

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

MINUTES

January 18, 2018

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

1. Roll Call

Vice Chairman Roberts called the Board meeting to order at 9:07 a.m. A roll call sheet listing Board member attendance is attached.

2. Approval of Minutes

Mr. Cunningham moved to approve the minutes of the December 14, 2018, MTS Board of Directors meeting. Ms. Cole seconded the motion, and the vote was 14 to 0 in favor with Ms. Bragg absent.

3. Public Comments

Lisa Fair – Ms. Fair commented on behalf of the Amalgamated Transit Union (ATU). She stated that they have been in contract negotiations since September 2017. She said that ATU wants fair and equitable wages. Ms. Fair asked for the Board to do the right thing and consider their proposal for fair and equitable wages.

Martha Welch – Ms. Welch commented that the MTS online chat feature was not working. She commented on Routes 11, 929 and the 24th Street trolley station. She stated that she likes Routes 3 and 5. Ms. Welch also commented on the lack of bathrooms and benches for the public.

Michelle Krug – Ms. Krug commented on Route 962 and the upcoming changes to the route. She asked for the Board to please continue keeping the Route 962 as it is today.

Shoshe Levy – Ms. Levy commented about the McDonald's second floor doorway at the San Ysidro trolley station property. She asked the Board to consider keeping this doorway open to the public. She stated that many people including elderly and disabled people utilize that doorway. A full statement by Ms. Levy was provided the Board and is included in the final meeting packet.

Clive Richard – Mr. Richard commented that he has come to the Board meetings for the last 25 years and have seen the many changes over the years. He stated that he hopes this is the beginning of a bright future.

4. Elect Chairperson, Vice Chair, Chair Pro Tem, and Committee Appointments (Sharon Cooney)

Ms. Salas introduced this item and thanked the members of the Ad Hoc Nominating Committee for their input during the appointments process. She reviewed the Ad Hoc Nominating Committee's proposal for the appointments including Georgette Gómez for Chair, Mona Rios for Vice Chair and Lorie Bragg for Chair Pro Tem. Ms. Landers commented that the process will be

to take individual votes on Chair, Vice Chair and Chair Pro Tem, and the other nominations can be taken as one full vote. She noted that the Board Chair position requires a two-thirds vote of the Board. The other positions require a majority vote of the Board members present. Ms. Landers stated that there are no seconds that are required for the nominations. She said that the Board will take nominations from the floor and then vote on the nominations in the order they were received, voting on the Ad Hoc Nominating Committee's nominations first. Ms. Salas called for nominations from the floor for the Board Chair position.

Mr. Cunningham commented that he had the privilege to work closely with past-Chair Harry Mathis for a long time and saw the benefits of having a Chair with experience and history to help guide MTS through difficult times. He stated that he believes that MTS should have a Chair that has had the experience and history to lead the Board. Mr. Cunningham said that he would like to nominate Supervisor Ron Roberts as Chair. Mr. Roberts responded and stated that he appreciates the nomination, but he would have to decline the nomination. He commented that he is going to support the Ad Hoc Nominating Committee's proposal for nominations. Mr. Cunningham stated that with Mr. Roberts' withdrawal, that he would also withdraw his nomination from the floor.

Ms. Salas thanked Mr. Roberts for the experience and value he has brought to MTS over the years. She also commented that their nomination for Ms. Gomez is not only because she is a woman, but because she is a very capable woman that has shown the depth of study and dedication into every issue. Ms. Salas said that Ms. Gomez has worked on transit issues for many years and understands the necessity for transit.

Action Taken – Close Nominations for Chair

Ms. Salas moved to close nominations for Chair from the floor. Mr. Sandke seconded the motion, and the vote was 14 to 0 in favor with Ms. Bragg absent.

PUBLIC COMMENTS

Michelle Krug – Ms. Krug commented that she has seen Ms. Gomez work on issues related to public transit and environmental equity. She believes having Ms. Gomez as Chair will bring an added perspective to MTS.

Jacqueline Reynoso – Ms. Reynoso stated that she is in support of the nomination of Ms. Rios for Vice Chair. She said that Ms. Rios' experience and leadership on the MTS Board and other committees shows that she is a great candidate for Vice Chair. Ms. Reynoso commented that it is in the best interest of the region to nominate Ms. Rios as Vice Chair to the MTS Board.

Gretchen Newsom – Ms. Newsom commented on behalf of IBEW 569. She stated that it is their hope that Ms. Gomez will be elected as the new MTS Chair and Ms. Rios as the new Vice Chair. She stated that both women have demonstrated leadership addressing climate change and have a commitment to expand mass transit. Ms. Newsom commented that both candidates are strong advocates for a robust transit system and for the economy, environment, community, and working families.

Randy Van Vleck – Mr. Van Vleck commented on behalf of the City Heights Community Development Corporation. He stated that the upcoming year is a big year for Mid-City including the opening of the Center Line Stations as well as the improvements from the Transit Optimization Plan. He stated that he had the pleasure of working with Ms. Gomez while she

worked for the Environmental Health Coalition and recognized that she is very hard working and dedicated. Mr. Van Vleck stated that the City Heights Community Development Corporation supports the nomination of Ms. Gomez for MTS Chair. He also said that he is happy to see the nomination of Ms. Rios for MTS Vice Chair.

Anastasia Brewster – Ms. Brewster commented that she wholeheartedly supports the nomination of Ms. Gomez for MTS Chair and Ms. Rios for MTS Vice Chair. She stated that they understand the needs of transit users and the needs for substantive community participation in making decisions. Ms. Brewster said that she is confident that both women will continue to serve MTS and their communities well.

Ana Reynoso – Ms. Reynoso commented on behalf of the Environmental Health Coalition. She said that they are in support of the Ad Hoc Nominating Committee's proposal to elect Ms. Gomez as Chair and Ms. Rios as Vice Chair to the MTS Board. She said that equitable, efficient and affordable transportation planning is especially important for historically disadvantaged communities. She stated that the lack of community representation at SANDAG and MTS have resulted in increased health impacts and traffic pollution. Ms. Reynoso stated that both Councilmembers have demonstrated their dedication to helping community needs and wants. She stated that the Environmental Health Coalition supports Ms. Gomez and Ms. Rios for these positions.

Esperanza Miranda – Ms. Miranda commented that she lives in City Heights and sees how important public transit is to the community. She said that the problem with her community is the lack of change in leadership at SANDAG and MTS. The transportation in San Diego is costly and limited and she has seen an increase in population and pollution. Ms. Miranda stated that the solution is to elect Ms. Gomez as Chair and Ms. Rios as Vice Chair. She commented on behalf of her community, they would like to see the Board approve Ms. Gomez as Chair and Ms. Rios as Vice Chair.

BOARD COMMENTS

Mr. Alvarez thanked the public for commenting and voicing their support. He stated that he supports Ms. Gomez for the Chair position. Mr. Alvarez said that Ms. Gomez will keep the public interests at heart and will help improve our system.

Mr. Faulconer stated he is in support of Ms. Gomez as Chair for MTS. He commented that Ms. Gomez will bring a positive perspective to the continued changes at MTS. He urged a unanimous vote of support for Ms. Gomez as Chair.

Ms. Cole commented that she supports and agrees with everything that has been said about Ms. Gomez. She stated that Ms. Gomez is passionate about every item, because she wants to make a difference in the community. Ms. Cole said that she fully supports Ms. Gomez as Chair.

Ms. Gomez thanked the nominating committee for proposing her as the next Chair for MTS.

Action Taken – Elect Chairperson

The Ad Hoc Nominating Committee moved to elect Georgette Gómez as Chairperson. The vote was 14 to 0 in favor with Ms. Bragg absent.

Mr. Roberts asked if there were any alternate nominations from the floor for the remaining positions including Vice Chair, Chair Pro Tem and other committee assignments. There were no alternate nominations from the floor.

Action Taken – Close Nominations

Mr. Alvarez moved to close all other nominations from the floor. Mr. McWhirter seconded the motion, and the vote was 14 to 0 in favor with Ms. Bragg absent.

Action Taken – Elect Vice Chair, Chair Pro Tem and Committee Appointments

The Ad Hoc Nominating moved to elect Mona Rios as Vice Chair, Lorie Bragg as Chair Pro Tem, and approve the proposed slate for the appointment of representatives to MTS and other outside committees for 2018. The vote was 14 to 0 in favor with Ms. Bragg absent.

[Clerk's Note: A FPPC Form 806 was completed for all MTS Board officer positions and committee appointments.]

CONSENT ITEMS

6. Number Not Used.
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.

BOARD COMMENTS

Mr. Alvarez asked to pull agenda item 20 for further discussion. Mr. Alvarez asked about the contract and if any percentage of the work included advertisements for public service announcements. Mr. Schupp replied that public service announcements are included in the contract and outside public service announcements are generally paid for. Mr. Jablonski commented that we have space if we want to promote MTS and that is usually done on the interior of the vehicles.

Action on Recommended Consent Items

Mr. Alvarez moved to approve Consent Agenda Item Nos. 6 – 20. Mr. Sandke seconded the motion, and the vote was 14 to 0 in favor with Ms. Bragg absent.

CLOSED SESSION

24. Closed Session Items

The Board convened to Closed Session at 10:00 a.m.

- a. 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
- b. CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54957.6
Agency: San Diego Trolley, Inc. (SDTI)
Employee Organization: Public Transit Employees Association (PTEA) (Representing SDTI Train Operators, Electromechanics, Servicepersons and Clerical Staff)
Agency-Designated Representative: Jeff Stumbo
- c. CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54957.6
Agency: San Diego Trolley, Inc. (SDTI)
Employee Organization: Transit Enforcement Officers Association (TEOA) (Representing SDTI Code Compliance Inspectors)
Agency-Designated Representative: Jeff Stumbo

The Board reconvened to Open Session at 11:22 a.m.

Oral Report of Final Actions Taken in Closed Session

Karen Landers, General Counsel, reported the following:

- a. The Board received a report, conducted a performance evaluation and gave instructions to negotiators.
- b. The Board approved a new labor agreement on a vote with 12 in favor, 1 opposed and 2 absent.
- c. The Board approved a new labor agreement with the Transit Enforcement Officers Association with 13 in favor and 2 absent.

NOTICED PUBLIC HEARINGS

25. None.

REPORT ITEM (TAKEN OUT OF ORDER)

46. Riverwalk Real Estate (Tim Allison and Sharon Cooney)

This report was deferred to next meeting.

Action Taken

No action taken. Informational item only.

DISCUSSION ITEMS:

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

Larry Marinesi, Chief Executive Officer, introduced Jeremy Miller with RVK to present on the SDTC Pension Investment Status. Mr. Miller 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.

Action Taken

No action taken. Informational item only.

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

Anne Harper and Alice Alsberghe with Cheiron Inc. provided a presentation on the SDTC Employee Retirement Plan's Actuarial Valuation as of July 1, 2017. Ms. Harper 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 then discussed the future plan projections and noted that the projections are only estimates. 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.

Mr. Alvarez inquired about the future total contributions projected for the year 2037. Ms. Harper replied that the unfunded actuarial liability (UAL) is being paid off over 25 years and all gains and losses are being paid over 15 years. She said those losses will all be paid off by 2037. Mr. Alvarez asked if there are any other potential impacts that may arise to the percentage. Mr. Marinesi replied that the Board made a decision two years ago to change the rate of return from 7.5% to 7.0% to be more conservative based upon the marketplace. He noted that some important factors include investment return and mortality rates. Mr. Alvarez inquired about the potential changes in salary for the employee group. Ms. Harper replied that they incorporated salary adjustments into their assumption.

Action Taken

Mr. Roberts moved 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. Ms. Rios seconded the motion, and the vote was 12 to 0 in favor with Ms. Aguilar, Ms. Bragg and Mr. McWhirter absent.

32. 2018 State and Federal Legislative Programs

Sharon Cooney, Chief of Staff, provided a presentation on the 2018 State and Federal Legislative Programs. She reviewed the MTS Federal legislative priorities and State legislative priorities.

Chair Gomez asked for clarification on the climate change portion of the legislative program related to purchase mandates of a specific technology. Ms. Cooney replied that MTS would not support any California Air Resources Board (CARB) mandate that would require MTS to cut regular service due to cost of the mandate. Chair Gomez commented about AB 32 and SB 375. Chair Gomez stated that MTS specifically does not have to reduce greenhouse gases (GHG), but SANDAG and the Cities do have a requirement to comply with GHG reductions. Ms. Cooney replied that there is a concern with unfunded mandates resulting in MTS not being able to fund service, which would require MTS to either cut regular service and/or raise fares to comply with the unfunded mandates. Ms. Cooney noted that MTS is affected by SB 375 and is required to show that we are meeting regional goals while applying for grants, such as the Transit and Intercity Rail Capital Program (TIRCP). Chair Gomez recommended that she would like to include another item in the legislative program that would support programs that would provide incentives to local transit agencies towards funding student transit passes.

PUBLIC COMMENT

Max Ellorin – Mr. Ellorin commented on behalf of Mid-City CAN. He asked that the Board add language to the legislative program to support legislation to fund student and youth transit passes.

BOARD COMMENTS – CONTINUED

Mr. Alvarez commented that he would like to see legislation being proposed by MTS. He stated that he doesn't have a specific proposal today, but recommended that we should have discussions about pushing for regulatory relief and gaining incentives for mixed-use and transit-oriented development (TOD) housing near MTS transit properties.

Action Taken

Ms. Zapf moved to approve staff recommendations for 2018 federal and state legislative programs, with the addition of the recommendation to include support for programs that would provide incentives to local transit agencies towards funding student transit passes. Mr. Alvarez seconded the motion, and the vote was 11 to 0 in favor with Mr. Arambula, Ms. Aguilar, Ms. Bragg, and Mr. McWhirter absent.

REPORT ITEM

45. Operations Budget Status Report for November 2017 (Mike Thompson)

This staff report was waived.

Action Taken

Ms. Cole moved to waive and receive the staff report. Mr. McClellan seconded the motion, and the vote was 11 to 0 in favor with Mr. Arambula, Ms. Aguilar, Ms. Bragg, and Mr. McWhirter absent.

60. Chair Report

Chair Gomez thanked the Board for electing her to the position of Chair for MTS.

61. Chief Executive Officer's Report

There was no Chief Executive Officer's report.

62. Board Member Communications

Ms. Rios thanked the Board for electing her to the position of Vice Chair for MTS.

63. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

64. Next Meeting Date

The next regularly scheduled Board meeting is February 15, 2018.

65. Adjournment

Chair Gomez adjourned the meeting at 12:09 p.m.

/s/ Georgette Gómez _____
Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

/s/ Julia Tuer _____
Clerk of the Board
San Diego Metropolitan Transit System

/s/ Karen Landers _____
General Counsel
San Diego Metropolitan Transit System

Attachment: Roll Call Sheet

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS
ROLL CALL

MEETING OF (DATE): January 18, 2018

CALL TO ORDER (TIME): 9:07 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 10:00 a.m.

RECONVENE: 11:22 a.m.

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 12:09 p.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ALVAREZ	<input checked="" type="checkbox"/> (Cate) <input type="checkbox"/>	9:00 a.m.	12:09 p.m.
ARAMBULA	<input checked="" type="checkbox"/> (Mendoza) <input type="checkbox"/>	9:00 a.m.	11:50 a.m.
BRAGG	<input type="checkbox"/> (Spriggs) <input type="checkbox"/>		
COLE	<input checked="" type="checkbox"/> (Ward) <input type="checkbox"/>	9:00 a.m.	12:09 p.m.
CUNNINGHAM	<input checked="" type="checkbox"/> (Mullin) <input type="checkbox"/>	9:00 a.m.	12:09 p.m.
DIAZ	<input type="checkbox"/> (Aguilar) <input checked="" type="checkbox"/>	9:00 a.m.	11:22 a.m.
FAULCONER	<input checked="" type="checkbox"/> (Zapf) <input type="checkbox"/>	9:00 a.m.	10:00 a.m.
FAULCONER	<input type="checkbox"/> (Zapf) <input checked="" type="checkbox"/>	10:00 a.m.	12:09 p.m.
GOMEZ	<input checked="" type="checkbox"/> (Bry) <input type="checkbox"/>	9:00 a.m.	12:09 p.m.
HALL	<input type="checkbox"/> (Jones) <input checked="" type="checkbox"/>	9:00 a.m.	12:09 p.m.
MCCLELLAN	<input checked="" type="checkbox"/> (Goble) <input type="checkbox"/>	9:00 a.m.	12:09 p.m.
MCWHIRTER	<input checked="" type="checkbox"/> (Arapostathis) <input type="checkbox"/>	9:00 a.m.	10:06 a.m.
RIOS	<input checked="" type="checkbox"/> (Sotelo-Solis) <input type="checkbox"/>	9:00 a.m.	12:09 p.m.
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:00 a.m.	12:09 p.m.
SALAS	<input checked="" type="checkbox"/> (Aguilar) <input type="checkbox"/>	9:00 a.m.	12:09 p.m.
SANDKE	<input checked="" type="checkbox"/> (Donovan) <input type="checkbox"/>	9:00 a.m.	12:09 p.m.

SIGNED BY THE CLERK OF THE BOARD: Julia Teller

CONFIRMED BY THE GENERAL COUNSEL: Paula Card