auditing
Virginkar & Associates, Inc.	Construction management & inspection, Transit inspection, construction reviews, systems start-up and testing
Xorail, Inc.	Communication and signal design and construction management systems start-up and testing

Prime Contractor	
Caltrop Corporation	Construction Management and Inspection Services
Sub-Contractors	
C.A. Wehsener Engineering, Inc.	Electrical and System construction management.
CH2M Hill, Inc.	Construction management, construction QA, inspection/resident engineering, administration, claims analysis, contract dispute resolution, project controls (scheduling, constructability reviews, (NPDES), system start-up testing, geotechnical services, traffic handling support, environmental and resource agency
Consultant Engineering, Inc.	Project and construction management, resident engineering, field office administration, and field inspection, and construction cost estimating
David Evans and Associates, Inc. (DEA)	Land surveying
Dynamic Engineering Services, Inc. (DESI)	Construction management
Ghirardelli Associates, Inc. (GAI)	Construction management, construction inspection, structures inspection, office engineering, and contract administration
Gonzalez-White Consulting Services	Labor compliance
Group Delta Consultants, Inc.	Geotechnical engineering, materials testing and observations, Quality assurance testing
Helix Environmental Planning, Inc.	Environmental construction monitoring and compliance, regulatory permitting and environmental planning
La Salle Solutions, LLC	Field inspections, field office engineering, contract quality control/assurance
Leighton Consulting, Inc.	Materials testing and inspection, hazardous materials services
Mendoza and Associates	Construction inspection and structures inspection
Minnali Engineering Corporation	Construction management
MTGL, Inc.	Materials Sampling and Testing, Material/Product Plant Inspection, Geotechnical Services, and Geotechnical Support (Bore Hole Drilling)
Ninyo & Moore	Geotechnical, Materials Testing and Inspection, Hazardous Materials, and Environmental Consulting services
Nova Services	Geotechnical engineering, materials testing, special inspection, and non-destructive testing
Pacific Railway Enterprises, Inc. (PRE)	Railroad signal and communication systems design, programming, inspection and consulting services
RailPros, Inc.	On-Call construction management services
Railway Surveyors and Engineers (RSE)	Engineering services, surveying, and mapping
RT Engineering & Associates (RTEA)	Construction management, engineering inspection, public outreach, utility coordination and environmental mitigations
Safework, Inc.	Construction management and safety services
Stack Traffic Consulting, Inc. (STC)	Construction engineering, construction inspection, Construction management
STV, Inc.	Multi-disciplinary engineering
Simon Wong Engineering	Construction management and inspection, Public relations, Bridge design engineering, and Structural design engineering
Systra Engineering	Systems engineering, signaling, construction management, inspection
Xorail, Inc.	Signal, communication and PTC design, construction management

Prime Contractor	
CH2M Hill, Inc.	Prime consultant, overall project/ task manager. Field inspection, office engineering, claims analysis, project controls, system start-up and testing, site safety, geotechnical support, construction quality assurance, and other support services
Sub-Contractors	
Aguirre & Associates	Surveying, construction staking
Amec Foster Wheeler E & I, Inc.	Materials testing services
Falcon Engineering Services, Inc.	Construction management, field inspection, construction quality assurance
Hill International, Inc.	Sub- Const. Quality Assurance; Field Inspection; CM/GC Independent Estimates; Site Safety, Labor Compliance
Katz & Associates, Inc.	Construction relations, community outreach, Crisis and Issues Management, Public Affairs, Public Participation
La Salle Solutions, LLC	Field inspections, field office engineering, contract quality control/assurance
Ninyo & Moore	Geotechnical, Materials Testing and Inspection, Hazardous Materials, and Environmental Consulting services
Pacific Railway Enterprises, Inc. (PRE)	Railroad signal and communication systems design, programming, inspection and consulting services
TranSystems Corporations (TranSystems)	Engineering, design, planning for rail, transit, transportation

Prime Contractor	
EPC Consultants, Inc.	Construction management
Sub-Contractors	
CPM Partners	Construction Management services including Resident Engineering, Inspection, Document/Project Controls, Construction Administration, Cost Estimating, Scheduling and Claims
Ghirardelli Associates, Inc. (GAI)	Construction management, construction inspection, structures inspection, office engineering, and contract administration
Kal Krishnan Consulting Services, Inc. (KKCS)	Construction management services
Mendoza and Associates	Construction inspection and structures inspection
Railway Surveyors and Engineers (RSE)	Engineering services, surveying, and mapping
RT Engineering & Associates (RTEA)	Construction management, engineering inspection, public outreach, utility coordination and environmental mitigations

Prime Contractor	
PGH Wong Engineering, Inc.	Project Management, Construction QA, Field Inspection, Transit Inspection, Field Office Engineering, Field Office Administration, Project Scheduling, Contract Dispute Assistance, System Testing & Startup, Constructability Reviews, and Construction Management Software
Sub-Contractors	
Berggren Land Surveying & Mapping, Inc. dba Berggren & Associates	Surveying and Construction Staking
CPM Partners	Project Control Services
Cruz Estrella CADD & Drafting Services	CADD and Drafting Services
Dudek	Environmental and Engineering Services
Gonzalez-White Consulting Services	Field Office Administration and Labor Compliance
Harris & Associates, Inc.	Construction QA, Field Inspection, Field Office Engineering, Field Office Administration, Constructability Reviews, Storm Water Monitoring & Compliance (NPDES), and Traffic Handling Support
Infrastructure Engineering Corporation	Field Inspection, Field Office Engineering, Field Office Administration, Resident Engineering, and Constructability Reviews
MTGL, Inc.	Materials Sampling and Testing, Material/Product Plant Inspection, Geotechnical Services, and Geotechnical Support (Bore Hole Drilling)
Ninyo & Moore	Materials Sampling and Testing, Material/Product Plant Inspection, Geotechnical Services, and Geotechnical Support (Bore Hole Drilling)
Pacific Railway Enterprises, Inc. (PRE)	Signal Inspections
Safework, Inc.	Safety Compliance
Stack Traffic Consulting, Inc. (STC)	ITS, Traffic Signals and Grade Crossings
Prime Consultant	
DHS Consulting, Inc.	Professional and technical construction management and engineering services
Sub Consultants	
Allied Geotechnical Engineering, Inc.	Geotechnical engineering & geology
C.A. Wehsener Engineering, Inc.	Construction management and inspection
CPM Partners	Construction Management services including Resident Engineering, Inspection, Document/Project Controls, Construction Administration, Cost Estimating, Scheduling and Claims
Dynamic Engineering Services, Inc. (DESI)	Construction management
ECORP Consulting, Inc.	Environmental compliance
Leighton Consulting, Inc.	Materials testing and inspection, hazardous materials services
Parsons Transportation Group	Construction management services
RailPros, Inc.	On-Call construction management services
Rosanna M. Lacarra (dba LaRoc Environmental)	Storm Water Compliance
Simon Wong Engineering	Construction management and inspection, public relations, bridge design engineering, and structural design engineering

Vali Cooper & Associates, Inc.	Construction management and inspection, contract dispute and resolution, constructability reviews, NPDES compliance, auditing
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Prime Consultant	
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Simon Wong Engineering	Prime, Construction Management, Field and Transit Inspection, Engineering, and Administration, Constructability Reviews, Stormwater Compliance, Construction Program, Project and Document Management System Integration Cost Estimating, Contract Dispute Assistance, Scheduling, Job Site Safety
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Sub Consultants	
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Allied Geotechnical Engineering, Inc.	Materials Sampling and Testing, Plant/Source Inspection, Geotechnical Services, Geotechnical Support (Bore Hole Drilling)
C.A. Wehsener Engineering, Inc.	Construction Management, Field and Transit Inspection, Engineering, and Administration, Constructability Reviews, Job Site Safety, Systems Startup and Testing, Independent Cost Estimating
Caltrop Corporation	Construction Management, Field and Transit Inspection, Engineering, and Administration, Constructability Reviews, Stormwater (NPDES) Compliance, Labor Compliance, Material/Product Plant and Source Inspection, Project Scheduling, Contract Dispute Assistance, Construction Program, Project and Document Management System Integration, Records and File Auditing, Independent Cost Estimating
CASC Engineering and Consulting	Storm Water Compliance
CH2M Hill, Inc.	Construction Management, Transit and Field Inspection, Constructability Reviews, Stormwater Compliance, Job Site Safety, Systems Start-up and Testing, Env/Resource Agency Permit Compliance, Contam/ Hazardous Waste Assessment, and Independent Cost Estimating
Destination Enterprises	Signal Inspection Services
DHS Consulting, Inc.	Construction Management, Field Inspection, Engineering, Administration, Constructability Reviews, Stormwater Compliance, Scheduling, Contract Dispute Assistance
Dudek	Constructability Reviews, Stormwater Compliance, Environmental and Resource Agency Permit Compliance, Contaminated/ Hazardous Waste Assessment
EPC Consultants, Inc.	Construction Management, Field Inspection, Engineering, and Administration, Constructability Reviews, Scheduling, Contract Dispute Assistance, Independent Cost Estimating
Gannett Fleming, Inc.	Construction Management, Transit Inspection, Field Engineering, Scheduling, Contract Dispute Assistance and Resolution, Constructability Reviews, Systems Startup and Testing
Global Signals Group, Inc. (GSG)	Construction Management, Field and Transit Inspection, Engineering, and Administration Services, Scheduling, Constructability Reviews, Systems Startup and Testing

Gonzalez-White Consulting Services	Labor Compliance Services
Jacobs Project Management Co.	Signal Engineering and Inspection
Kleinfelder, Inc.	Special Inspection, Materials Sampling and Testing, Plant/Source Inspection, Geotechnical Services (Bore Hole Drilling), Job Site Safety, Environmental and Resource
Leighton Consulting, Inc.	Special Inspection, Materials Sampling and Testing, Plant/Source Inspection, Geotechnical Services, Geotechnical Support (Bore Hole Drilling), Contaminated/
Lenska Aerial Images, Inc.	Photo and Video Documentation
LKG-CMC, Inc.	Records and File Auditing, Construction Field Administration Services
Louis Berger Group, Inc.	Surveying and Construction Staking
Minnali Engineering Corporation	Construction Management, Field Inspection, Engineering, and Administration, Constructability Reviews, and Stormwater Compliance
Pacific Railway Enterprises, Inc. (PRE)	Construction Management, Transit Inspection, Field Engineering, Constructability Reviews, Systems Startup and Testing
Parsons Transportation Group	Construction Management, Field and Transit Inspection, Engineering, and Administration, Constructability Reviews, Stormwater Compliance, Scheduling, Contract
Project Professionals Corporation (PPC)	Construction Management, Field Inspection, Engineering, and Administration, Contract Dispute Assistance, Constructability Reviews, Labor Compliance, Construction
S2 Engineering, Inc.	Construction Management, Field Inspection, Engineering, and Administration Services, Constructability Reviews, Scheduling, Contract Dispute Assistance, Labor
Soteria Company, LLC	System Safety and Security Certification Support, Start-up and Rail Activation
Tierra Data, Inc.	Environmental and Resource Agency Permit Compliance
Towill, Inc.	Surveying and Construction Staking
T.Y. Lin International	Construction Management, Field Inspection, Engineering, and Administration, Constr. Reviews, Scheduling, Contract Dispute Assistance, Labor Compliance, Construction Program, Project

Construction Management Master agreement List

G2015.0-17	5/2/2017	AECOM Technical Services SANDAG Agreement No. 5007800
G2016.0-17	5/2/2017	Caltrop Corporation SANDAG Agreement No. 5007801
G2017.0-17	5/2/2017	CH2M Hill, Inc SANDAG Agreement No. 5007802
G2018.0-17	5/2/2017	PGH Wong Engineering, Inc SANDAG Agreement No. 5007803
G2019.0-17	5/2/2017	Simon Wong Engineering SANDAG Agreement No. 5007804
G2021.0-17	5/2/2017	DHS Consulting, Inc. SANDAG Agreement No.5007806
G2022.0-17	5/2/2017	EPC Consultants SANDAG Agreement No. 5007807
G2023.0-17	5/2/2017	SANDAG - Master Solicitation Capacity for on-Call Professional & Technical CM & Eng. Serv



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Agenda Item No. 20

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

July 20, 2017

**Draft for
Executive Committee
Review Date: 7/13/17**

SUBJECT:

COURTHOUSE STATION CONSTRUCTION MANAGEMENT SERVICES – WORK
ORDER AGREEMENT

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute Work Order 1 MTS Doc. G2019.0-17 (in substantially the same format as Attachment A) with Simon Wong Engineering, Inc.¹ for the Courthouse Station Construction Management Services, contingent upon the approval of Agenda Item No. 19 (On-Call Construction Management and Engineering/Inspection Services – Master Agreements Award/Ratification).

Budget Impact

The value of this agreement will not exceed \$656,137.54 and is funded through the MTS Capital Improvement Project budget account 2004007503.

DISCUSSION:

On March 12, 2015, the Board of Directors approved Resolution No. 15-5 authorizing the CEO to submit an application for a proposed downtown Courthouse Station Project to provide expanded capacity on the MTS trolley system. In May 2017, a contract to construct the project was awarded to West Coast General/HMS Construction, a Joint Venture for both Schedule A, Courthouse Station and Schedule B, curb extensions on the north side of C Street.

MTS requires construction management services for the overall planning, coordination, and control of this project from beginning through completion (collectively “CM Services”). The proposed Work Order 1 CM Services include the following:

¹ Simon Wong Engineering, Inc. is a wholly-owned subsidiary of Kleinfelder.



- Project/Task Order Manager
- Resident Engineer
- Scheduling Engineer
- Civil Inspector(s)
- Electrical/Communications Inspector
- Traffic/Railroad Signal Inspector
- Overhead Catenary System (OCS) Inspector
- Fire/Life Safety Systems Inspector
- Safety Coordinator
- SWPPP Inspector
- Source Inspector(s)
- Materials Sampling and Testing Engineer and Tester

As set forth in Agenda Item No. 19, following a competitive procurement by the San Diego Association of Governments (SANDAG), MTS was assigned up to \$3,000,000 in on-call CM Services capacity (MTS Doc. No. G2023.0-17) and executed on-call master agreements with seven qualified firms. Consistent with MTS procurement processes, on May 1, 2017, MTS issued a request for proposals to four of the qualified on-call CM Services firms, for Courthouse Station construction project management services and evaluated for the best qualified proposal. Proposals were ranked as follows:

<u>FIRM NAME</u>	<u>SCORE</u>	<u>RANK</u>
SIMON WONG	67.33	1
PGH WONG	59.00	2
CALTROP	55.33	3
CH2	51.33	4

MTS entered into negotiations with Simon Wong regarding the price for the Work Order 1 resulting in the following amounts:

Work Order 1 – Schedule A	560,207.91
Work Order 1 – Schedule B	95,929.63
TOTAL	656,137.54

Therefore, staff recommends that the Board of Directors authorize the CEO to execute Work Order 1 MTS Doc. G2019.0-17 (in substantially the same format as Attachment A) with Simon Wong Engineering, Inc. for the Courthouse Station Construction Management Services, contingent upon the approval of Agenda Item No. 19 (On-Call Construction Management and Engineering/Inspection Services – Master Agreements Award/Ratification).

/s/ Paul C. Jablonski
 Paul C. Jablonski
 Chief Executive Officer

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

Attachment: A. Draft MTS Doc. No. G2019.0-17 Work Order 01

July 20, 2017

MTS Doc. No. G2019.0-17.1
Work Order No. 01

Mr. Hank Gentile
Project/Task Order Manager
Simon Wong Engineering, Inc.
5761 Copley Drive Suite 100
San Diego, CA 92111

Dear Mr. Gentile:

Subject: MTS DOC. NO. G2019.0-17, WORK ORDER 01, COURTHOUSE STATION
CONSTRUCTION MANAGEMENT SERVICES – WORK ORDER AGREEMENT

This letter shall serve as our agreement for Work Order 01 to MTS Doc. No. G2019.0-17.1, for professional services under the General Engineering Consultant Agreement, as further described below.

SCOPE OF SERVICES

Provide construction management and inspection staff for the Orange Line Terminal Courthouse Station project, Schedule A & B work, in accordance with MTS and SANDAG policies and procedures. Please see Attachment A, Scope of Services, for a detailed summary of the services to be provided.

SCHEDULE

Notice to Proceed + 210 Days

PAYMENT

Please see Attachment B, Negotiated Fee Proposal for Schedule A & B.

Please sign 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

Hank Gentile
Kleinfelder|Simon Wong Engineering

Date: _____

Attachments: A - Schedule A & B Scope of Services
B - Schedule A & B Negotiated Fee Proposal



Contract No.: 2004007503

Work Order No.:

Attachment A

WORK ORDER TITLE: ORANGE LINE TERMINAL COURTHOUSE STATION (SCHEDULE A)
MTS Doc. No. XXXXXX

I. PROJECT DESCRIPTION

Construction of the new Orange Line Terminal Courthouse Station in downtown San Diego on C Street between State and Union Streets. This station will provide direct access to the new 22-story courthouse building, help relieve congestion at the Santa Fe Depot station, and improve overall service to the downtown area.

Schedule A portion of the work is on the south side of C Street and includes construction of the new station, track, railroad signals, catenary, communications system, site improvements, and all ancillary items associated with this work.

II. EXPECTED RESULTS

Provide construction management and inspection staff for the Orange Line Terminal Courthouse Station project, Schedule A work, in accordance with MTS and SANDAG policies and procedures. Provide the following positions:

- Project/Task Order Manager
- Resident Engineer
- Scheduling Engineer
- Civil Inspector(s)
- Electrical/Communications Inspector
- Traffic/Railroad Signal Inspector
- Overhead Catenary System (OCS) Inspector
- Fire/Life Safety Systems Inspector
- Safety Coordinator
- SWPPP Inspector
- Source Inspector(s)
- Materials Sampling and Testing Engineer and Tester

III. SCOPE OF WORK

Provide construction management and inspection services including, but not limited to, resident engineering, civil inspection, electrical/communications inspection, traffic and railroad signal inspection, fire/life safety systems inspection, and quality assurance material sampling and testing. These services will be conducted in accordance with the Master On-call Agreement, the SANDAG Construction Manual, this scope of work, and the contract documents.

1.0 Project/Task Order Manager

Project/Task Order Manager (Kleinfelder|Simon Wong)

Project/Task Order Manager shall supervise, review, and monitor the Consultant's personnel and closely monitor the task order authorization and expiration date versus actual progress to ensure the task order authorization and expiration date are not exceeded.



Contract No.: 2004007503

Work Order No.:

Attachment A

1. Ensure that the field team is trained in the skills that are needed to manage each particular task;
2. Assign personnel to complete the required task order as specified;
3. Administer personnel action, coordinate personnel matters with MTS' Contract Manager.
4. Review monthly invoices prior to submission to MTS.

2.0 Engineering and Inspection Services (Kleinfelder|Simon Wong)

Resident Engineer (Part Time)

The Resident Engineer will be responsible for administering the contract. Other duties may include:

1. Communication with the Contractor and other stakeholders;
2. Chairing and providing minutes for weekly progress meetings;
3. Coordination with MTS operations and maintenance staff;
4. Coordination with utility company staff to facilitate existing utility relocations;
5. Coordination with private property owners as necessary;
6. Cooperating with MTS' public information officer as necessary;
7. Developing and maintaining the project files;
8. Preparing weekly statement of working days;
9. Providing oversight of inspectors and reviewing inspector's daily diaries;
10. Reviewing and assisting client with progress payments;
11. Negotiating and administering change orders;
12. Coordinating the review of material submittals and shop drawings;
13. Investigation of field issues and responding to Requests for Information (RFIs);
14. Reviewing and commenting on field issues;
15. Preparation of monthly progress reports;
16. Reviewing baseline and progress schedule updates;
17. Supervision of QA sampling and testing and QA surveying staff;
18. Reviewing the Contractor's red line as-builts;
19. Preparing documentation necessary for Project Closeout.

Scheduling Engineer (Kleinfelder|Simon Wong)

1. Review and comment on the Contractor's CPM baseline schedule, the Contractor's monthly CPM schedule updates, and perform independent Time-Impact Analysis if necessary.
2. Analyze and assess project schedule to determine if concurrent delays exist; provide all services required to review and analyze the project's Critical Path Method (CPM) schedules, and provide comments for response to disputes.

Field Inspectors - Civil, Station, Track, Electrical/Communications, Traffic Signal, Railroad Signal, Overhead Catenary System, and Fire/Life Safety System (Kleinfelder|Simon Wong, CA Wehsener)

Inspectors shall perform intermittent quality assurance inspection of the work to verify Contractor compliance with the contract documents. Tasks include:

1. Quality Assurance Inspection of the Contractor's work. The inspector shall do the following:
 - a. Review the contractual requirements in the contract documents;



Contract No.: 2004007503

Work Order No.:

Attachment A

- b. Complete daily inspection reports noting contractor's equipment, personnel, materials, quantities, relevant conversations, and pertinent decisions made;
- c. Immediately report problems and questions to the Resident Engineer;
- d. Assist in reviewing and responding to RFI's;
- e. Assist in preparing independent cost estimates for contract change orders;
2. On change orders that are time and material (Extra Work at Force Account), keep a daily record of contractor's equipment, labor, and material on Tentative Agreements;
3. Take daily site photographs;
4. Inspect work equipped with approved hard hat, safety vest, long pants, and proper footwear;
5. Verify through intermittent quality assurance inspections that work and materials installed on the project meet the requirements of the Conformed Plans, Special Provisions, Standard Specifications, and change orders, as applicable. Arrange for material tests for soils, concrete, hot mix asphalt, and other materials incorporated in the work. Identify non-compliant work to the Contractor and report to the Resident Engineer;
6. Maintain accounting of daily quantities of contract bid item or change order work performed. On a monthly basis, coordinate with the Resident Engineer and the Contractor to determine quantities and/or percentages to be included for payment in the monthly progress payment;
7. If observed work does not meet contract or change order requirements, prepare and submit Non-Conformance Report (NCR) to the Resident Engineer. Confirm NCR is corrected and documented with photographs and narrative if necessary. Confirm time, equipment and materials used to correct NCRs are not charged to the contract or change order work;
8. Attend the weekly progress meetings or other meetings when requested by the Resident Engineer;
9. Monitor the construction progress with the approved construction schedule and advise the Resident Engineer of inconsistencies or non-conformance with critical path activities;
10. Monitor and review construction staking set by the Contractor's surveyor. Receive copies of surveyor's staking notes;
11. Maintain a set of redline contract drawings to reflect as-built conditions and any field changes. Include accurate location and depths of new and existing utilities encountered. On a monthly basis, review the redline contract drawings with the Resident Engineer to assist in preparing as-built drawings;
12. When work is substantially complete, develop a punch list and conduct follow-up final inspections with the Resident Engineer and MTS representatives. Document the Contractor's completion of punch list items of work;
13. Assist the Resident Engineer in project closeout activities;

Safety Coordinator (Kleinfelder|Simon Wong)

1. Perform periodic visits to project site and offer any recommendations for enhancing safety;
2. Assist in reviews of safety related submittals;

SWPPP Inspector (Kleinfelder|Simon Wong)

1. Provide periodic quality assurance inspection of BMP implementation as directed by MTS;
2. Provide SWPPP compliance assistance as directed by MTS;

Source Inspector (Kleinfelder|Simon Wong)

1. Travel to fabrication locations and perform periodic source inspection;
2. Provide inspection reports to the RE;



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3.0 Materials Sampling and Testing (Kleinfelder)

This work shall consist of performing material sampling and testing to verify conformance with the plans and specifications. Material testers shall be capable of assisting in all aspects of material testing and source inspection. Sampling and testing frequencies shall be as directed by the contract documents and/or MTS' Project Manager. Tasks include:

1. Perform R-value and relative compaction testing of subgrade materials;
2. Perform field sampling and testing of crushed aggregate base, AC, and PCC concrete;
3. Perform other testing as requested by the Resident Engineer or MTS;
4. Prepare reports summarizing tests and observations of the subgrade preparation and crushed aggregate base placement;
5. Provide supervision of materials testers by a Registered Civil Engineer. The project engineer will review all reports and test results, attend site meetings as requested, and review all billing. Test reports shall be prepared and distributed to the Resident Engineer. Suspect or failing test results will be reported to the Resident Engineer as soon as the relevant data or results are available.
6. Prepare and distribute daily field reports of materials sampling and testing.

IV. PERIOD OF PERFORMANCE

July 24, 2017 – March 31, 2018

V. DELIVERABLES

- a. Inspection reports, inspection daily diaries, and pay estimates in accordance with MTS procedures;
- b. Maintain project records in accordance with MTS procedures or Caltrans categorical filing system;
- c. Project photography;
- d. Monthly update reports with photo pages;
- e. Material testing and specialty inspection report;
- f. Project "red-line" as-builts;
- g. Final project records. Complete set of construction files to be submitted per MTS' direction;
- h. Project closeout report;

VI. SCHEDULE OF SERVICES/MILESTONES/DELIVERABLES

A. Tasks Schedule

<u>Task</u>	<u>Begin/End Dates</u>
Construction Management Services	NTP to 2/28/18
Project Closeout/Final Records Transmittal	Final Estimate + 1 Month



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B. Milestones/Deliverables Schedule

<u>Milestone/Deliverable</u>	<u>Due Date</u>
Inspector Daily Report	Daily
Resident Engineer Report	Weekly
Change Order Preparation	As Needed
Monthly Construction Report	Monthly
Project Close-Out Report/As-Builts	Final Estimate + 1 Month

VII. MATERIALS TO BE PROVIDED BY MTS AND/OR THE OTHER AGENCY

1. Project plans, special provisions, and standard specifications;
2. Applicable permits;
3. Flagging personnel for work alongside MTS right-of-way;
4. MTS Roadway Worker training (if necessary) for personnel working alongside MTS right-of-way;

VIII. SPECIAL CONDITIONS

1. Per MTS, Contractor will manage SWPPP compliance.
2. Consultant's work includes periodic job-site safety reviews and investigations when requested by MTS. In no event shall these responsibilities relieve the construction contractor from his responsibilities as the primary party responsible for job site safety. Neither Consultant, MTS, nor other Agency is to be considered as the Controlling Employer of the Contractor's workers.

MTS agrees that, in accordance with generally-accepted construction practices, the construction contractor will be required to assume sole and complete responsibility for job site conditions during the course of construction of the Project, including safety of all persons and property, and that this requirement shall be made to apply continuously and not be limited to normal working hours. Consultant shall not have control over or charge of, and shall not be responsible for, construction means, methods, techniques, sequences, or procedures, as these are solely the responsibility of the construction contractor.

3. KLF|SWE team to perform intermittent inspection of MTS Job Order Contract (JOC) for SDG&E underground relocation work. MTS to handle weekly meetings, ongoing issues, progress payments, change orders, project acceptance, and closeout of the JOC contract.
4. Billing rates to utilize the Home Office Multiplier as work will be conducted out of KLF|SWE's office, not an MTS-provided field office.

IX. MTS ACCEPTANCE OF SERVICES:

Firm shall not be compensated at any time for unauthorized work outside of this Work Order. Firm shall provide notice to MTS' Project Manager upon 100% completion of this Work Order. Within five (5) business days from receipt of notice of Work Order completion, MTS' Project Manager shall review, for acceptance, the 100% completion notice. If Firm provides final service(s) or final work product(s) which are found to be unacceptable due to Firms and/or Firms subcontractors negligence



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and thus not 100% complete by MTS' Project Manager, Firm shall be required to make revisions to said service(s) and/or work product(s) within the Not to Exceed (NTE) Budget. MTS reserves the right

to withhold payment associated with this Work Order until the Project Manager provides written acceptance for the 100% final completion notice. Moreover, 100% acceptance and final completion will be based on resolution of comments received to the draft documents and delivery of final documentation which shall incorporate all MTS revisions and comments.

Monthly progress payments shall be based on hours performed for each person/classification identified in the attached Fee Schedule and shall at no time exceed the NTE. Firm shall only be compensated for actual performance of services and at no time shall be compensated for services for which MTS does not have an accepted deliverable or written proof and MTS acceptance of services performed.

X. DEFICIENT WORK PRODUCT:

Throughout the design and/or implementation phases associated with the services rendered by the Firm, if MTS finds any work product provided by Firm to be deficient and the deficiently delays any portion of the project, Firm shall bear the full burden of their deficient work and shall be responsible for taking all corrective actions to remedy their deficient work product including but not limited to the following:

- Paying applicable delay fees,
- Revising provided documents,

At no time will MTS be required to correct any portion of the Firms deficient work product and shall bear no costs or burden associated with Firms deficient performance and/or work product.

XI. DELIVERABLE REQUIREMENTS

Firm will be required to submit any and all documentation required by the Scope of Work. The deliverables furnished shall be of a quality acceptable to MTS. The criteria for acceptance shall be a product of neat appearance, well-organized, and procedurally, technically and grammatically correct. MTS reserves the right to request a change in the format if it doesn't satisfy MTS's needs. All work products will become the property of MTS. MTS reserves the right to disclose any reports or material provided by the Firm to any third party.

Firm shall provide with each task, a work plan showing the deliverables schedule as well as other relevant date needed for Firm's work control, when and as requested by MTS.

Firm's computer data processing and work processing capabilities and data storage should be compatible with Windows compatible PC's, text files readable in Microsoft Word, and standard and customary electronic storage. Firm shall maintain backup copies of all data conveyed to MTS.

Firm shall provide MTS with hard copy or electronic versions of reports and/or other material as requested by MTS.

XII. ADDITIONAL INFORMATION

None.



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Work Order No.: 01

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WORK ORDER TITLE: ORANGE LINE TERMINAL COURTHOUSE STATION (SCHEDULE B)
MTS Doc. No. XXXXXX

I. PROJECT DESCRIPTION

Construction of the new Orange Line Terminal Courthouse Station in downtown San Diego on C Street between State and Union Streets. This station will provide direct access to the new 22-story courthouse building, help relieve congestion at the Santa Fe Depot station, and improve overall service to the downtown area.

Schedule B portion of the work is on the north side of C street and includes demolition, traffic signal relocations, new sidewalks, ADA ramps, curbs, curbs & gutters, asphalt and concrete pavement, and all ancillary items associated with this work.

II. EXPECTED RESULTS

Provide construction management and inspection staff for the Orange Line Terminal Courthouse Station project, Schedule B work, in accordance with MTS and SANDAG policies and procedures. Provide the following positions:

- Project/Task Order Manager
- Resident Engineer
- Civil Inspector(s)
- Electrical/Communications Inspector
- Traffic Signal Inspector
- Safety Coordinator
- SWPPP Inspector
- Materials Sampling and Testing Engineer and Tester

III. SCOPE OF WORK

Provide construction management and inspection services including, but not limited to, resident engineering, civil inspection, electrical/communications inspection, traffic signal inspection, and quality assurance material sampling and testing. These services will be conducted in accordance with the Master On-call Agreement, the SANDAG Construction Manual, this scope of work, and the contract documents.

1.0 Project/Task Order Management

Project/Task Order Manager (Kleinfelder|Simon Wong)

Project/Task Order Manager shall supervise, review, and monitor the Consultant's personnel and closely monitor the task order authorization and expiration date versus actual progress to ensure the task order authorization and expiration date are not exceeded.

1. Ensure that the field team is trained in the skills that are needed to manage each particular task;
2. Assign personnel to complete the required task order work as specified;
3. Administer personnel action, and coordinate personnel matters with MTS' Contract Manager.
4. Review monthly invoices prior to submission to MTS.



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2.0 Engineering and Inspection Services (Kleinfelder|Simon Wong, CA Wehsener)

Resident Engineer (Part-Time)

The Resident Engineer will be responsible for administering the contract. Other duties may include:

1. Communication with the Contractor and other stakeholders;
2. Chairing and providing minutes for weekly progress meetings;
3. Coordination with MTS operations and maintenance staff;
4. Coordination with utility company staff to facilitate existing utility relocations;
5. Coordination with private property owners as necessary;
6. Cooperating with MTS' public information officer as necessary;
7. Developing and maintaining the project files;
8. Preparing weekly statement of working days;
9. Providing oversight of inspectors and reviewing inspector's daily diaries;
10. Reviewing and assisting client with progress payments;
11. Negotiating and administering change orders;
12. Coordinating the review of material submittals and shop drawings;
13. Investigation of field issues and responding to Requests for Information (RFIs);
14. Reviewing and commenting on field issues;
15. Preparation of monthly progress reports;
16. Reviewing baseline and progress schedule updates;
17. Supervision of QA sampling and testing and QA surveying staff;
18. Reviewing the Contractor's red line as-builts;
19. Preparing documentation necessary for Project Closeout.

Field Inspectors - Civil, Electrical/Communications, and Traffic Signal (Kleinfelder|Simon Wong, CA Wehsener)

Inspectors shall perform intermittent quality assurance inspection of the work to verify Contractor compliance with the contract documents. Tasks include:

1. Quality Assurance Inspection of the Contractor's work. The inspector shall do the following:
 - a. Review the contractual requirements in the contract documents;
 - b. Complete daily inspection reports noting contractor's equipment, personnel, materials, quantities, relevant conversations, and pertinent decisions made;
 - c. Immediately report problems and questions to the Resident Engineer;
 - d. Assist in reviewing and responding to RFI's;
 - e. Assist in preparing independent cost estimates for contract change orders;
2. On change orders that are time and material (Extra Work at Force Account), keep a daily record of contractor's equipment, labor, and material on Tentative Agreements;
3. Take daily site photographs;
4. Inspect work equipped with approved hard hat, safety vest, long pants, and proper footwear;
5. Verify through intermittent quality assurance inspections that work and materials installed on the project meet the requirements of the Conformed Plans, Special
6. Provisions, Standard Specifications, and change orders, as applicable. Arrange for material tests for soils, concrete, hot mix asphalt, and other materials incorporated in the work. Identify non-compliant work to the Contractor and report to the Resident Engineer;



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7. Maintain accounting of daily quantities of contract bid item or change order work performed. On a monthly basis, coordinate with the Resident Engineer and the Contractor to determine quantities and/or percentages to be included for payment in the monthly progress payment;
8. If observed work does not meet contract or change order requirements, prepare and submit Non-Conformance Report (NCR) to the Resident Engineer. Confirm NCR is corrected and documented with photographs and narrative if necessary. Confirm time, equipment and materials used to correct NCRs are not charged to the contract or change order work;
9. Attend the weekly progress meetings or other meetings when requested by the Resident Engineer;
10. Monitor the construction progress with the approved construction schedule and advise the Resident Engineer of inconsistencies or non-conformance with critical path activities;
11. Monitor and review construction staking set by the Contractor's surveyor. Receive copies of surveyor's staking notes;
12. Maintain a set of redline contract drawings to reflect as-built conditions and any field changes. Include accurate location and depths of new and existing utilities encountered. On a monthly basis, review the redline contract drawings with the Resident Engineer to assist in preparing as-built drawings;
13. When work is substantially complete, develop a punch list and conduct follow-up final inspections with the Resident Engineer and MTS representatives. Document the Contractor's completion of punch list items of work;
14. Assist the Resident Engineer in project closeout activities;

Safety Coordinator (Kleinfelder|Simon Wong)

1. Perform periodic visits to project site and offer any recommendations for enhancing safety;
2. Assist in reviews of safety related submittals;

SWPPP Inspector (Kleinfelder|Simon Wong)

1. Provide periodic quality assurance inspection of BMP implementation as directed by MTS;
2. Provide SWPPP compliance assistance as directed by MTS;

3.0 Materials Sampling and Testing (Kleinfelder)

This work shall consist of performing material sampling and testing to verify conformance with the plans and specifications. Material testers shall be capable of assisting in all aspects of material testing and source inspection. Sampling and testing frequencies shall be as directed by the contract documents and/or MTS' Project Manager. Tasks include:

1. Perform R-value and relative compaction testing of subgrade materials;
2. Perform field sampling and testing of crushed aggregate base, AC, and PCC concrete;
3. Perform other testing as requested by the Resident Engineer or MTS;
4. Prepare reports summarizing tests and observations of the subgrade preparation and crushed aggregate base placement;
5. Provide supervision of materials testers by a Registered Civil Engineer. The project engineer will review all reports and test results, attend site meetings as requested, and review all billing. Test reports shall be prepared and distributed to the Resident Engineer. Suspect or failing test results will be reported to the Resident Engineer as soon as the relevant data or results are available. 4



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6. Prepare and distribute daily field reports of materials sampling and testing.

IV. PERIOD OF PERFORMANCE

July 1, 2017 – July 31, 2017

V. DELIVERABLES

- a. Inspection reports, inspection daily diaries, and pay estimates in accordance with MTS procedures;
- b. Maintain project records in accordance with MTS procedures or Caltrans categorical filing system;
- c. Project photography;
- d. Monthly update reports with photo pages;
- e. Material testing and specialty inspection report;
- f. Project “red-line” as-builts;

VI. SCHEDULE OF SERVICES/MILESTONES/DELIVERABLES

A. Tasks Schedule

<u>Task</u>	<u>Begin/End Dates</u>
Construction Management Services	NTP to 7/31/17

B. Milestones/Deliverables Schedule

<u>Milestone/Deliverable</u>	<u>Due Date</u>
Inspector Daily Report	Daily
Resident Engineer Report	Weekly
Change Order Preparation	As Needed
Monthly Construction Report	Monthly

VII. MATERIALS TO BE PROVIDED BY MTS AND/OR THE OTHER AGENCY

1. Project plans, special provisions, and standard specifications;
2. Applicable permits;
3. Flagging personnel for work alongside MTS right-of-way;
4. MTS Roadway Worker training (if necessary) for personnel working alongside MTS right-of-way;

VIII. SPECIAL CONDITIONS

1. Per MTS, Contractor will manage SWPPP compliance.



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2. Consultant's work includes periodic job-site safety reviews and investigations when requested by MTS. In no event shall these responsibilities relieve the construction contractor from his
3. responsibilities as the primary party responsible for job site safety. Neither Consultant, MTS, nor other Agency is to be considered as the Controlling Employer of the Contractor's workers.

MTS agrees that, in accordance with generally-accepted construction practices, the construction contractor will be required to assume sole and complete responsibility for job site conditions during the course of construction of the Project, including safety of all persons and property, and that this requirement shall be made to apply continuously and not be limited to normal working hours. Consultant shall not have control over or charge of, and shall not be responsible for, construction means, methods, techniques, sequences, or procedures, as these are solely the responsibility of the construction contractor.

4. KLF|SWE team to perform intermittent inspection of MTS Job Order Contract (JOC) for SDG&E underground relocation work. MTS to handle weekly meetings, ongoing issues, progress payments, change orders, project acceptance, and closeout of the JOC contract.
5. Billing rates to utilize the Home Office Multiplier as work will be conducted out of KLF|SWE's office, not an MTS-provided field office.

IX. MTS ACCEPTANCE OF SERVICES:

Firm shall not be compensated at any time for unauthorized work outside of this Work Order. Firm shall provide notice to MTS' Project Manager upon 100% completion of this Work Order. Within five (5) business days from receipt of notice of Work Order completion, MTS' Project Manager shall review, for acceptance, the 100% completion notice. If Firm provides final service(s) or final work product(s) which are found to be unacceptable due to Firms and/or Firms subcontractors negligence and thus not 100% complete by MTS' Project Manager, Firm shall be required to make revisions to said service(s) and/or work product(s) within the Not to Exceed (NTE) Budget. MTS reserves the right to withhold payment associated with this Work Order until the Project Manager provides written acceptance for the 100% final completion notice. Moreover, 100% acceptance and final completion will be based on resolution of comments received to the draft documents and delivery of final documentation which shall incorporate all MTS revisions and comments.

Monthly progress payments shall be based on hours performed for each person/classification identified in the attached Fee Schedule and shall at no time exceed the NTE. Firm shall only be compensated for actual performance of services and at no time shall be compensated for services for which MTS does not have an accepted deliverable or written proof and MTS acceptance of services performed.

X. DEFICIENT WORK PRODUCT:

Throughout the design and/or implementation phases associated with the services rendered by the Firm, if MTS finds any work product provided by Firm to be deficient and the deficiently delays any portion of the project, Firm shall bear the full burden of their deficient work and shall be responsible for taking all corrective actions to remedy their deficient work product including but not limited to the following:



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- Paying applicable delay fees,
- Revising provided documents,

At no time will MTS be required to correct any portion of the Firm's deficient work product and shall bear no costs or burden associated with Firm's deficient performance and/or work product.

XI. DELIVERABLE REQUIREMENTS

Firm will be required to submit any and all documentation required by the Scope of Work. The deliverables furnished shall be of a quality acceptable to MTS. The criteria for acceptance shall be a product of neat appearance, well-organized, and procedurally, technically and grammatically correct. MTS reserves the right to request a change in the format if it doesn't satisfy MTS's needs. All work products will become the property of MTS. MTS reserves the right to disclose any reports or material provided by the Firm to any third party.

Firm shall provide with each task, a work plan showing the deliverables schedule as well as other relevant date needed for Firm's work control, when and as requested by MTS.

Firm's computer data processing and work processing capabilities and data storage should be compatible with Windows compatible PC's, text files readable in Microsoft Word, and standard and customary electronic storage. Firm shall maintain backup copies of all data conveyed to MTS.

Firm shall provide MTS with hard copy or electronic versions of reports and/or other material as requested by MTS.

XII. ADDITIONAL INFORMATION

None.

Work Order Estimate Summary

Att. A, AI 20, 7/20/17

MTS Doc. No. TBD
Work Order No. 1
Attachment: B

Work Order Title: MTS Orange Line Courthouse Station Construction
Management and Inspection Services (Schedule A)

Project No: CIP 2004007503

Table 1 - Cost Codes Summary (Costs & Hours)

Item	Cost Codes	Cost Codes Description	Total Costs
1	0270	Construction Management and Inspection Services	\$560,207.91

Totals = \$560,207.91

Table 2 - TASKS/WBS Summary (Costs & Hours)

Item	TASKS/WBS	TASKS/WBS Description	Labor Hrs	Total Costs
1	1	Project / Task Order Management	58.0	\$7,394.10
2	2	Engineering / Inspection	3,209.0	\$523,452.37
3	3	Materials Sampling and Testing	122.0	\$29,361.44

Totals = 3,389.0 \$560,207.91

Table 3 - Consultant/Subconsultant Summary (Costs & Hours)

(If Applicable, Select One)				Consultant	Labor Hrs	Total Costs
DBE	DVBE	SBE	Other			
			X	Kleinfelder Simon Wong Engineering*	2,172.0	\$366,763.36
		X		CA Wehsener Engineering	1,079.0	\$161,289.83
			X	Kleinfelder	122.0	\$29,361.44
X				Destination Enterprises	16.0	\$2,793.28

Totals = 3,389.0 \$560,207.91

NOTES

- * Simon Wong Engineering, Inc. (SWE), referred to as Kleinfelder|Simon Wong Engineering (KLF|SWE), is a wholly-owned subsidiary of Kleinfelder (KLF) and maintains an independent tax i.d. number and overhead rate. In order to capture the appropriate overhead rate for each legal entity, we are listing them separately.
- Field inspection and materials testing rates have been adjusted as necessary to comply with prevailing wage DIR Determination SD-23-63-3-2016-1D which includes a predetermined increase on 7/1/17.
- Billing rates included in this cost proposal are based upon the base rates, overhead rates, profit, escalation, other direct costs (ODCs) and other terms included in the Fee and Payment Schedule incorporated into Contract 5007804 between SANDAG and Simon Wong Engineering.
- Billing rates included in this cost proposal are based upon the rates that will go into effect on July 1, 2017. Actual billings for June 2017 will be based on the rates that are in effect July 1, 2016 through June 30, 2017.

ASSUMPTIONS

- This cost proposal is based upon the project schedule dated 4/21/17 provided by MTS showing construction being complete in January 2018. Hour in February 2018 are for project close-out activities.

Work Order Estimate Summary

Att. A, AI 20, 7/20/17

MTS Doc. No. **TBD**
 Work Order No. **01**
 Attachment: **B**

Work Order Title: **MTS Orange Line Courthouse Station Construction
Management and Inspection Services (Schedule B)**

Project No: **CIP 2004007503**

Table 1 - Cost Codes Summary (Costs & Hours)

Item	Cost Codes	Cost Codes Description	Total Costs
1	0270	Construction Management and Inspection Services	\$95,929.63

Totals = **\$95,929.63**

Table 2 - TASKS/WBS Summary (Costs & Hours)

Item	TASKS/WBS	TASKS/WBS Description	Labor Hrs	Total Costs
1	1	Project / Task Order Management	14.0	\$1,973.43
2	2	Engineering / Inspection	536.0	\$85,794.32
3	3	Materials Sampling and Testing	32.0	\$8,161.88

Totals = **582.0** **\$95,929.63**

Table 3 - Consultant/Subconsultant Summary (Costs & Hours)

(If Applicable, Select One)				Consultant	Labor Hrs	Total Costs
DBE	DVBE	SBE	Other			
			X	Kleinfelder Simon Wong Engineering*	430.0	\$70,371.35
		X		CA Wehsener Engineering	120.0	\$17,396.40
			X	Kleinfelder	32.0	\$8,161.88
X				Destination Enterprises		

Totals = **582.0** **\$95,929.63**

NOTES

- * Simon Wong Engineering, Inc. (SWE), referred to as Kleinfelder|Simon Wong Engineering (KLF|SWE), is a wholly-owned subsidiary of Kleinfelder (KLF) and maintains an independent tax i.d. number and overhead rate. In order to capture the appropriate overhead rate for each legal entity, we are listing them separately.
- Field inspection and materials testing rates have been adjusted as necessary to comply with prevailing wage DIR Determination SD-23-63-3-2016-1D which includes a predetermined increase on 7/1/17.
- Billing rates included in this cost proposal are based upon the base rates, overhead rates, profit, escalation, other direct costs (ODCs) and other terms included in the Fee and Payment Schedule incorporated into Contract 5007804 between SANDAG and Simon Wong Engineering.
- Billing rates included in this cost proposal are based upon the rates that will go into effect on July 1, 2017. Actual billings for June 2017 will be based on the rates that are in effect July 1, 2016 through June 30, 2017.

ASSUMPTIONS

- This cost proposal assumes that Schedule B work will commence July 1st and be complete by July 21st.
- KLF|SWE team to perform intermittent inspection of MTS Job Order Contract for SDG&E underground relocation work. MTS to handle weekly meetings, ongoing issues, progress payments, change orders, project acceptance and closeout of the JOC contract.