

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

January 11, 2018

MINUTES

A. ROLL CALL

Vice Chairman Roberts called the Executive Committee meeting to order at 9:00 a.m. A roll call sheet listing Executive Committee member attendance is attached.

B. APPROVAL OF MINUTES

Ms. Rios moved for approval of the minutes of the November 2, 2017, MTS Executive Committee meeting. Mr. McWhirter seconded the motion, and the vote was 3 to 0 in favor with Ms. Gomez absent.

C. COMMITTEE DISCUSSION ITEMS

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

Larry Marinesi, Chief Financial Officer, introduced Jeremy Miller with RVK to present on the SDTC Pension Investment Status. Mr. Miller continued the presentation and discussed the investment structure as of June 30, 2017; investment details; fiscal year performance for fiscal year 2017; performance details as of June 30, 2017; and performance details for fiscal year to date 2018.

Mr. Roberts asked for more information on the Real Return Composite category. Mr. Miller responded that Real Return is looked at as assets that would provide some type of inflation protection. He commented that they look to balance the portfolio with items that do well with inflation and deflation. Mr. Miller stated that they generally look at leaning into low performing managers to rebalance the portfolio. Mr. Marinesi commented that they conduct a comprehensive review of all managers on an annual basis to determine whether they need to make additional changes to the portfolio.

Mr. McWhirter asked if MTS has investment class barriers due to policy. Mr. Marinesi replied that MTS has an investment policy that is followed. Mr. Miller also commented that there are rules that we have assigned within the investment policy that govern how money is invested.

Action Taken

Informational item only. No action taken.

2. San Diego Transit Corporation (SDTC) Employee Retirement Plan's Actuarial Valuation as of July 1, 2017 (Anne Harper of Cheiron Inc. and Larry Marinesi)

Mr. Marinesi introduced Anne Harper and Alice Alsberghe with Cheiron Inc. to discuss the SDTC Employee Retirement Plan's Actuarial Valuation as of July 1, 2017. Ms. Harper continued the presentation and discussed the plan cost changes and plan cost by source. Ms. Alsberghe discussed the plan history contributions; plan history funding; plan history membership; and plan composition. Ms. Harper commented that the future plan projections are only estimates and projected contributions and funding levels assume that all actuarial assumptions will be realized exactly every year. She reviewed the projected total contributions and projected funded ratio of the plan. Lastly, Ms. Harper reviewed the major takeaways including the details of the plan history and plan future.

Action Taken

Ms. Rios moved to forward a recommendation to the Board of Directors to receive the SDTC Employee Retirement Plan's (Plan) actuarial valuation as of July 1, 2017, and adopt the pension contribution amount of \$15,614,315 for fiscal year 2019. Mr. McWhirter seconded the motion, and the vote was 4 to 0 in favor.

3. Mission Valley and Grantville Real Estate (Tim Allison, Karen Landers, Sharon Cooney)

Mr. Jablonski introduced this item and stated that staff would provide an update on real estate locations in the Mission Valley and Grantville areas. Sharon Cooney, Chief of Staff, continued the presentation and stated that there are multiple planning efforts underway or recently completed including the Mission Valley Community Plan update; SDCCU (Qualcomm) site planning; San Diego State Campus Master Plan; Riverwalk Specific Plan; and the Navajo Community Plan Update/Grantville Community Plan Implementation Overlay Zone. Ms. Cooney reviewed Board Policy No. 18, "Joint Use and Development of Property", which helps to direct staff with MTS's joint use and development property assets.

Tim Allison, Manager of Real Estate Assets, discussed the Riverwalk property. He reviewed the property map and discussed the Levi Cushman Specific Plan which was adopted in 1987. Mr. Allison reviewed the acquisition history and discussed the Riverwalk Golf Course lease agreement and the LRT Station construction agreement. Ms. Cooney reviewed the conceptual drawing that Hines Development Group is proposing to the City for this area and property. She stated that MTS has met with the developers and City planners to discuss this proposal. She noted that they are still developing a plan and it is still in the early stages. Ms. Cooney stated that MTS staff has voiced concerns over several issues including a new proposed trolley station; transit benefit with extension of Via Las Cumbres; and the proposed multiple at grade rail crossings.

Ms. Gomez inquired about the parking ratio at the property. Ms. Cooney replied that the parking ratios have not been discussed at this point. Ms. Gomez asked what the trolley station would approximately cost. Mr. Jablonski replied that it would cost approximately \$5 million. Ms. Gomez asked if there was any reference to affordable housing in the plan. Ms. Cooney replied that they have not referenced affordable housing at this time.

Ms. Gomez inquired about the MTS portion of the property being included in the development of this site. Ms. Cooney replied that staff told the developer that there may be some interest of including MTS's property into the plan, but that would ultimately be the decision of the Board. Mr. Jablonski noted that the developer had stated that they would go back to look at their plans about possibly including the MTS property in the development plan. Mr. Jablonski also noted that the California Public Utilities Commission (CPUC) has previously stated that they will not approve any more at-grade crossings which would ultimately conflict with this current plan.

Mr. McWhirter asked if MTS would try to lease or sell the property. Mr. Allison stated that MTS would lease the property.

Ms. Rios asked if this item would be brought to the Board for further discussion. Mr. Jablonski stated that staff can bring this item to the next Board meeting for discussion.

Mr. Allison discussed the Grantville Trolley Station property. He presented aerial view maps of the property site and the flood zone in the area. Mr. Allison reviewed the proposed Alvarado Canyon Road Realignment map that affects the Grantville property. He discussed the Affirmed Housing proposal which would include a mixed income residential development with both affordable and market rate housing. He also discussed the Greystar proposal which would include a multi-family development or a student housing development. Mr. Allison noted that there has not yet been an in-depth analysis on these plans. He reviewed next steps which include a property analysis by Keyser Marston and those analysis results would then be brought to the Executive Committee for further direction and recommendations.

Ms. Rios inquired about the student housing scenario from Greystar. A representative from Greystar replied that they would likely build macro-units including four bed/four bath or three bed/three bath type units to house students. In addition, a representative from Affirmed Housing stated that they have purchased the motel adjacent to this property site and would be building affordable housing for veterans.

Ms. Cooney discussed the SDCCU property site. She stated that there are two proposals for this site including the Soccer City proposal and the San Diego State University proposal. Ms. Cooney reviewed some discussion points regarding this site including how the Qualcomm Stadium Station would fit into the proposed developments; how the future Purple Line would be accommodated into the proposals; and the inclusion of transit circulation on site to access the Trolley Station and transit parking.

The Executive Committee asked MTS staff to bring back the Riverwalk Property portion of the presentation to the Board meeting next week for further discussion.

Action Taken

No action taken. Informational item only.

D. REVIEW OF DRAFT January 18, 2018 BOARD AGENDA (TAKEN BEFORE CLOSED SESSION)

Recommended Consent Items

6. 2018 State and Federal Legislative Programs
Action would approve staff recommendations for 2018 federal and state legislative programs.
7. Accessible Services Advisory Committee (ASAC) Membership
Action would approve the revisions to the ASAC Membership Guidelines.
8. MTS Access Operator First Transit Proposed Use of Taxicab Transportation Services
Action would waive the applicability of MTS Board Policy No. 31, "Providing Transit Services", in order for First Transit to subcontract with a taxicab dispatch company.
9. Green Line Shelter Replacement - Work Order
Action would authorize the Chief Executive Officer (CEO) to execute Work Order MTSJOC7504-42, PWL204.0-16 with ABC Construction, Inc. (ABC) for Green Line Shelter Replacement.
10. Upgrade Euclid Avenue and University Avenue Grade Crossings - Job Order Contract (JOC)
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL203.0-16, Work Order No. MTSJOC7500-07 with HMS Construction for the upgrade of grade crossings at both Euclid Avenue and University Avenue.
11. Investment Report - November 2017
12. Kearny Mesa Division Bay 18 Lift Replacement - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWB244.0-18 with Makai Solutions for the purchase and installation of Bay 18 replacement lifts.
13. WSP/Parsons Brinckerhoff (WSP) Procurement of Inspection and Engineering Support Services During the Manufacturing of MTS Light Rail Vehicles (LRV)
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G0930.17-04.65 with the San Diego Association of Governments (SANDAG) for the procurement of inspection and engineering support services during manufacturing of up to 9 LRVs.
14. Green Line Train to Wayside Communications (TWC) System Upgrade - Amendment Approval
Action would: (1) Ratify Amendments 1 through 5 of MTS Doc. No. PWL214.0-17 with Global Signals Group, Inc. (GSG) for the TWC system upgrade; (2) Authorize the Chief Executive Officer (CEO) to execute Amendments 6 and Amendment 7. Amendment 6 is for reprogramming the TWC to separate the ability to track trains and control the signals at Mission Valley, and Amendment 7 is for additional site surveying and conduit installation at fourteen locations; and (3) Approve time extension for three months from June 8, 2018 to September 8, 2018.

15. Light Rail Vehicle (LRV) Upper Level Work Platforms Construction Management Services - Work Order Agreement
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. WOA2016-CM001 to MTS Doc. No. G2016.0-17 with Caltrop Corporation for the LRV Upper Level Work Platform Construction Management Services.
16. MTS Building A - Operations Control Center (OCC) Video Wall System and Workstation Consoles Purchase and Installation Services - Award Work Order Under a Job Order Contract
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. MTSJOC7504-41, under MTS Doc. No. PWL204.0-16 with ABC Construction, Inc., for the provision of labor, materials, equipment, and supplies for the purchase and installation of new video wall system and dispatch workstation console for MTS Building A - OCC room.
17. Prohibiting Marijuana Advertisements
Action would approve the revisions to MTS Board Policy No. 21, "MTS Revenue-Generating Display Advertising, Concessions, and Merchandise".
18. On-Board Video Surveillance System (OBVSS) Vehicle Upgrades and Camera Removal and Re-Installations - Sole Source Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0685.0-18 with Apollo Video Technology ("Apollo") for: (1) A camera system upgrade to the Fixed-route, Access, Mini Bus fleets; and (2) An agreement for the removal and re-installation of camera systems on Access and Mini Bus fleets vehicles that have reached the end of their service life.
19. Roadway Worker Protection (RWP) Safety Training Services - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1373.0-17, with Jacobs Engineering Group ("Jacobs"), for Roadway Worker Protection (RWP) Safety Training Services.
20. Vehicle Advertising - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2014.0-17, with Outfront Media, to provide Vehicle (MTS Buses and Trolley Rail Cars) Advertising services for a five (5) year base term with five (5) one year options.

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 10:32 a.m.

- C4. CLOSED SESSION – PUBLIC EMPLOYEE PERFORMANCE EVALUATION/CONFERENCE WITH LABOR NEGOTIATORS – CHIEF EXECUTIVE OFFICER Pursuant to California Government Code Sections 54957 and 54957.6; Agency-Designated Representative: Ron Roberts, Vice Chairman
Employee: Paul C. Jablonski

The Executive Committee reconvened from Closed Session at 11:40 a.m.

Oral Report on Final Actions Taken in Closed Session

- C4. The Executive Committee gave a performance evaluation and gave instructions to negotiators.

H. NEXT MEETING DATE

The next Executive Committee meeting is scheduled for February 1, 2018, at 9:00 a.m. in the Executive Committee Conference Room.

I. ADJOURNMENT

Chairman Mathis adjourned the meeting at 11:40 a.m.

/s/ Georgette Gómez
Chairperson

Attachment: Roll Call Sheet

**EXECUTIVE COMMITTEE
SAN DIEGO METROPOLITAN TRANSIT SYSTEM**

ROLL CALL

MEETING OF (DATE) January 11, 2018

CALL TO ORDER (TIME) 9:00 a.m.

RECESS _____

RECONVENE _____

CLOSED SESSION 10:32 a.m.

RECONVENE 11:40 a.m.

ADJOURN 11:40 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
COLE	<input type="checkbox"/> (Gomez) <input checked="" type="checkbox"/>	9:02 a.m.	11:40 a.m.
MCWHIRTER	<input checked="" type="checkbox"/> (Arambula) <input type="checkbox"/>	9:00 a.m.	11:40 a.m.
RIOS	<input checked="" type="checkbox"/> (Salas) <input type="checkbox"/>	9:00 a.m.	11:40 a.m.
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:00 a.m.	11:40 a.m.
TBD	<input type="checkbox"/>		
Transportation Committee Rep Slot (TBD)			

SIGNED BY THE CLERK OF THE BOARD: *Julia Tuer*

CONFIRMED BY THE GENERAL COUNSEL: *Allen Lind*