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Agenda

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

February 1, 2018

9:00 a.m.

James R. Mills Building
Executive Conference Room, 10th Floor
1255 Imperial Avenue, San Diego

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ACTION RECOMMENDED

- A. ROLL CALL
- B. APPROVAL OF MINUTES - January 11, 2018 Approve
- C. COMMITTEE DISCUSSION ITEMS
 - 1. Quarterly Mid-Coast Transit Project Update (Sharon Humphreys of SANDAG) Informational
 - 2. AB 805: Ballot Measure (Paul Jablonski) Possible
Action would discuss issues related to the levying of a sales tax as authorized Action
by AB 805 (Gonzalez-Fletcher).
- D. REVIEW OF DRAFT February 15, 2018 BOARD AGENDA
- E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA Possible
Review of SANDAG Transportation Committee Agenda and discussion regarding any Action
items pertaining to MTS, San Diego Transit Corporation, or San Diego Trolley, Inc.
Relevant excerpts will be provided during the meeting.
- F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS
- G. PUBLIC COMMENTS

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

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

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



H. NEXT MEETING DATE: March 1, 2018

I. ADJOURNMENT

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 Lund



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Agenda Item No. C1

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

February 1, 2018

SUBJECT:

QUARTERLY MID-COAST CORRIDOR TRANSIT PROJECT UPDATE (SHARON HUMPHREYS OF SANDAG)

INFORMATIONAL ONLY

Budget Impact

None.

DISCUSSION:

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

/s/ Paul C. Jablonski

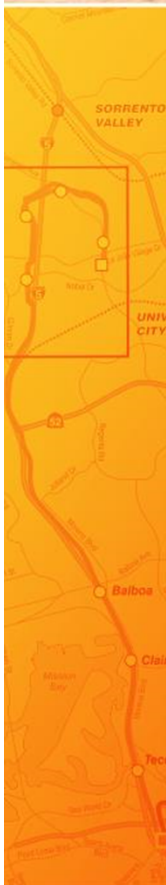
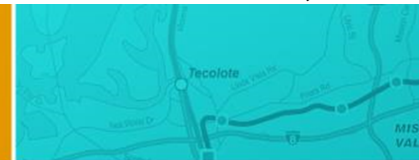
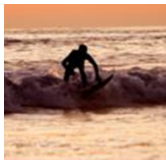
Paul C. Jablonski
Chief Executive Officer

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

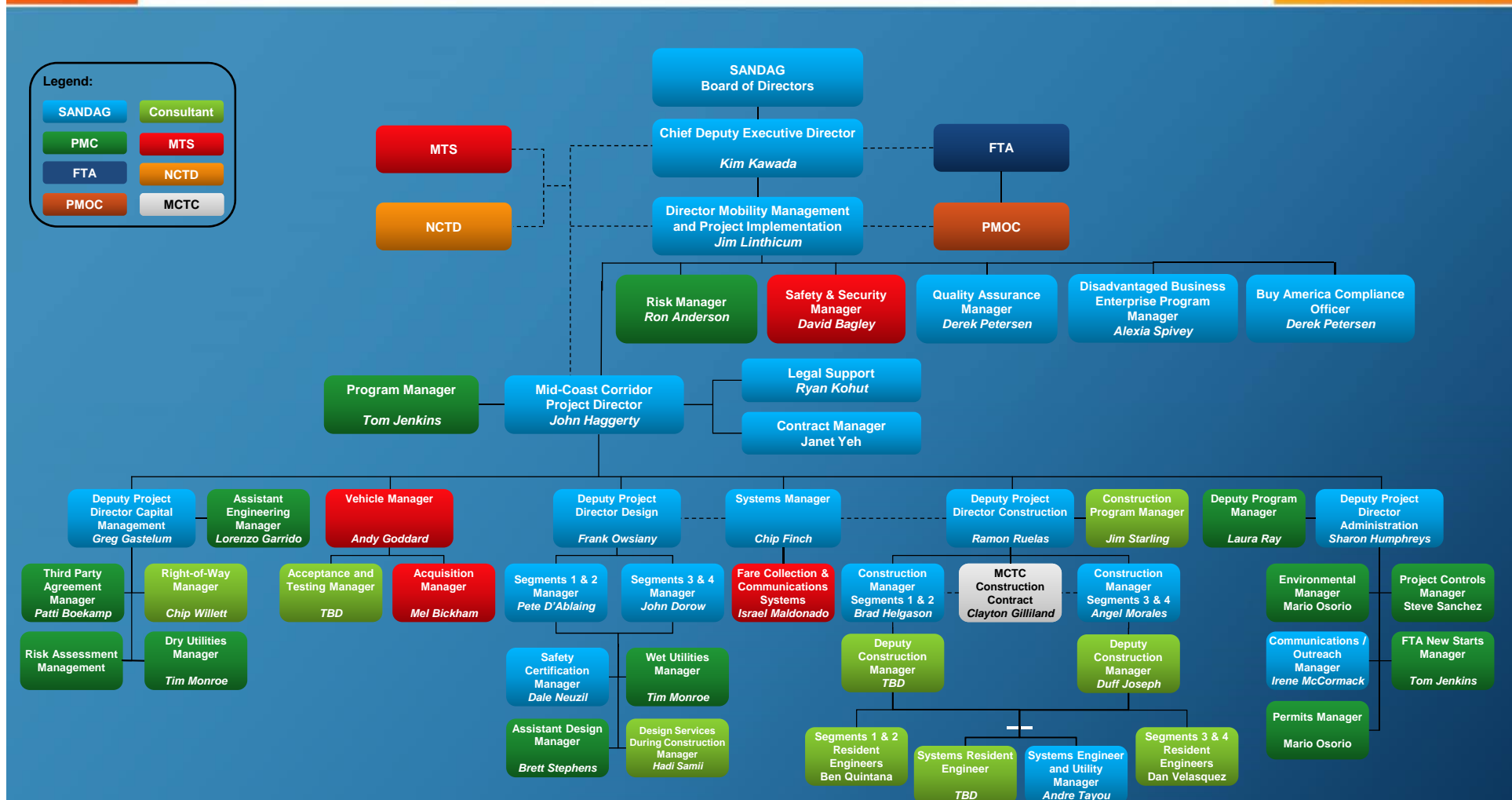


Mid-Coast Corridor Transit Project

MTS Executive Committee Update
February 1, 2018



Organization – Construction Phase





Contractor



**Stacy and
Witbeck**

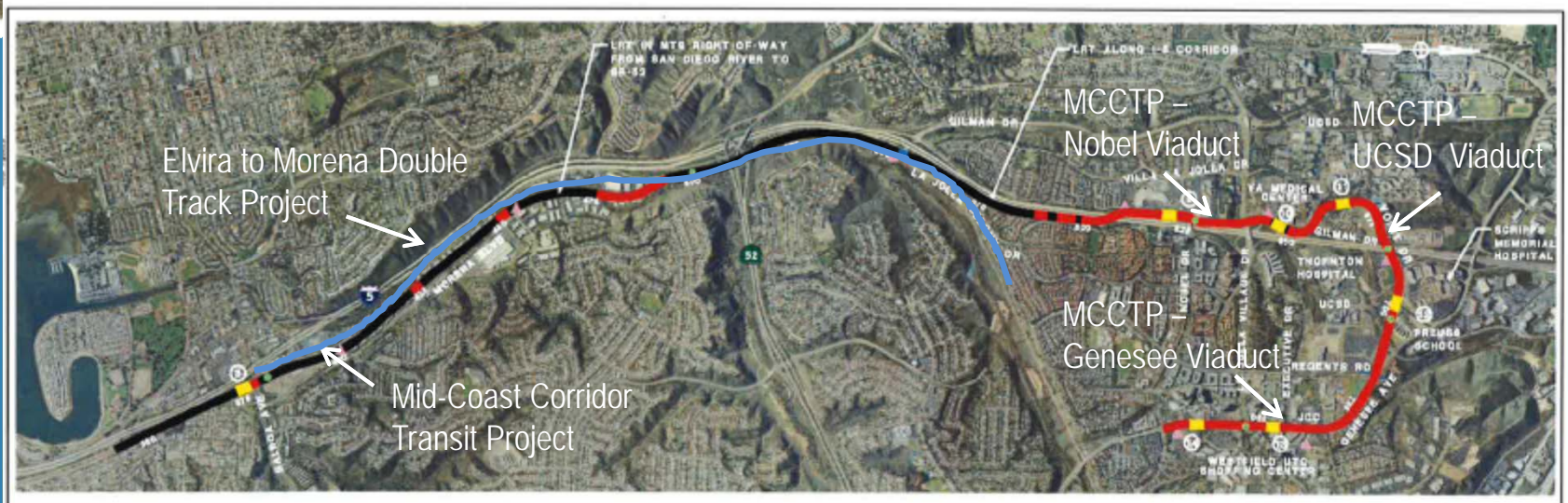
HERZOG

SKANSKA

Mid-Coast Project Alignment



MID-COAST CORRIDOR
TRANSIT PROJECT

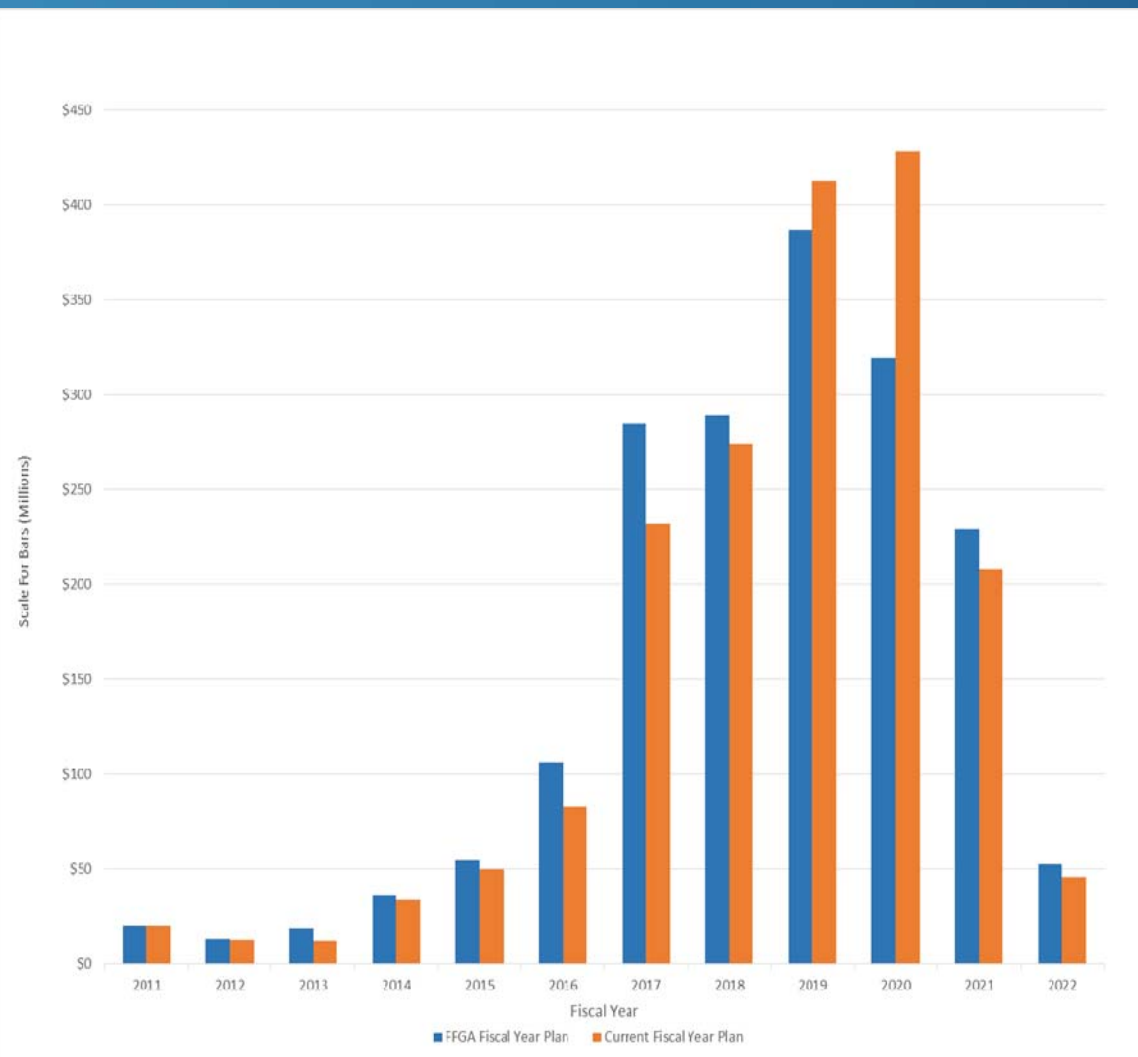




Mid-Coast Project Budget

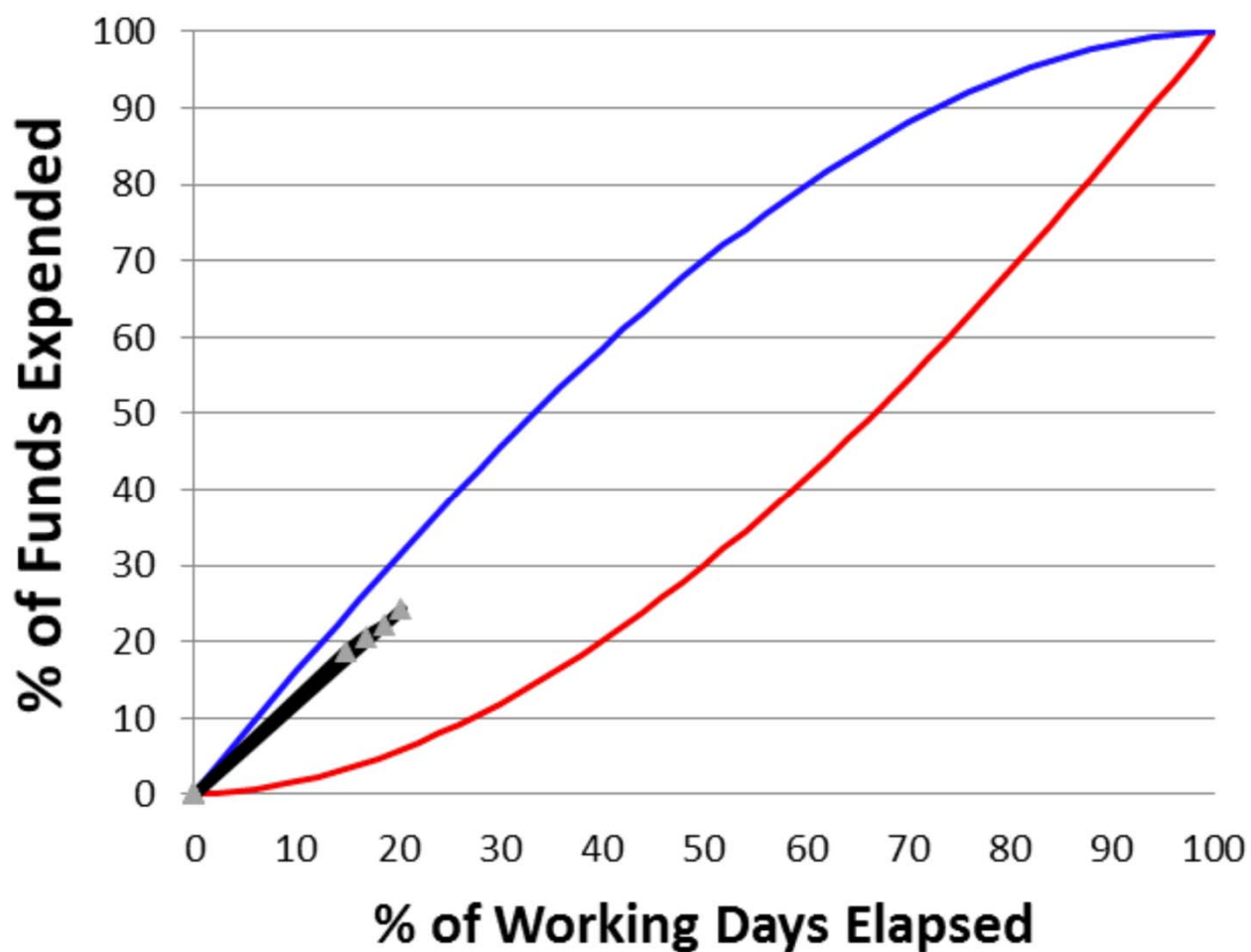
SANDAG EXPENDITURE PLAN (\$000)

Administration	\$66,561
Environmental Document	32,562
Design	155,571
Right-of-Way Support	5,258
Right-of-Way Capital	90,381
Construction Support	92,673
Construction Capital	1,092,560
Vehicles	164,979
Legal Services	4,869
Communications	1,552
Project Contingency	106,263
TransNet CT Pass-Through	572
Total Capital Delivery	\$1,813,801
Finance Costs	\$357,400
Total Project	\$2,171,201



MID-COAST CORRIDOR
TRANSIT PROJECT

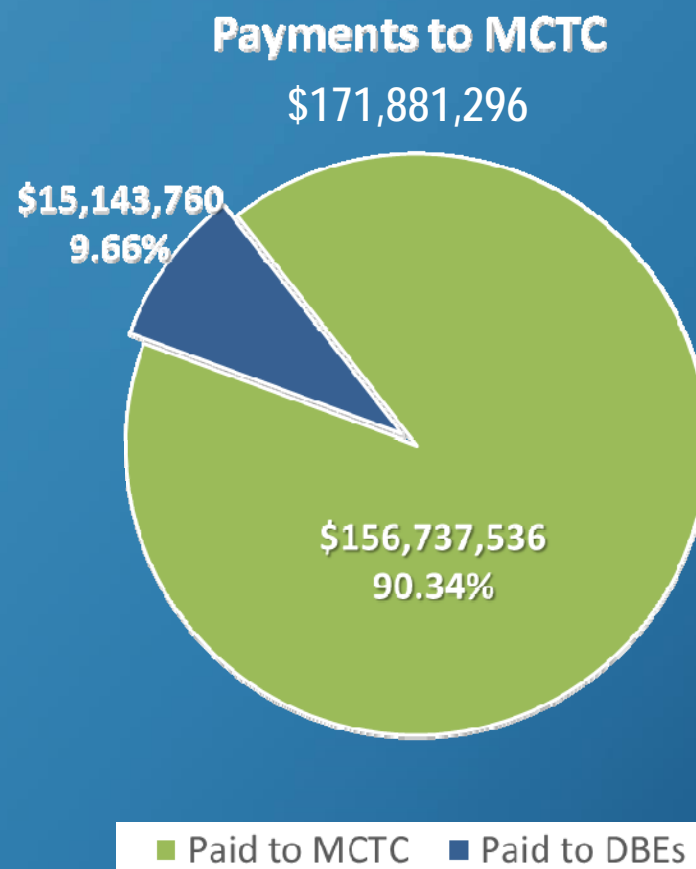
Mid-Coast Construction Progress





Mid-Coast DBE Participation

Mid-Coast Project (Supplement 4) DBE Goal 11.3%

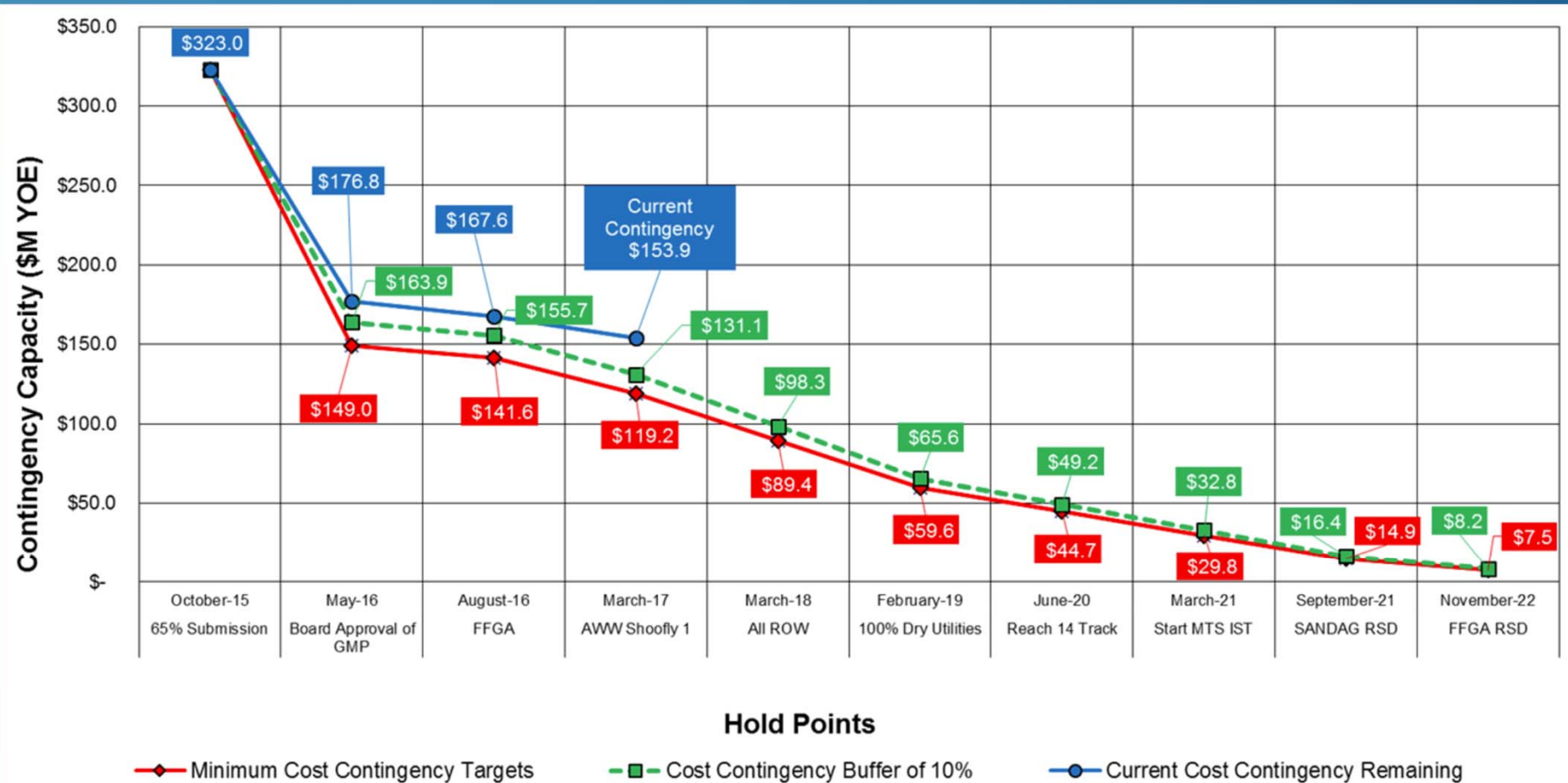


Payment data through November 2017

Project Health - Budget Contingency Expenditure Curve



Data through December 31, 2017





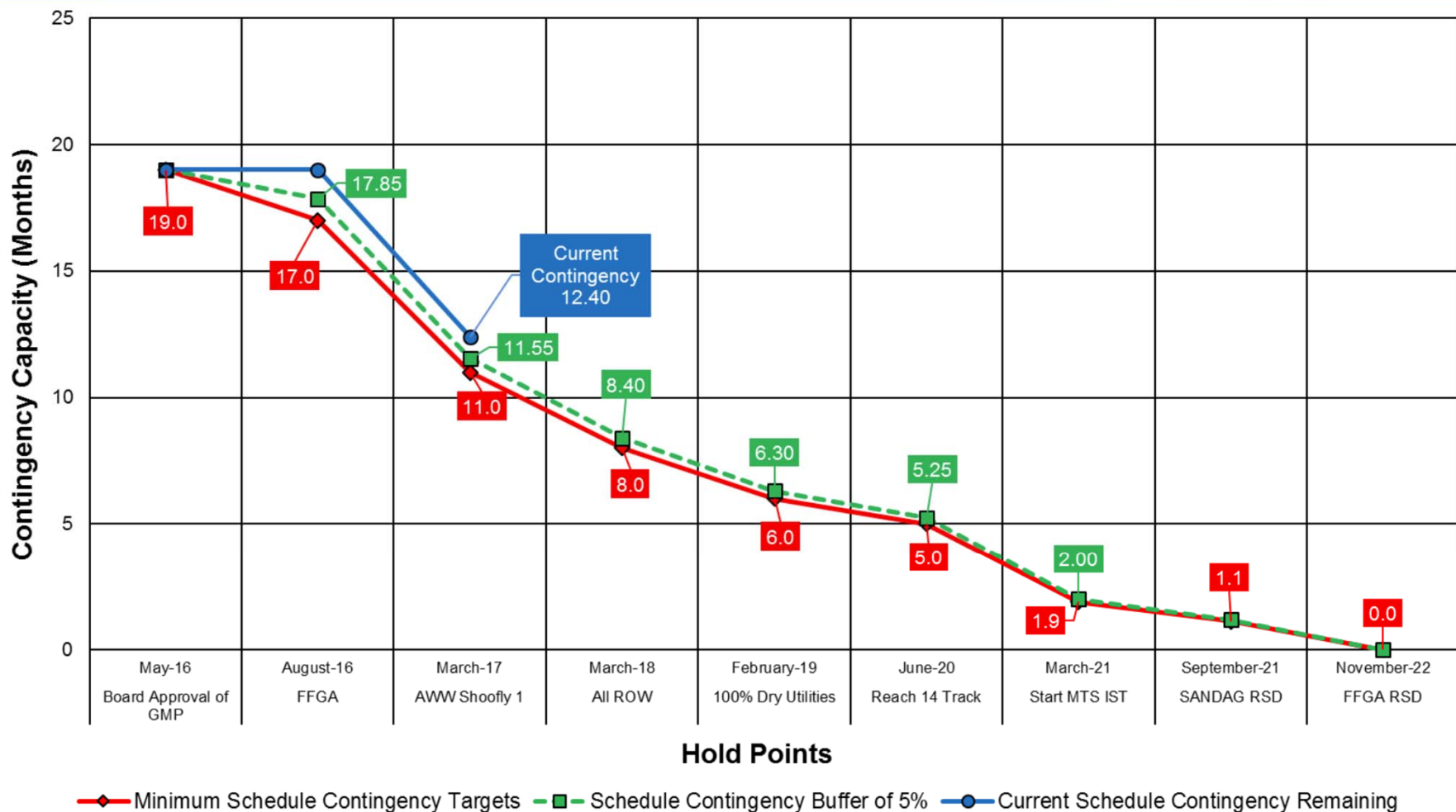
Project Controls- Schedule

<u>Milestone</u>	<u>Baseline</u>	<u>Dec. 20, 2017 Update</u>
Heavy Construction Duration	56 months	57.3 months
AWW Shoofly 1 Complete	March 26, 2017	March 26, 2017
AWW Shoofly 2 Complete	March 18, 2018	October 14, 2018
Reach 14 Track Const. Complete	August 6, 2020	September 4, 2020
Start MTS Pre-Revenue Testing	April 20, 2021	May 27, 2021
Final Completion by MCTC	July 16, 2021	August 24, 2021
Revenue Service Date	Sept. 27, 2021	Nov. 3, 2021
FFGA Latest Revenue Date	Nov. 23, 2022	Nov. 23, 2022

Project Health - Schedule Contingency Curve



Data through December 20, 2017





Mid-Coast Construction Elements



Utilities and Roads



Walls/Bridges/Viaducts



Track Work and Systems



Stations/Parking,
Communications
and Security

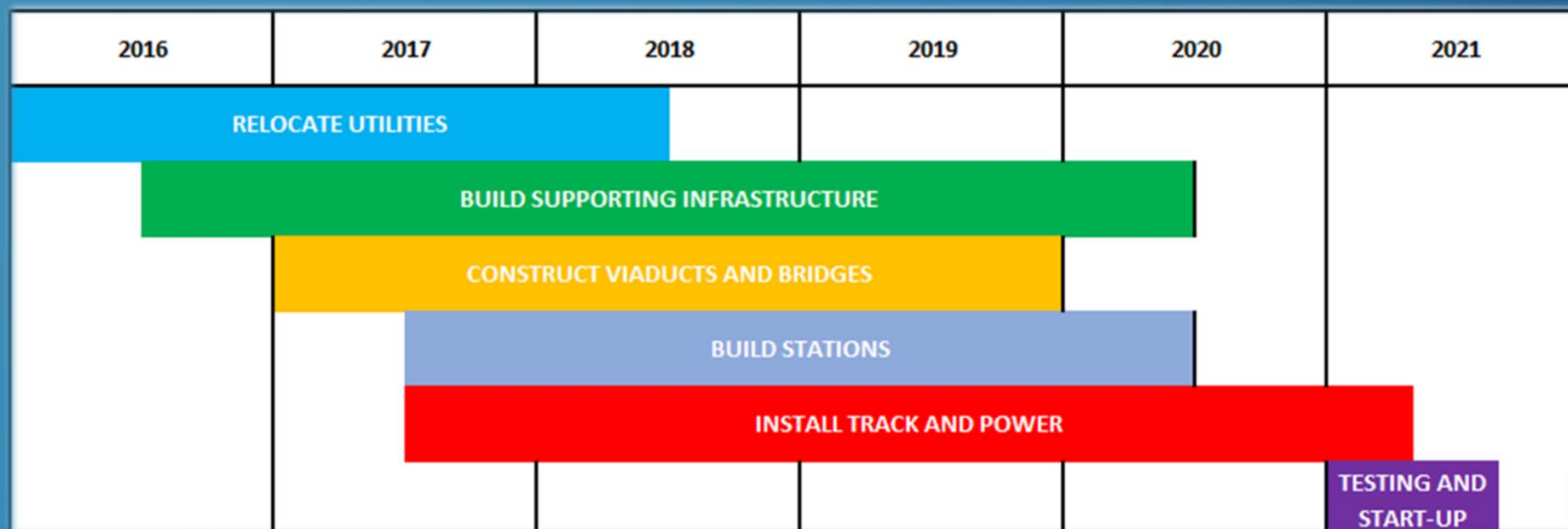


Start-Up and Testing



MID-COAST CORRIDOR
TRANSIT PROJECT

Mid-Coast Construction Schedule



Utility Relocation Update – Wet Utilities



- 95% complete in LOSSAN (Segments 1 and 2)
- 81% complete in UCSD/UTC (Segments 3 and 4)



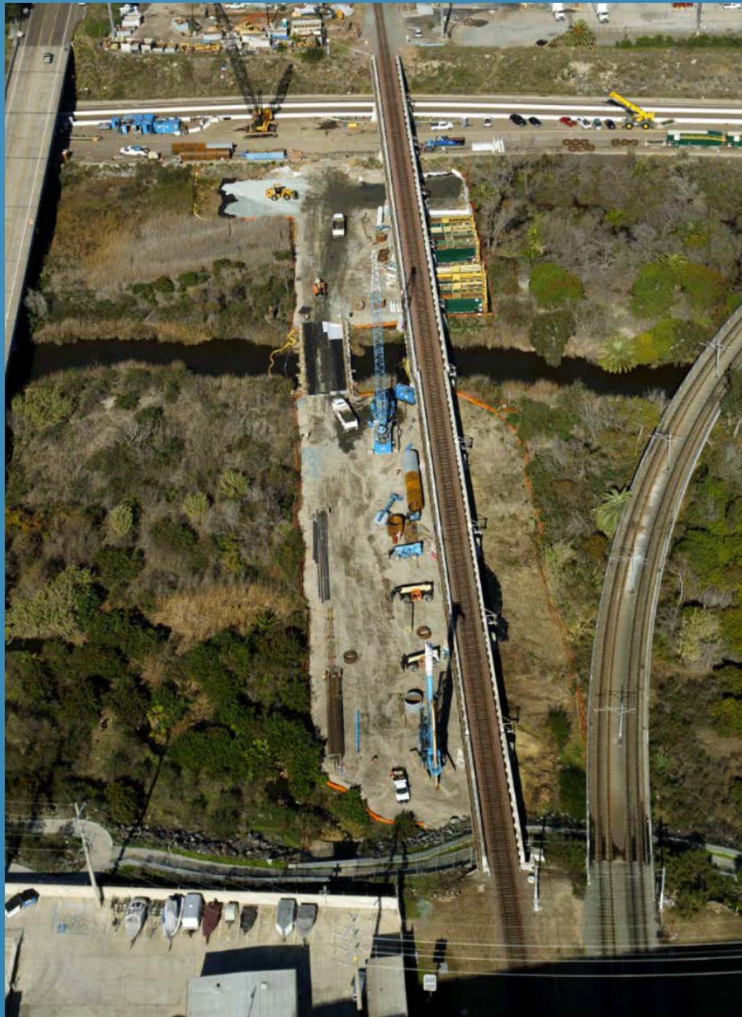


Construction Update

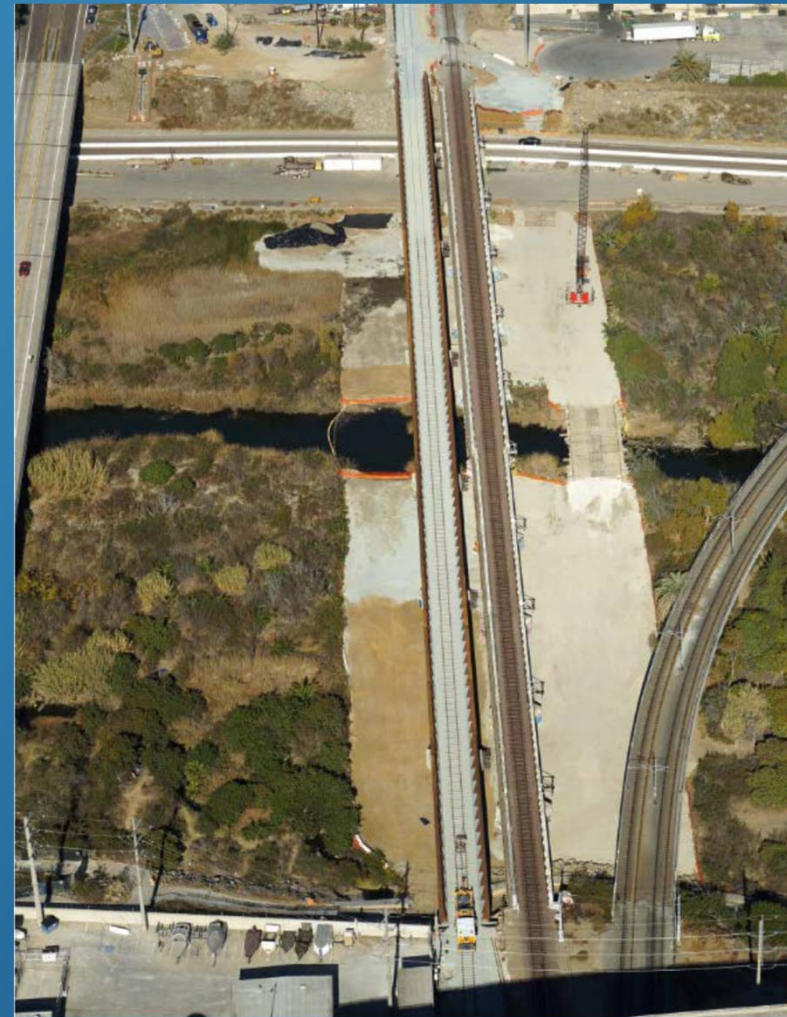
- Clearing and grubbing, demolition, wet/dry utility relocation nearing completion
- Excavation, grading, earthwork, retaining walls in construction
- Cutover to new LOSSAN San Diego River Bridge February 2018
- Cutover to new LOSSAN bridges at Rose Canyon late Spring 2018
- UCSD viaduct columns completed, viaduct in construction
- Genesee Avenue street & subsurface improvements nearing completion
- Nobel & Genesee viaduct columns in construction



LOSSAN San Diego River



December 2016

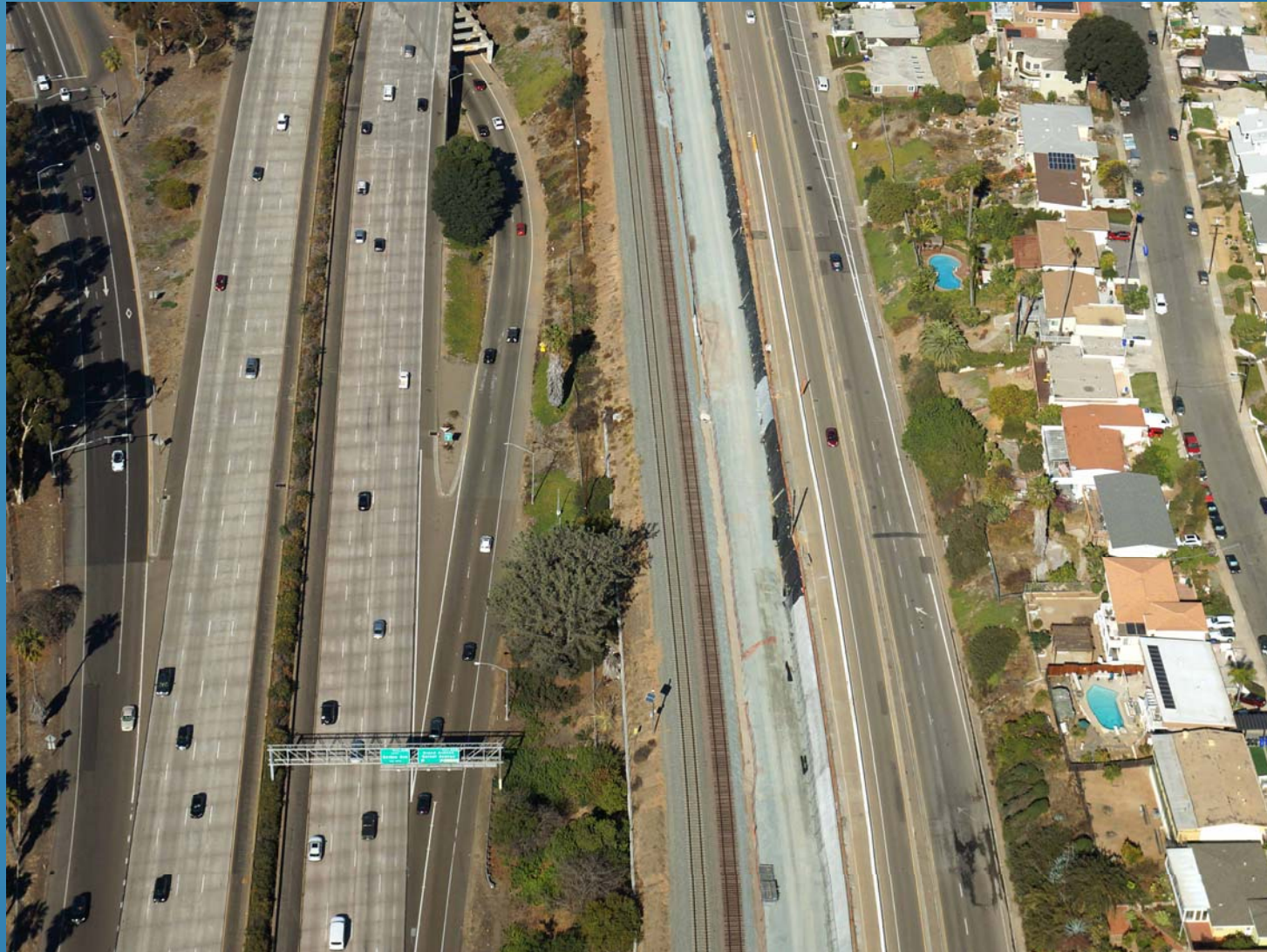


December 2017



MID-COAST CORRIDOR
TRANSIT PROJECT

Construction Update



Boulderscape Wall along Morena

February 1, 2018

16

16



MID-COAST CORRIDOR
TRANSIT PROJECT

Construction Update



Boulderscape Wall along Morena



MID-COAST CORRIDOR
TRANSIT PROJECT

Construction Update



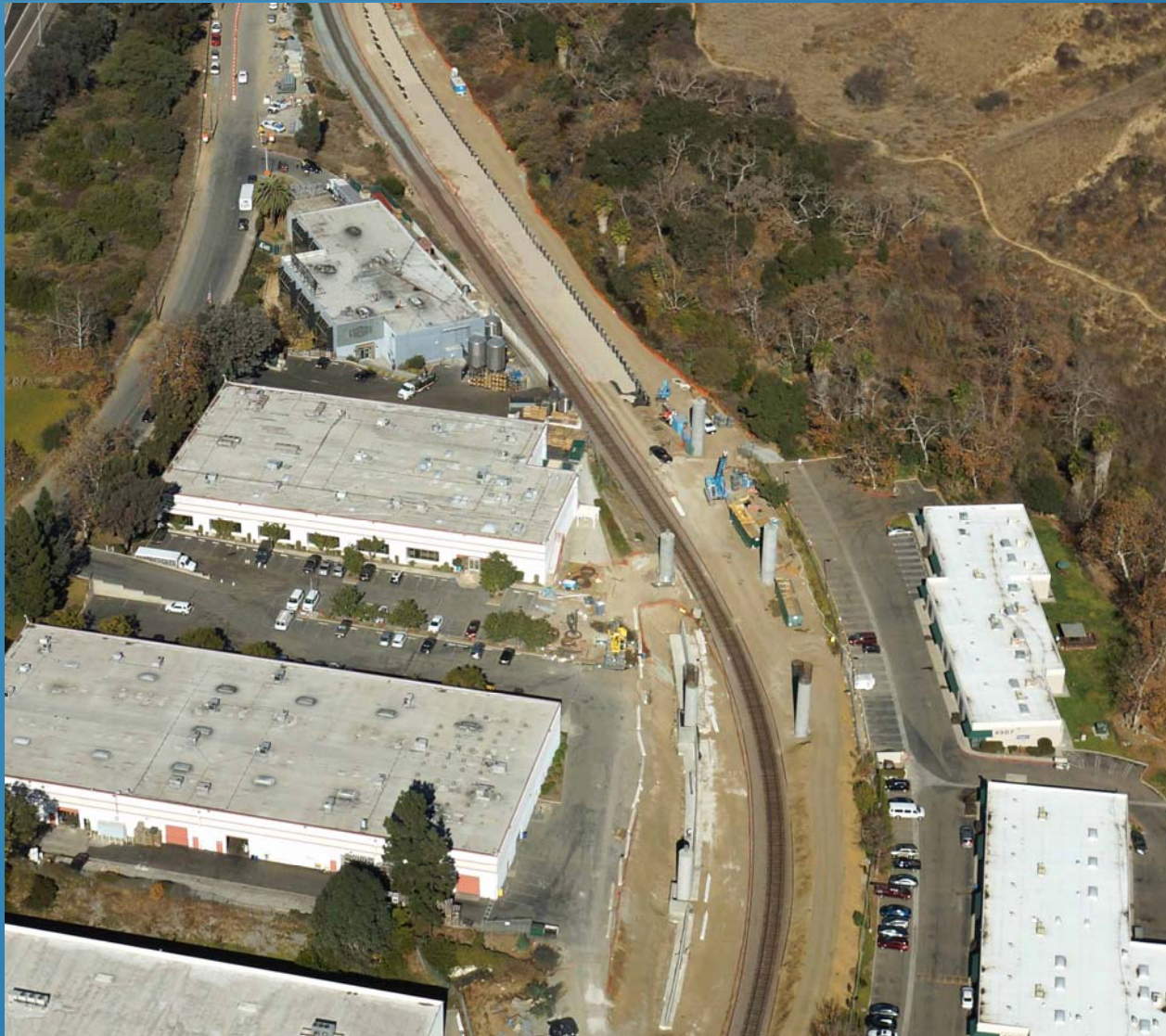
Balboa Avenue – LOSSAN Bridge

February 1, 2018



MID-COAST CORRIDOR
TRANSIT PROJECT

Construction Update

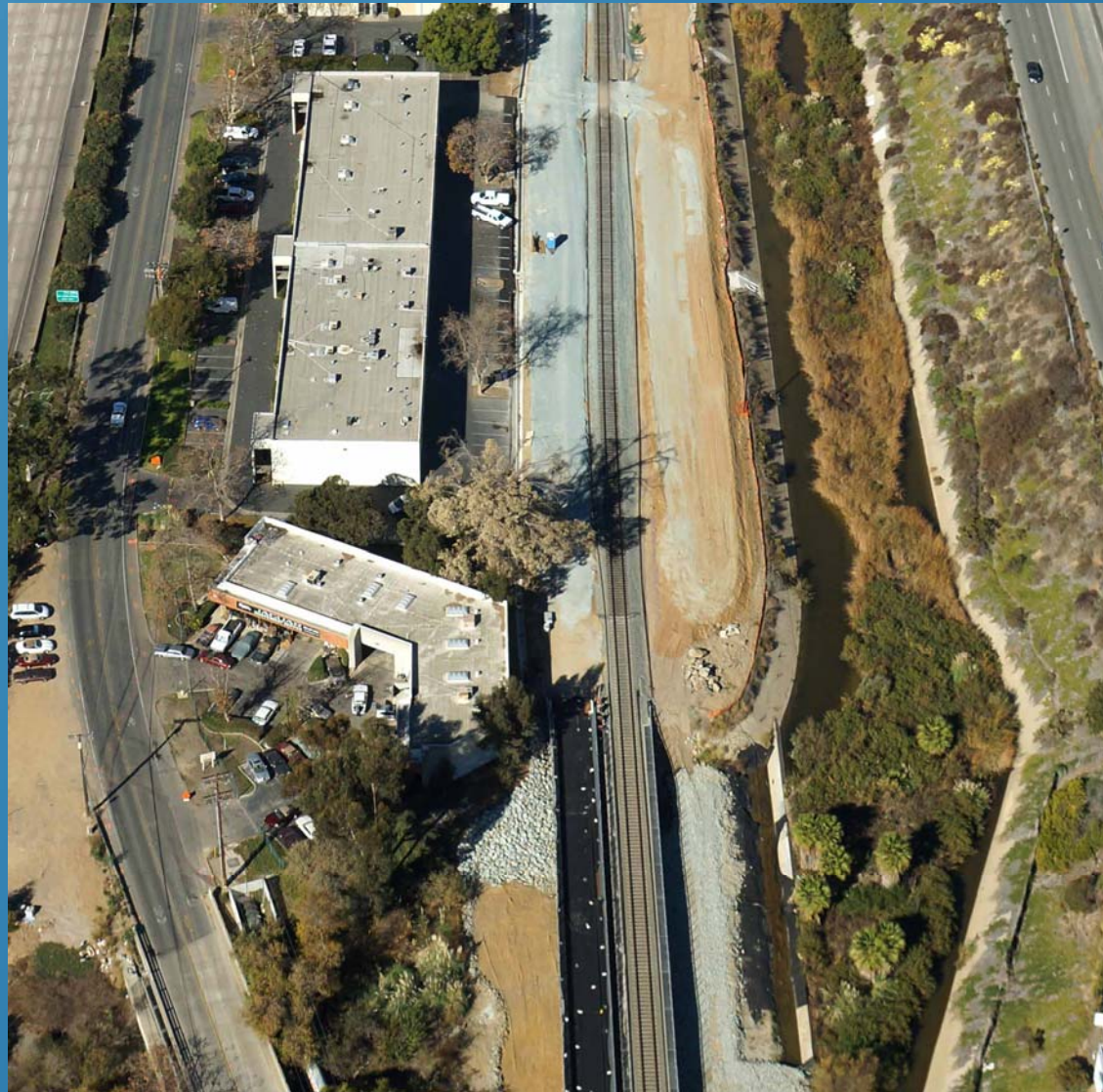


Flyover Columns by Karl Strauss

February 1, 2018



Construction Update



Rose Creek LOSSAN Bridge

February 1, 2018



MID-COAST CORRIDOR
TRANSIT PROJECT

Construction Update



Rose Creek Channel Under SR-52

February 1, 2018



MID-COAST CORRIDOR
TRANSIT PROJECT

Construction Update



Rose Creek Channel Under SR-52

February 1, 2018



MID-COAST CORRIDOR
TRANSIT PROJECT

Construction Update



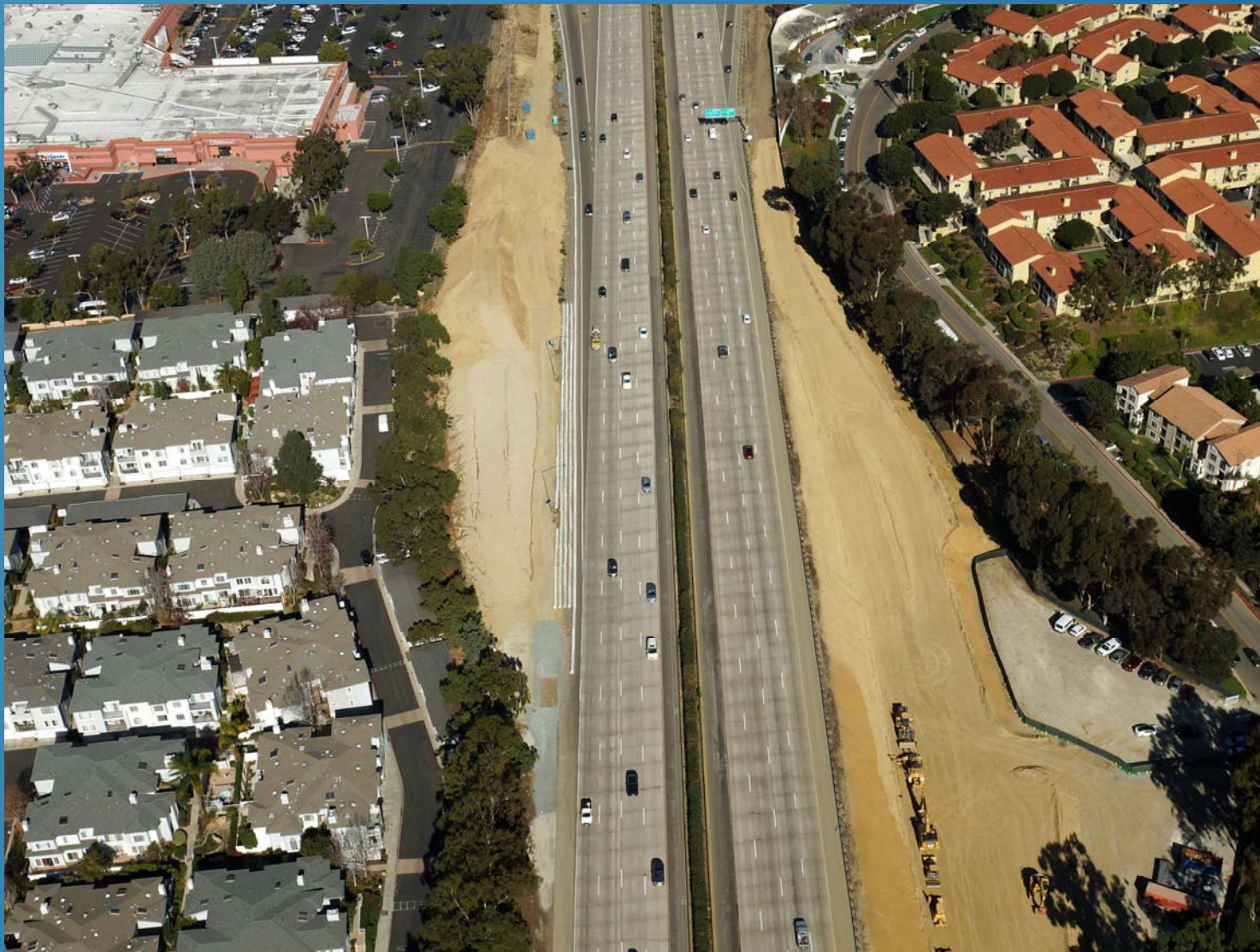
Grading North of Gilman/La Jolla Colony Intersection

February 1, 2018



MID-COAST CORRIDOR
TRANSIT PROJECT

Construction Update



Clearing/Grading for I-5 Crossover by Nobel

February 1, 2018



MID-COAST CORRIDOR
TRANSIT PROJECT

Construction Update

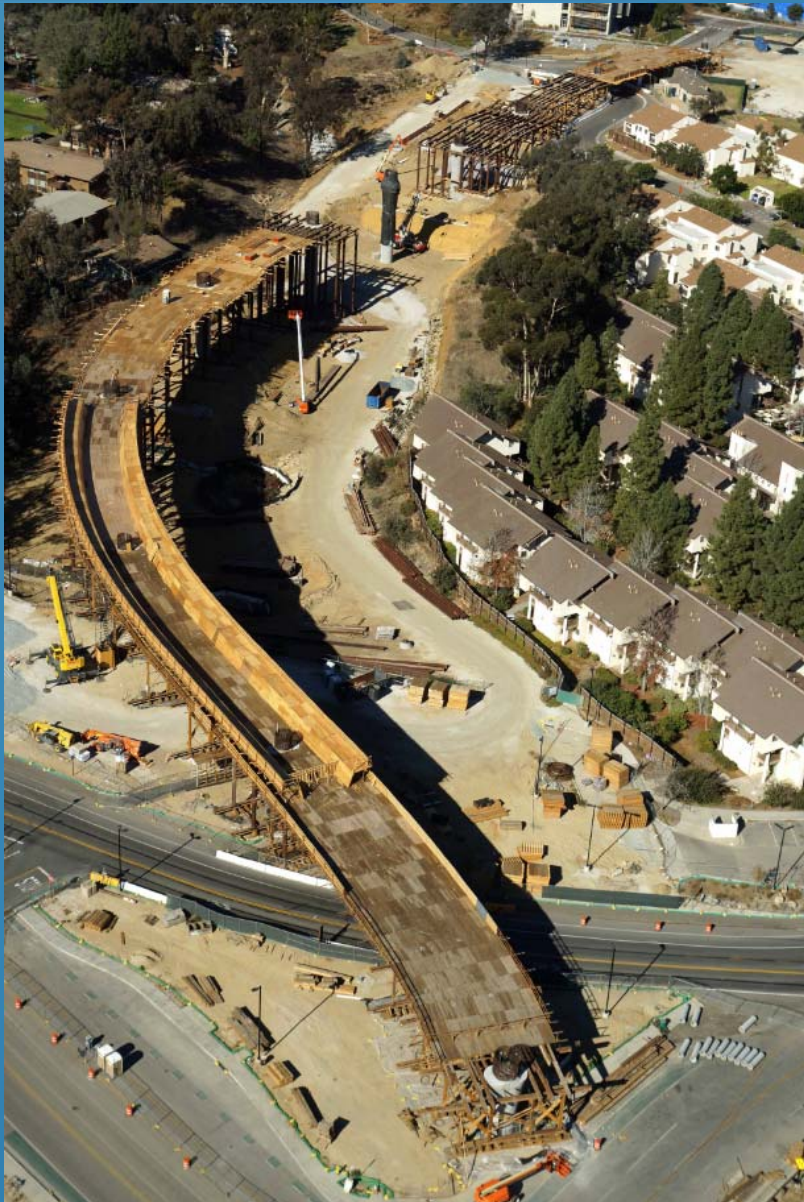


VA Station Location

February 1, 2018



Construction Update



Pepper Canyon Station Location –
along UCSD Viaduct

February 1, 2018



MID-COAST CORRIDOR
TRANSIT PROJECT

Construction Update



Pepper Canyon Falsework

February 1, 2018

27

27



MID-COAST CORRIDOR
TRANSIT PROJECT

Construction Update



UCSD Viaduct by Scripps Hospital



MID-COAST CORRIDOR
TRANSIT PROJECT

Construction Update



UCSD Viaduct

February 1, 2018



MID-COAST CORRIDOR
TRANSIT PROJECT

Construction Update



February 1, 2018

Genesee Widening - Viaduct

30

30



MID-COAST CORRIDOR
TRANSIT PROJECT

Right-of-Way

Mid-Coast Transit Project Acquisitions

Total Property Owners	41
Available for Construction (Possession)	37
Needed Possessions for Construction	4
Acquisitions Settled	26
Under/Pending Negotiation (11 value only)	15
Potential Hearings of Necessity	2 - 3

Risks

- Delay in possession impacts construction
- Settlements, trial, legal, goodwill exposure exceeds budget
- 1 - 5 properties go to trial
- No federal funding of goodwill



Safety and Security Status

- Safety and Security Committees
 - Safety and Security Review Committee
 - Fire/Life Safety and Security Committee
 - Next meetings scheduled for afternoon of 2/1/2018
 - Conducted construction tour for committee members
- Conformance
 - 99% of design verification checklist items are complete. Remaining open items are being tracked and closed out as designs are completed and verified
 - Construction Checklist was approved and used for verification



CPUC Grade Separations & Stations

CPUC Protest of Grade Separation Applications

- CPUC Administrative Hearing October 2017
- Pending Judge's Ruling on Settlement w/ CPUC
 - Need for CPUC Crossing Applications for Future Stations
 - Approval of Mid-Coast Grade Separation Applications
 - Approval of Mid-Coast Station Pedestrian Access:
 - Inter-Track Fencing
 - Signs with Active Warning
 - No Formal Application
 - Access Location Tracking Numbers

Light Rail Vehicles- Status



- Notice to Proceed was given October 31, 2016
- Weekly conference calls held to discuss open items
- First Article Inspections (FAI) have begun with completion expected by July 2018
- MTS conducted on-site inspections in December 2017
- First TIRCP LRV (#1) delivery scheduled for November 2018
- First Mid-Coast LRV (#10) delivery scheduled for April 2019 and last car by October 2020
- Vehicle inspection and support services task order has been finalized





Public Involvement

- Active outreach and communication during construction including travelers alerts about road closures
- Regular updates provided to community planning groups
- Media event held for first column drilled in Genesee
- Media event held for Rose Creek Bikeway groundbreaking
- Media event planned for first train across new SDRDT bridge
- Participating in community events
- Provided project update to SANDAG Transportation Committee January 19, 2018
- Responding to public inquiries and requests for additional information



Mid-Coast Corridor Transit Project

Questions?



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Agenda Item No. C2

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM EXECUTIVE COMMITTEE

February 1, 2018

SUBJECT:

AB 805: BALLOT MEASURE (PAUL JABLONSKI)

RECOMMENDATION:

That the Executive Committee discuss issues related to the levying of a sales tax as authorized by AB 805 (Gonzalez-Fletcher).

Budget Impact

None.

DISCUSSION:

The Board of Directors directed staff to pursue the authority to levy a sales tax for transit projects in the MTS jurisdiction. On October 11, 2017, the Governor signed AB 805 (Gonzalez-Fletcher) into law, which granted MTS this authority. Staff has begun to compile information regarding the types of high level issues that should be addressed by the Board if it decides to pursue a sales tax for transit, and will facilitate preliminary discussions regarding these issues with the Executive Committee.

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

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



AB 805: Ballot Measure

February 1, 2018
Executive Committee



Introduction

- The Board sought the ability to levy a sales tax
- AB 805 gave MTS that ability
- Staff needs some direction on how to proceed now
- Bringing this to the EC to gain some perspective prior to bringing it to the full Board.



AB 805 Authorization

- MTS can levy a sales tax (.25 or .5 cent)
- For public transit purposes
 - Public transportation in MTS jurisdiction, right of way repair or redesign, bike and ped improvements
 - Projects must be consistent with RTP
- Can seek ability to issue bonds
- Must include an expenditure plan
- Reporting of affected streets in unincorporated area to the CA Dept. of Tax and Fee Admin.



Categories for Consideration

- Governance of the process
- Financial plan
- Plan development/community involvement
- Legal/Ballot Measure Analysis
- Ballot Measure Campaign



Governance of the Process

- When does the Board want to go to the ballot?
- How will the Board be engaged?
- Have the Executive Committee lead, or set up a taskforce?
 - If a taskforce, what should be the composition?

Financial Plan Considerations

- How should we determine how much revenue might be generated?
 - Half or quarter cent
 - How many years for the sales tax?
 - Should we consider bonding to accelerate projects?
 - Will impact cost
 - Handle in house (via consultant) vs SANDAG
- How to comply with identifying affected streets in the unincorporated area?
- Financial Plan would be developed parallel to Project Plan



Putting Together the Plan

- What assumptions should we make regarding matching funds? (eg. 50/50, 80/20)
- Do we start from scratch, or rely on RTP, TOP and Measure A work?
- Preliminarily, are there specific categories of projects we should focus on? (eg. transit operations, transit capital, bike projects, pedestrian access)



Legal Ballot Measure Analysis

- How much can an agency do to prepare for an initiative?
- Is there an avenue for a citizen's initiative vs one put on the ballot by the County?
- If a citizen's initiative, how much can MTS be involved in creating the plan?



Ballot Measure Campaign

- Our measure vs Citizen's Initiative
- Polling
- Campaign Manager
- Fundraising



Next Steps

- Identify/convene governing group
- Retain consultant/in-house planning for ballot measure plan
- Retain consultant for revenue estimate expenditure plan
- Retain legal counsel for ballot measure issues



REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

☐

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

1. INSTRUCTIONS

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

(PLEASE PRINT)

DATE	2018-02-01		
Name	Clive Richard		
Address	5153 La Dorna St, San Diego		
Telephone	(619) 867-7049		
Email	s-clive@hotmail.com		
Organization Represented	Self		
Subject of Your Remarks	transit improvements		
Regarding Agenda Item No.			
Your Comments Present a Position of:	<input type="checkbox"/>	SUPPORT	<input type="checkbox"/> OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

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

3. DISCUSSION OF AGENDA ITEMS

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

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

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

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



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San Diego, CA 92101-7490
619.231.1466 FAX 619.234.3407

DRAFT

Agenda

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

9:00 a.m.

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

To request an agenda in an alternative format or to request accommodations to facilitate meeting participation, please call the Clerk of the Board at least two working days prior to the meeting. Assistive Listening Devices (ALDs) are available from the Clerk of the Board/Assistant Clerk of the Board prior to the meeting and are to be returned at the end of the meeting.

ACTION RECOMMENDED

1. Roll Call
2. Approval of Minutes - January 18, 2018 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>Amendment to Chief Executive Officer Employment Agreement</u>
Action would approve an amendment to the Executive Employment Agreement between MTS and Paul C. Jablonski to provide additional compensation and fringe benefits. | Approve |
| 7. | <u>Excess Insurance Renewals for Liability and Workers' Compensation Program</u> | Approve |
| 8. | <u>San Diego and Arizona Eastern (SD&AE) Railway Company Quarterly Reports and Ratifications of Actions Taken by the SD&AE Board of Directors at its Meeting on January 16, 2018</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 January 16, 2018. | Receive/Ratify |
| 9. | <u>MTS Sale of 2005 New Flyer 40' Bus (No. 2733) to Transdev Services Inc.</u>
Action would authorize the negotiated sale of MTS Vehicle No. 2733 (2005 40' New Flyer, VIN No. 5FYC4FP125C027970) to Transdev Services, Inc. | Approve |
| 10. | <u>Semiannual Uniform Report of Disadvantaged Business Enterprise (DBE) Awards and Payments</u> | Informational |
| 11. | <u>Communication Equipment Heating Ventilation Air Conditioning (HVAC) Maintenance Services - Contract Award</u>
Action would: (1) authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG225.0-17 with Comfort Mechanical, Inc. to provide Communication Equipment HVAC Maintenance Services for a three (3) year base term with two (2) one-year options; and (2) authorize the CEO to exercise the option years, at his discretion. | Approve |
| 12. | <u>San Diego Metropolitan Transit System (MTS) Task Order Contract Approval for Fashion Valley Station Elevator Replacement and Addition Project</u>
Action would authorize the Chief Executive Officer (CEO) to execute Work Order WOA1949-AE-15 for MTS Doc. No. G1949.0-17 with Jacobs Engineering Group, Inc. for \$272,000.00 to perform Design-Engineering Services for the Fashion Valley Station Second Elevator Project ("Project") and includes design for replacing the existing elevator. | Approve |
| 13. | <u>Investment Report - December 2017</u> | Informational |
| 14. | <u>Hazardous Waste and Trauma Scene Clean-Up Services - Contract Award</u>
Action would authorized the Chief Executive Officer (CEO) to: (1) Execute MTS Doc. No. G2029.0-17 with Ocean Blue Environmental Services (Ocean Blue) for the provision of hazardous waste disposal and trauma scene clean-up services for a two (2) year base period with three (3) 1-year options, exercisable at MTS's sole discretion; and (2) Exercise each option year at the CEO's discretion. | Approve |

- | | | |
|-----|--|---------|
| 15. | <u>On-Call General Civil Construction Services - Contract Amendment</u>
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL204.3-16 with ABC Construction Company, for an increase to the contract value. | Approve |
| 16. | <u>Imperial Avenue Division (IAD) Asphalt Repair and Striping - Award Work Order Under a Job Order Contract</u>
Action would authorize the Chief Executive Officer (CEO) to execute Work Order MTSJOC7503-43 (05), PWL234.0-17 with ABC Construction Co. Inc. (ABC) for IAD Asphalt Repair. | Approve |

CLOSED SESSION

- | | | |
|-----|--|-----------------|
| 24. | a. CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54957.6
<u>Agency:</u> San Diego Transit Corporation (SDTC)
<u>Employee Organization:</u> Amalgamated Transit Union, Local 1309 (Representing Bus Operators and Clerical Employees at SDTC)
<u>Agency-Designated Representative:</u> Jeff Stumbo | Possible Action |
| | b. CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Pursuant to California Government Code Section 54956.9(d)(1) Lawrence Howard v. San Diego Transit Corporation, Metropolitan Transit System et al. San Diego Superior Court Case No. 37-2017-00010560-CU-PA-CTL | Possible Action |

Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

- | | | |
|-----|---|---------|
| 30. | <u>On-Call Homeless Encampment Cleanup Services - Contract Award</u>
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG248.0-18 with Urban Corps of San Diego County for on-call homeless encampment cleanup services for a three (3) year period. | Approve |
|-----|---|---------|

31.

32.

REPORT ITEMS

- | | | |
|-----|--|---------------|
| 45. | <u>Riverwalk Real Estate (Tim Allison and Sharon Cooney)</u> | Informational |
| 46. | <u>Operations Budget Status Report - December 2017</u> | Informational |

47.

48.

60.	<u>Chair Report</u>	Informational
-----	---------------------	---------------

61.	<u>Chief Executive Officer's Report</u>	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: March 8, 2018

65. Adjournment



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Agenda Item No. 6

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS

February 15, 2018

Draft for
Executive Committee
Review Date: 2/1/18

SUBJECT:

AMENDMENT TO CHIEF EXECUTIVE OFFICER EMPLOYMENT AGREEMENT

THIS ITEM WILL BE PROVIDED AT EXECUTIVE COMMITTEE MEETING





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Agenda Item No. 7

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS

February 15, 2018

Draft for
Executive Committee
Review Date: 2/1/18

SUBJECT:

EXCESS INSURANCE RENEWALS FOR LIABILITY AND WORKERS'
COMPENSATION PROGRAM

AGENDA ITEM & ATTACHMENT WILL BE PROVIDED WITH BOARD MATERIALS

Attachment: A. MTS 2018-19 Excess Liability & Excess Workers' Compensation Insurance Proposal

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Agenda Item No. 8

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

**Draft for
Executive Committee
Review Date: 2/1/18**

SUBJECT:

SAN DIEGO AND ARIZONA EASTERN (SD&AE) RAILWAY COMPANY QUARTERLY
REPORTS AND RATIFICATION OF ACTIONS TAKEN BY THE SD&AE BOARD OF
DIRECTORS AT ITS MEETING ON JANUARY 16, 2018

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 January 16, 2018.

Budget Impact

None.

DISCUSSION:

Pursuant to the Agreement for Operation of Freight Rail Services, SD&IV and Museum, have provided operations reports during the fourth 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 1/16/2018 SD&AE Meeting





**SAN DIEGO & ARIZONA
EASTERN RAILWAY
COMPANY**

A NEVADA NONPROFIT
CORPORATION

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

BOARD OF DIRECTORS

PAUL JABLONSKI, CHAIRPERSON
MATT DOMEN
JARED GOOCH

OFFICERS

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

LEGAL COUNSEL
KAREN LANDERS

Att. A, AI 8, 2/15/18

AGENDA

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

January 16, 2018

9:00 a.m.

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

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

ACTION RECOMMENDED

1. Approval of the Minutes of October 10, 2017 Approve
Action would approve the SD&AE Railway Company Minutes of October 10, 2017.
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 (Jorge Izquierdo) Informational
6. Real Property Matters (Tim Allison)
 - a. Summary of SD&AE Documents Issued Since October 10, 2017 Informational
7. Board Member Communications
8. Public Comments
9. Next Meeting Date: April 10, 2018
10. Adjournment

MINUTES

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

October 10, 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 October 10, 2017, at 9:00 a.m.

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

San Diego Metropolitan Transit System:	Tim Allison, Karen Landers, Erin Dunn
Pacific Southwest Railway Museum:	Diana Hyatt, James Caestecker
Baja California Railroad Inc. (BJRR):	Roberto Romandia, Manuel Hernandez, Jorge Izquierdo

1. Approval of Minutes

Mr. Gooch moved to approve the Minutes of the July 11, 2017, SD&AE Railway Board of Directors meeting. Mr. Domen seconded the motion, and it was unanimously approved.

2. Statement of Railway Finances

Erin Dunn reviewed Statement of Railway Finances for the third quarter (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 third quarter (attached to the agenda item).

Karen Landers gave an update on MTS Board Policy No. 12 (Ownership and Operation of the San Diego and Arizona Eastern Railway Company), which was discussed at the last SD&AE meeting. She stated that Ken Charron with Genesee and Wyoming (G&W) made some comments regarding the draft language. Ms. Landers has not had an opportunity to respond but she will be working with Mr. Charron to address GW's comments. She added that she would like the Board policy to match the actual relationship with the operators. The policy will most likely go to the MTS Board at its meeting in November, but Ms. Landers will circulate a copy of the draft to SD&AE Board members prior to that meeting.

Action Taken

Informational item only. No action taken.

4. Report on Pacific Southwest Railway Museum Operations

Diana Hyatt handed out and reviewed the Pacific Southwest Railway Museum (PSRM) report for the third quarter (attached). Ms. Landers expressed thanks to Ms. Hyatt for the Museum's responsiveness in handling the FRA issues and appreciation for stepping up and doing what needed to be done.

Ms. Hyatt informed members that due to some FRA defects, the Museum has stopped train operations on about two miles of track. Originally the Museum operated in Campo from milepost 59.9 to milepost 63.4. After the track work (RailWorks is the contractor), it will stop at milepost 61.9. She explained that this eliminates two bridges and hundreds of thousands of dollars in necessary track work. Ms. Hyatt indicated that this may continue for a couple of years but it is hopeful that the discontinued operations will resume sooner. She discussed the progress on the state of repairs.

Action Taken

Informational item only. No action taken.

6. Real Property Matters (taken out of order)

a. Summary of SD&AE Documents Issued Since July 11, 2017

Tim Allison noted that since the July 11, 2017, SD&AE Railway Company Board of Directors meeting, the documents described below have been processed by staff.

- S200-16-649: Construction and Maintenance Agreement with the City of Lemon Grove for the North Avenue Realignment Project.
- S200-17-656: Right of Entry Permit to S E Pipeline to construct a gas pipeline at 65th Street in the City of San Diego.
- S200-17-659: License Agreement with the City of Imperial Beach for a community park between 11th Street and Cherry Avenue.
- S200-17-664: Right of Entry Permit to Pacific Bell Telephone Company for overhead fiber line construction near Campo at La Posta Road and Campo Road.
- S200-17-668: Right of Entry Permit to RECON Environmental, Inc. for the slope revegetation project at the San Ysidro yard.
- S200-17-672: Right of Entry Permit to Carlton Media Company for filming at the Goat Canyon Trestle.

Action Taken

Informational item only. No action taken.

7. Approval of the 2018 SD&AE Board of Directors Meeting Schedule (taken out of order)

Board members confirmed that the proposed SD&AE meetings dates for 2018 were acceptable.

Tuesday, January 9, 2018	9:00 a.m.	(Fourth Quarter 2017 Reports)
Tuesday, April 10, 2018	9:00 a.m.	(First Quarter 2018 Reports)
Tuesday, July 10, 2018	9:00 a.m.	(Second Quarter 2018 Reports)
Tuesday, October 9, 2018	9:00 a.m.	(Third Quarter 2018 Reports)

Action Taken

Mr. Gooch moved to approve the 2018 SD&AE Board of Directors Meeting Schedule.

Mr. Domen seconded the motion, and it was unanimously approved.

5. Report on the Desert Line (taken out of order)

Karen Landers stated that at the September MTS Board meeting, the MTS Board approved a new amended and restated lease agreement with Baja California Railroad Inc. (BJRR) and all Pacific Imperial Railroad (PIR) assets—including the Desert Line lease—were assigned to BJRR. The original PIR lease and sublease that PIR entered into with BJRR were combined into one new amended and restated lease with BJRR. Ms. Landers explained that a new 99-year term was restarted beginning in September 2017. The compensation was unchanged. Performance milestones will be implemented after a Customs inspection facility is approved by US Customs Border Patrol. The focus now is to work with the US Government to get a Customs inspection facility approved. Ms. Landers met with Customs representatives in Washington DC last month and also locally. A joint facility on the Mexico side of border is not acceptable to US Customs, so the facility will be on the US side of the border. Ms. Landers stated that Customs' primary concern is the safety of its officers. She added that the facility mostly likely will be located at Campo. Ms. Landers stated that there are a multitude of issues to work through, including hardening, technology, roads, and property, and there does not seem to be any push back from Washington or locally.

Ms. Landers stated that once a plan is approved by Customs, the clock would start running for BJRR to get the Desert Line rehabilitated and operational to safety standards.

BJRR representatives arrived at 9:17 and submitted a copy of the third quarter report (attached). Manuel Hernandez informed the Board that on 8/31/2017, BJRR signed a 99-year lease agreement with MTS. He stated that BJRR has no outstanding payments due to MTS, and there has been no freight activity.

Ms. Landers requested some potential dates from BJRR representatives to meet with Customs. Roberto Romandia responded that there is a meeting tomorrow in Mexico City and another on October 24 with federal entities to discuss joint inspections. Mr. Romandia asked if it should be stated that Customs inspections will not occur on the Mexican side of the border. Ms. Landers confirmed that the focus has been shifted to the US side of the border. She wants to plan a site visit to Laredo to see how the SAT Officers conduct inspections on the US side—most notably information-sharing with officers in Mexico. Mr. Romandia also suggested Nogales as a possible site visit. Ms. Landers clarified that the goal is to eliminate any unnecessary duplication costs of having to build two facilities or pay for operations on both sides of the border.

Action Taken

Informational item only. No action taken.

8. Board Member Communications

There were no Board member communications.

9. Public Comments

There were no public comments.

10. Next Meeting Date

The next meeting of the SD&AE Railway Company Board of Directors is on Tuesday, January 9, 2018.

11. Adjournment

The meeting was adjourned at 9:20 a.m.


President


General Counsel

Attachments: Handout – 3rd Quarter Report for Agenda Item No. 4
Handout – 3rd Quarter Report for Agenda Item No. 5



Pacific Southwest Railway Museum

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

October 9, 2017

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

Re: Third Quarter 2017

Dear SD&AE Board:

During the third quarter of 2017, utilizing all volunteer crews, the Pacific Southwest Railway Museum ran 14 Golden State passenger trains, 56 Valley Flyer passenger trains and one midweek school train in September carrying 822 passengers during 15 operating days. There were no FRA reportable accidents or injuries during the third quarter, 2017. Revenue from SD&AE property for the second quarter, 2017 was \$12,616.23, our check for \$252.32 is enclosed.

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

773 passengers during the third quarter of 2016
658 passengers during the third quarter of 2015
1,031 passengers during the third quarter of 2014
1,254 passengers during the third quarter of 2013
1,012 passengers during the third quarter of 2012

Ridership has increased with one less operating day during this quarter compared to the same time period in 2016. During this quarter, the summer train schedule offered trains on Saturdays only with one Golden State in the morning and Valley Flyer trains offered during the afternoon.

PSRM continues Maintenance of Way tasks relative to our portion of track on the Desert Line including signal maintenance. As an update to the FRA track inspector's visit in July, several defect areas were noted and PSRM has hired a contractor to complete a substantial tie replacement program that will address these areas and additional areas between Campo and MP 61.9. We are hopeful the contractor will be mobilizing within the next thirty days to begin work. I have been working with MTS personnel to finalize the arrangements for the Right of Entry

Permit. The required annual bridge inspection on the bridge at MP 65.27 has been performed by Jacobs Engineering as well as the load rating on this bridge. Although not required, the FRA bridge inspector has been kept apprised and is satisfied with PSRM's efforts therein.

There were no special event trains during the third quarter but sales are open for our popular Pumpkin Trains which will run the four weekends before Halloween and the North Pole trains which will operate every Friday and Saturday in December before Christmas. All here are invited to join us for either event or even a visit on any weekend, feel free to drop me an email at dhyatt@psrm.org.

Sincerely,

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

Diana Hyatt
President



DESERT LINE REPORT
October 10th, 2017

Baja California Railroad, Inc.

TABLE OF CONTENT

- 1. BJRR acquisition of PIR Assets**
- 2. BJRR-MTS Lease and Operating Agreement**
- 3. Injuries, Accidents, Environmental and Other Incidents.**
- 4. Freight Activity**
- 5. MTS Lease Payment**

1) BJRR acquisition of PIR Assets:

On August 31st of this year, the last installment of the PIR Assets was paid by BJRR. There is no other outstanding balance pending that is owed by BJRR for this transaction. There is an outstanding issue that PIR is some land property taxes that PIR owed and would be covered by them once acquisition was completely settled. As of today, we have not received confirmation from our legal counsel that this has been covered.

2) BJRR-MTS Lease and Operating Agreement:

On September 21st of this year, the new BJRR-MTS Lease and Operating Agreement. Among the main changes to the PIR Lease, is the term that is for 99 years and the Reconstruction Plan which will be done in 3 phases.

3) Injuries, Accidents, Environmental and Other Incidents:

There are no INJURIES / ACCIDENTS or ENVIREOMENTAL incidents in this period to report.

6. Freight Activity:

There was no freight activity during the period.

7. MTS Lease Payment:

BJRR paid has the \$500,000 semiannual lease payment due in June 2017. There's no outstanding balance with the MTS.

Agenda Item No. 2

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

January 16, 2018

SUBJECT:

STATEMENT OF RAILWAY FINANCES

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors receive a financial report for the period ending November 30, 2017.

Budget Impact

None.

DISCUSSION:

SD&AE's financial results are attached for the period ending November 30, 2017.

As of November 30, 2017, fiscal year-to-date revenues are \$427,000 favorable to budget primarily due to the Desert Line Lease revenue not included in the budget.

Expenses are \$32,000 unfavorable to budget primarily due to a \$50,000 liability settlement in the first quarter.

The Net Income for the period ending November 30, 2017, was \$335,000.

Attachment: SD&AE Operating Statement for period ending November 30, 2017

SD&AE Operating Statement FY2018-17

Att. A, AI 8, 2/15/18

	FY 2018					FY 2017	
	Q1 Actual	Oct - Nov Actual	YTD Actual (Jul-Nov)	YTD Budget (Jul-Nov)	Variance	Q1 - Q2 Actual (Jul-Nov)	Variance
Revenues							
Right of Entry Permits	\$ 4,500	\$ 7,500	\$ 12,000	\$ 12,500	\$ (500)	\$ 9,888	2,112
Lease Income	19,630	17,492	37,122	31,250	\$ 5,872	36,856	266
Desert Line Lease Revenue	250,004	166,669	416,673	-	\$ 416,673	416,667	6
Operator Income - SD&IV 1% Freight Fee	9,300	6,200	15,500	10,415	\$ 5,085	14,167	1,333
Total Revenues	283,433	197,861	481,295	54,165	427,130	477,577	3,717
Expenses							
Personnel Costs	8,477	6,201	14,678	21,363	6,685	6,280	(8,398)
Outside Services	36,726	17,096	53,822	83,834	30,012	14,215	(39,607)
Risk Management	54,113	2,195	56,309	6,460	(49,849)	6,408	(49,901)
Misc. Operating Expenses	3,136	17,865	21,001	1,665	(19,336)	1,146	(19,855)
Total Expenses	102,452	43,358	145,810	113,322	(32,488)	28,048	(117,761)
Net Income/(Loss)	\$ 180,981	\$ 154,503	\$ 335,485	\$ (59,157)	\$ 394,642	\$ 449,529	\$ (114,044)

Reserve Balance July 1, 2017	\$ 1,527,382
Allocated Interest Earnings - Estimated	\$ 4,167
Operating Profit/(Loss) - YTD	\$ 335,485
Less Desert Line Lease Revenue	\$ (416,673)
Estimated Reserve Balance as of Nov 30, 2017	\$ 1,450,361

Agenda Item No. 3

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

January 16, 2018

SUBJECT:

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

RECOMMENDATION:

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

Budget Impact

None.

DISCUSSION:

An oral report will be given during the meeting.

Attachment: Periodic Report for the 4th Quarter of 2017



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

December 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 4th Quarter of 2017 are listed as follows:

1. Labor

At the end of December 31, 2017 the San Diego & Imperial Railroad had 8 employees:

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

2. Marketing

Volume in the 4th Quarter had a 35% decrease as compared to the same quarter in 2016. This was driven by a 53% decrease of bridge traffic into Mexico 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, December 31, 2017, there were no FRA Reportable injuries or Environmental incidents on the SDIV Railroad.

Days FRA Reportable Injury Free: 7576

4. Summary of Freight

	2017	2016	2015
Total rail carloads that moved by SDIY Rail Service in the quarter.	940	1440	923
Total railroad carloads Terminating/Oriinating Mexico in the quarter.	519	1110	655
Total railroad carloads Terminating/Oriinating El Cajon, San Diego, National City, San Ysidro, California in the quarter.	421	330	268
Total customers directly served by SDIY in the quarter	12	11	10
Regional Truck trips that SDIY Railroad Service replaced in the quarter	2820	4320	2769

Respectfully,

Matt Domen

General Manager

Agenda Item No. 4

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

January 16, 2018

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

January 16, 2018

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. 6a

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

January 16, 2018

SUBJECT:

SUMMARY OF SD&AE DOCUMENTS ISSUED SINCE OCTOBER 10, 2017

RECOMMENDATION:

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

Budget Impact

None.

DISCUSSION:

Since the October 10, 2017, SD&AE Railway Company Board of Directors meeting, the documents described below have been processed by staff.

- S200-18-670: Easement to San Diego Gas & Electric for an underground gas pipeline at 65th Street in the City of San Diego.
- S200-18-674: Right of Entry Permit to Railworks Track Services, Inc., for tie replacement from Division to Campo on the Desert Line.
- S200-18-676: Right of Entry Permit to R.D. Installations, Inc., to repair concrete footings for SDG&E electrical towers in National City.
- S200-18-677: Right of Entry Permit to Coffman Specialties, Inc., for intersection signaling construction at H Street in Chula Vista.
- S200-18-678: Right of Entry Permit to Los Angeles Maritime Institute to move a sailboat across the tracks at F Street in Chula Vista.



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San Diego, CA 92101-7490
(619) 231-1466 • FAX (619) 234-3407

Agenda Item No. 9

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

**Draft for
Executive Committee
Review Date: 2/1/18**

SUBJECT:

MTS SALE OF 2005 NEW FLYER 40' BUS (NO. 2733) TO TRANSDEV SERVICES, INC.

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the negotiated sale of MTS Vehicle No. 2733 (2005 40' New Flyer, VIN No. 5FYC4FP125C027970) to Transdev Services, Inc.

Budget Impact

Proceeds from the sale of the MTS vehicle will be recorded to the MTS revenue account 901010-440200.

DISCUSSION:

On June 25, 2017, MTS fixed route vehicle no. 2733 sustained major damage as the result of a collision while operating on route 932 on Hollister St. between Main St. and Palm Ave. in Chula Vista. The bus, owned by MTS, is operated by Transdev Services, Inc. (Transdev), as part of MTS's fixed route service contract. Under the Transdev contract, Transdev is responsible for maintaining and operating the vehicles, as well as repairing any MTS vehicles damaged during Transdev's operations or reimbursing MTS for the fair market value of any vehicle declared as a total loss during Transdev operation.

Transdev obtained a fair market valuation from Bus Solutions Holdings, LLC, for this vehicle in its pre-damaged condition. The estimated fair market value of the vehicle in its pre-damaged condition was \$29,000. Due to the close proximity of the retirement of this vehicle, Transdev proposed that it pay MTS the fair market value amount rather than repairing the bus. As the bus is near the end of its useful life, this is a cost effective result for MTS and does not negatively impact MTS fleet needs.



Board Policy No. 33 states that “capital assets with an individual value in excess of \$10,000 or an aggregate value in excess of \$25,000 may be disposed of on a negotiated sale basis provided a finding by the MTS Board of Directors by a two-thirds vote that special circumstances exist that make it in the best interest of the Board.” In accordance with Board Policy No. 33, alternatives to the proposed negotiated sale would include a competitive sale or internet auction. Given the current state of the vehicle, the highest return would be realized by a negotiated sale price based on the value of the vehicle prior to the collision.

Therefore, MTS staff recommends that the MTS Board of Directors authorize the negotiated sale of MTS Vehicle No. 2733 (2005 40' New Flyer, VIN No. 5FYC4FP125C027970) to Transdev.

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

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

Attachment: A. Appraisal of Bus 2733

Transdev Services, Inc.

Desktop Appraisal

Retail, Adjusted Retail and Fair Market Value/ True Cash Value

Prepared for: Colleen O'Neill
Prepared by: Richard Hill
Reviewed by: Dave W. Mendenhall
Effective Date: August 22, 2017
Date of Loss: June 25, 2017
Publish Date:
Appraisal of: One (1) 2005 New Flyer D40LF CNG Transit Bus VIN: 5FYC4FP125C027970.



Appraised By:
Dave W. Mendenhall, and the staff of
Bus Solutions Holdings, LLC dba
Bus Solutions LLC
2017



900 Ranch Rd. Copper Canyon, TX 76226 ♦ Phone 503-883-6300 ♦ Fax 503-883-7100

August 22, 2017

Colleen O'Neill

Subrogation Specialist II
Corporate Risk Management Department
Transdev - Illinios
720 East Butterfield Road Suite #300
Lombard, IL 60148

RE: Desktop Appraisal of One (1) 2005 New Flyer D40LF CNG Transit Bus VIN: 5FYC4FP125C027970. Claim number VI-54639.

Dear Ms. O'Neill;

In accordance with your request, we have completed a desktop appraisal of the above referenced vehicles. The purpose of this report is to estimate the Retail, Adjusted Retail, Fair Market/True Cash Value of the subject unit. We understand that this appraisal will be used for financial and lender negotiations, as well as insurance purposes in your ongoing fleet management.

The attached report is a **Complete Appraisal** presented in a **Self-Contained Report** format. It is intended to comply with the requirements of the *Uniform Standards of Professional Appraisal Practice (USPAP)*, specifically **Standards Rule 8-2**, as adopted by the Appraisal Foundation. The appraisal contains all of the recognized appraisal methods and the techniques that contribute to a proper valuation of the subject property.

This report is subject to specific assumptions and limiting conditions, as noted throughout the report attached hereto. The use and interpretation of this report, without a thorough appreciation and understanding of these assumptions and limiting conditions, would likely lead to erroneous conclusions.

This transmittal letter and the accompanying text, and any schedules and attachments, constitute Bus Solutions' entire report, and should be read in their entirety.

Possession of this report does not imply right of publication, nor use for any purpose by any other than the person to whom it is addressed, without the written consent of the authors.

No third parties may rely upon this appraisal for any purpose whatsoever, including the provision of financing for the acquisition of the subject property. This appraisal was prepared specifically for our client, to whom this appraisal was addressed.

Bus Solutions Holdings, LLC dba Bus Solutions LLC (Bus Solutions) its officers, and its employees have no interest or contemplated future interest in the items appraised. The fee for this report is not contingent upon the values expressed, nor is any guarantee or liability to be assumed or implied.

Bus Solutions has made no investigation of and assumes no responsibility for title to the items appraised.

Please feel free to call us at 503-883-7010 should you have any questions.

Respectfully Submitted,

Dave Mendenhall

President

Bus Solutions

503-883-7010

davem@bussolutions.com

Appraisal Details		
Company Name	Transdev Services, Inc.	
Effective Date	August 22, 2017	
Date of Loss	June 25, 2017	
VIN#	5FYC4FP125C027970	
Property Appraised	Owned	
Value Summary	Value	
Retail Value	\$26,300	
Adjusted Retail Value	\$34,000	
Fair Market Value/ True Cash Value	\$29,000	
Sales Timeframe	FMV	OLV
Orderly Liquidation Sale	N/A	N/A
Key Contacts		
Name	Contact	
Dave Mendenhall President	(503) 883-7010 davem@bussolutions.com	
Richard Hill Director of Asset Management	(503) 883-7008 rhill@bussolutions.com	

Key Factors:

▪ **Appraisal Methodologies** – At the request of the client, Bus Solutions utilized three appraisal methodologies in our fleet modeling process: Retail (RV), Adjusted Retail (ARV), Fair Market/True Cash Value (FMV/TCV).

▪ **Inspection Basics** – Bus Solutions performed a thorough inspection of all documentation provided in regards to the above unit. Bus Solutions employees reviewed the submitted maintenance records, mechanical condition, and age of the unit (where applicable), and then include the findings in our condition reports and valuation models.

Appraisal assignment – Bus Solutions was hired to establish the value of the subject unit one day prior to the loss on June 25, 2017

We were not hired to evaluate if the unit should be totaled or repaired but rather to establish the value of the unit as defined by the policy at the time of loss.

No other opinions have been rendered in this appraisal.

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The scope of this appraisal assignment includes the necessary research and analysis to prepare a report in accordance with the intended use and the *Uniform Standards of Professional Appraisal Practice* of the Appraisal Foundation. For this report, this involved the following steps:

1. The subject unit has not been inspected. However information was provided to determine the units current condition including invoices for the original build and interior updates if available, photos of the interior and exterior of the unit and componets.
2. The value models have been developed by Bus Solutions and are based on values found in the March 2017 edition of The Official Bus Blue Book™, which is the official “Blue Book” for the bus and coach industry and was the most current edition as of the date of loss for the unit in this appraisal.
3. Mileage was provided by the operator.
4. In developing the values in this report, industry sources such as brokers, dealers, manufacturers, operators and owners were consulted along with our own data files about the bus industry and the subject units.
5. After assembling and analyzing the data defined in the scope of the appraisal, a final estimate of market value was made.

Identification of the Property

The subject property consists of One (1) 2005 New Flyer D40LF CNG Transit Bus VIN: 5FYC4FP125C027970.

This appraisal reflects values for the unit as configured.

Purpose of the Appraisal

The purpose of this appraisal is to estimate the Retail, Adjusted Retail and Fair Market/True Cash Value of the subject property on an "as is" basis one day prior to the date of loss above.

Function of the Appraisal

The function and intended use of this appraisal is to provide a clear and concise valuation of the property, in order to aid in ongoing portfolio management.

Prohibitive Influences

This appraisal assignment was not based on a requested minimum valuation or a specific valuation, and the employment of Bus Solutions is not conditioned on producing a specific value or a value within a given range.

Public Funding Cycles Influence

An overwhelming number of mid-size buses, mini buses and transit buses which are operated by local and regional transit agencies are buses that are purchased with Federal Transit Authority (FTA) funding. These units are setup on 5, 7, and 12 year funding cycles based on the intended lifespans and duty cycles that are tested to ensure the vehicle is expected to last over the course of the expected service life.

The nature of the public funding cycle de-incentivizes the natural evolution of depreciation of values on the secondary market because the units are not freely sold on the open market upon their retirement. This is a result of the process by which the funding for these vehicles are set up and the requirements and regulations by which they can be retired or disposed of once they have met or exceeded the life of the funding cycle that they were purchased under.

These requirements instruct that the agencies which purchased the vehicles, to return certain amounts of money if the units are sold or retired prior to their expected lifespan or if the agencies sell the units for more than then the agency originally participation. As such, units are often retired by way of public auction of sold via sealed bids to any person, party or operator. This means that they units may be disposed of for the purposes other than their originally intended purpose.

Value Definitions**Definition of Fair Market Value/True Cash Value**

This appraisal has been based on the following definition of Fair Market Value/True Cash Value as approved by the American Society of Appraisers:

Fair Market Value/True Cash Value is the amount expressed, in terms of money that may reasonably be expected for property in exchange between a willing buyer and a willing seller with equality to both, neither under a compulsion to buy or sell and both fully aware of all relevant facts.

Competency Disclosure

The appraisers completing this report have substantial experience in the valuation of this property type or have taken the appropriate steps to familiarize themselves with the valuation issues and techniques relevant to this appraisal problem; therefore, we are competent to complete this appraisal assignment.

Property Rights Appraised

The subject property is being appraised as a owned.

Fleet Number	Make	Model	Year	VIN	PAX	Engine	TCM	Transmission
2733	New Flyer	D40FL	2005	5FYC4FP125C027970	39	Cummins	492,054	ZF

DRAFT

The following appraisal models were developed and prepared by the staff of Bus Solutions and represent findings from the inspection of the information provided for this unit, and information from a number of like transactions. This report is as accurate as possible based on our inspection and the information provided. Assumptions are outlined in the body of the appraisal.

It should be noted that no person involved in the appraisal has any current interest in the equipment that is the subject of this appraisal, nor anticipates any future interest in terms or purchasing or acquiring said equipment. The appraisal models are based on values published in the March 2017 edition of The Official Bus Blue Book™.

DRAFT

Appraisal methodology employs three approaches for determining value: the Income Approach, the Cost Approach and the Market Approach (also known as the Sales Comparison Approach). The applicability of each approach varies depending upon the nature of the particular appraisal situation. All three approaches were considered in forming an opinion of the value of the subject property.

Income Approach

In its simplest form, the Income Approach is the present worth of the future benefits (income) of ownership. It is not usually applied to individual items of equipment since it is difficult, if not impossible, to identify individual income streams. However, it is possible to value the aggregation of assets which generate income for the business. This collection of assets is commonly known as the business enterprise and consists of all assets of the business – working capital and fixed and intangible assets. In this appraisal approach, the business enterprise is valued on the basis of its future income potential.

Cost Approach

The Cost Approach is based on the principle that a prudent purchaser would not pay more for a property than the cost of reproducing a similar property. The Cost Approach measures value by determining the current cost of an asset and deducting for the various elements of depreciation, physical deterioration and functional and economic obsolescence.

Market Approach

The Market Approach (also known as the Sales Comparison Approach) is based on the premise that a prudent buyer would pay no more for a property than the price of obtaining a substitute property of equal utility. The Market Approach is that approach to value where recent sales and offering prices of similar property are analyzed to arrive at an indication of the most probable selling price of the property being appraised.

Approach(es) Applied in this Appraisal

The Income Approach is not applicable to this particular appraisal. The Market Approach was utilized.

The Cost Approach is particularly useful for newer asset properties and special-purpose properties

The unit in this appraisal is valued utilizing the Market (or Sales Comparison) Approach. This is easily the most useful appraisal approach for vehicles such as automobiles, trucks and buses. The Official Bus Blue Book™, is compiled based on data from actual recordable sales transactions, occurring within a reasonably recent time frame, of like make/model/year units. Therefore, the values in this publication are reflective of actual market value.

The following explanation details the factors that are taken into consideration as Bus Solutions develops its appraisal models:

RETAIL VALUE

The low and high retail values in The Official Bus Blue Book™ reflect a range of values based on actual recordable sales during the previous six-month period. The high retail values typically represent Dealer to Operator transactions with units in sale ready condition. Generally this means that all components are in good working order, including the exterior and interior body of the bus. The glass is free of cracks and fog, and the interior is clean. There are good seat covers and sidewalls. The flooring is in good condition. The bus is prepped with white paint and black trim, ready to put on the new buyer's paint schemes and letterings.

ADJUSTED RETAIL VALUE

The Adjusted Retail Value is determined by adding to or subtracting from the Retail Value for optional equipment and component mileage.

SALE READY COST

To determine the Sale Ready Cost, we use the totals from other transactions and then determine the average cost to put the average unit in sale-ready condition. These items include the cost of paint, the cost of purchasing the lease tires (if applicable) and the cost of any general repair.

FAIR MARKET VALUE/TRUE CASH VALUE

After the Sale Ready Cost has been deducted from the Adjusted Retail Value, we reach what we consider to be a Fair Market Value/True Cash Value (FMV/TCV). This is the amount that may reasonably be expected for property in exchange between a willing buyer and a willing seller with equality to both, neither under a compulsion to buy or sell and both fully aware of all relevant facts. This is the value for a single unit in "as-is, where-is" condition.

Fleet Number	Make	Model	Year	VIN	PAX	Engine	TCM	Transmission	Retail Value	Adjusted Retail Value	Fair Market Value
2733	New Flyer	D40FL	2005	5FYC4FP125C027970	39	Cummins	492,054	ZF	\$26,300	\$34,000	\$29,000
									\$26,300	\$34,000	\$29,000

DRAFT

This appraisal report is subject to the following *general assumptions and limiting conditions*:

The valuation estimate and market or feasibility conclusions apply only to the property specifically identified and described in this report.

It is assumed that all information known to the client and relative to the valuation has been accurately furnished. Any undisclosed or inaccurate information could significantly affect this valuation.

No responsibility, beyond reason, is assumed for matters of a legal nature, whether existing or pending.

Information identified as being furnished or prepared by others is believed to be reliable, but no responsibility for its accuracy is assumed.

The appraisers, by reason of this appraisal, are not required to give testimony as an expert witness in any legal hearing or before any court of law unless justly and fairly compensated for such services.

Neither all nor part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or the firm with which they are connected) will be reproduced for dissemination to the public through any means of communication without the prior consent and written approval of Bus Solutions.

This appraisal is based on the condition of local and national economies, purchasing power of money, and financing rates prevailing at the effective date of value.

Possession of this report does not imply right of publication, nor use for any purpose by any other than the person to whom it is addressed, without the written consent of the authors.

No third parties may rely upon this appraisal for any purpose whatsoever, including the provision of financing for the acquisition of the subject property. This appraisal was prepared specifically for our client, to whom this appraisal was addressed.

Following are the *special assumptions* which pertain to this specific appraisal:

1. This appraisal assumes that the information provided by the client and/or owner/operator of the subject vehicles is accurate, and any inaccuracies may result in a change in value.
2. Bus Solutions has relied on third party information as to the existence, location and condition of the subject vehicle. Therefore, we issue no warranty or other form of assurance regarding its accuracy.
3. The valuation assumes that the subject vehicle was in good working condition and possessed all components for safe and legal operation. It also assumes that the vehicle has not been significantly altered from the original configuration at the time of delivery.
4. Information was provided regarding optional equipment on the units. Where known, options are considered in our valuation. Additional options could result in a change in value.
5. Information was provided regarding engine and transmission configurations and mileages on these components. Should actual component mileage be significantly higher or lower than that provided, this could result in a change in value.
6. It is our understanding that the tires on the unit in this appraisal are owned and not leased. This has been taken into consideration when estimating Sale Ready Costs for the unit in the appraisal.
7. The values for the unit in this appraisal are based on the values published in the March 2017 edition of The Official Bus Blue Book™, which is the official “Blue Book” of the bus and coach industry and was the most current edition as of the date of loss.
8. The information in this report is the result of analysis and evaluation of numerous sources of industry information including, but not limited to, industry associations, government data, manufacturers’ data, personal contacts and relationships, and trade publications. Every effort has been made to ensure that the information and data are as accurate as possible. Opinions expressed in this report are the opinion of Bus Solutions, and are based upon our knowledge and experience in the industry.
9. Bus Solutions’ liability on any claim for damages arising out of this agreement or the appraisal shall be limited to direct damages and shall not exceed the amounts paid by client to Bus Solutions for the appraisal under this agreement. In no event shall Bus Solutions be liable for indirect, exemplary, incidental or consequential damages arising from this agreement, even if Bus Solutions has been advised of the possibility or likelihood of such damages.

We certify that to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, impartial and unbiased professional analyses, opinions and conclusions.
- We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of a value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan and the employment of Bus Solutions, LLC are not conditioned upon the appraiser producing a specific value or a value within a given range.
- The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* as stated by the Appraisal Foundation.

Prepared by

Dave Mendenhall

President

Bus Solutions

503-883-7010

davem@bussolutions.com

ADDENDUMS

DRAFT

PROFESSIONAL BIO of
DAVE W MENDENHALL
900 Ranch RD
Copper Canyon, TX 76226
503-883-7000

PROFESSIONAL PROFILE

With over 30 years of bus industry appraisal experience, Mr. Mendenhall has valued or reviewed nearly a million buses with approximately \$125 Billion of total value. It is believed that Mr. Mendenhall and his affiliated entities are the largest bus and motorcoach appraisal company in North America, whose focus is strictly on all segments and facets of the bus industry.

Mr. Mendenhall has also founded and served, since 1987, as publisher of **The Official Blue Book**TM for the industry and several other industry specific publications. With such an in depth knowledge of the assets and the manufacturers, Mr. Mendenhall has become the definitive source of values for literally hundreds of vehicle types.

After serving in a wide variety of industry related positions, including driver, maintenance, sales, financing and leasing, consulting and as an expert witness, Mr. Mendenhall brings a very unique and informed insight to the appraisal process and the North American bus market.

SUMMARY OF PROFESSIONAL EXPERIENCE

Bus Solutions Holdings, LLC and its affiliated and predecessor companies – Copper Canyon, TX (2015 – Present) and previously McMinnville, OR (1986 – 2015)
President

- Author and publisher of the two most influential valuation publications in the industry: **The Official Bus Blue Book**TM and **The Official School Bus Blue Book**TM
- Developed industry specific appraisal models
- Largest independent bus appraisal company in North America
- Develops and provides historical and residual value analysis
- Leading valuation consultant in the bus industry. Provides a number of key services to the investment banks, private equity groups, equipment-leasing firms, and banks.
- Provides technical support and assistance to many of top industry acquisitions and disposals
- Provides consulting services to manufacturers and dealers
- Industry key note speaker
- Expert witness

ABC Bus, In – Faribault, MN – 1984-1985

National Bus Sales and Service Representative

- Sales involving purchases of leased, new and used coaches
- Procured customer financing and leasing packages
- Coach appraisals

**Corporate Office (Dallas / Ft. Worth - Metroplex)**

900 Ranch Road, Copper Canyon, TX 76226 ♦ Phone 503-883-7000 ♦ Fax 503-883-7100

Corporate Background

For more than 30 years, Bus Solutions Holdings, LLC, Bus Solutions, LLC, Solutions Management Group, LLC, Bus Appraisal Solutions, LLC and their predecessor company, Bus Book Publishing, Inc. has been a leader and innovator in the transportation industry, specializing in all four segments of the bus industry.

Recognizing the need for a single reliable valuation source for used buses, David Mendenhall founded Bus Book Publishing in 1987. The first issue of The Official Bus Book Market Report™ was published that year. This book was the first and is currently the only valuation source in the bus and coach industry for used bus pricing. Today the publication is called The Official Bus Blue Book™ and is a semiannual publication that is a compilation of national average sales prices reflecting actual sales transactions throughout North America during the previous six-month period. Considered to be the "Blue Book" for the bus and coach industry, it is accepted by every major lender and insurance company in the industry and covers the intercity, shuttle and transit market segments.

In 1995, we introduced The Official School Bus Resale Guide™. Today the publication is called The Official School Bus Blue Book™ and is published annually. This publication provides the industry with wholesale and retail values for nearly all bodies and chassis of used school buses produced in the United States and Canada over the last fifteen years. This valuation guide has also become an invaluable resource for school bus lenders, insurers, dealers and operators throughout North America.

Bus Solutions Holdings, LLC and its affiliated companies have been nationally recognized as the industry leader in the field of bus valuations, appraisals and damage reporting. We are the only independent appraisal company that specializes in bus and coach valuations. We are also an industry leader in transportation market studies, with special emphasis on the bus industry.

Over the years, Bus Solutions Holdings, LLC has provided many industry professionals with targeted industry research and market data and research to guide them through market launches and other endeavors.

We are not in the business of selling, leasing or buying bus equipment; we provide impartial assessments to our clients with the same trust as a fiduciary, without any conflict of interest or self-dealing. To further protect our clients, we prepare our appraisals with the same criteria and standards as those established by the American Society of Appraisers. Bus Solutions, LLC valuation models are accepted and used by financing and appraisal companies throughout North America, including members of the American Society of Appraisers. Bus Solutions has set the trends and developed the techniques that have become the industry standards for equipment valuations.

Our customers extend throughout the United States, Canada, Mexico and Europe. A representative sample of our clientele is listed below.

Advantage Funding	Huntington National Bank
AIG	ICON Capital
Amegy Bank	Internal Revenue Service
American Equipment Leasing	IStar Financial
ATEL Equipment	JP Morgan
Banc One Leasing	Lakeside Capital
Bank North Leasing	LaSalle National Equipment
Bank Of America San Francisco	Lincolnshire
Bank of Montreal (BMO)	M&T Bank
BankAmerica Leasing	Madison Capital
Boeing Capital Corporation	Manufacturers Lease Plan, Inc.
BTMU Capital	Marquette Equipment Finance
Cargill Leasing	Midland Loan Service
Carrier Transport AC	Money Financial Group
Catalyst Capital	National Interstate Insurance
Center Capital	Newcourt Credit
Charabanc	Orix Credit Alliance
Chase – Bank One	PNC
Chesapeake Leasing	Randolph Bank
CitiCapital	Royal Bank of Scotland
CitiCorp, ITT Capital Finance	RVI Insurance
Cole Taylor Bank	Sallie Mae
Comerica Bank	Siemens Financial
Crossroads Equipment Leasing	Signature Financial
Dallas Central Appraisal District	SouthTrust Bank
Debis Financial Services	SunTrust
Edson Financial	TD Bank
Equilease Financial	Tennessee Commerce Bank
Fenway Partners	Textron Financial
First International Bank	The CIT Group
First National Capital	U.S. Bancorp Leasing
Fleet Capital	U.S. Bank Corporation Banking Division
GATX Leasing	VERITAS Financial Partners
GE Commercial Finance – Atlanta	Volvo Commercial Finance
GE Corporate Finance	Wachovia
GE Structured Finance	Weider Health and Fitness
GL Simpson Insurance	Wells Fargo Equipment Finance
Greenwich Capital	Wichita Commercial Bank
	Numerous Law firms - Expert Witness

We have also provided value information to the Internal Revenue Service and the Federal Transit Administration. Finally, we served as the primary consulting firm on a majority of the Greyhound lease returns entering the secondary market between 1991-1995.

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The following is a detailed list of publications that Dave W Mendenhall and the staff of Bus Solutions Holdings, LLC have published over the years.

The Official Bus Blue Book™

The Official Bus Blue Book™ is a complete used bus valuation guide. This semi-annually produced book provides benchmark pricing on thousands of used coaches throughout North America and Canada. In addition, the publication has great historical value providing information regarding both manufacturing dates and specifications. **The Official Bus Blue Book™** is geared towards companies and individuals directly related to the Bus and Coach Industry.

Dealers, insurance companies, lending institutions, operators and anyone needing to determine exposure and evaluate or appraise coaches have all found that **The Official Bus Blue Book™** is a powerful source of used bus information.

The writers and gatherers of the data that go into **The Official Bus Blue Book™** publication have over 60 years combined experience in the bus and coach industry with 30 years of experience directly relating to this type of publication.

Bus Solutions is continuing the tradition started back in 1987, by providing professionals like you with accurate used bus pricing information.

This Official School Bus Blue Book™

This Official School Bus Blue Book™ is a complete used school bus valuation guide. Bus Solutions has been providing professionals with accurate used school bus pricing information for more than twenty years. This annual publication provides benchmark pricing on thousands of used school buses throughout North America and Canada. In addition, the publication has great historical value providing information regarding both manufacturing dates and specifications.

Bus Weekly™

Bus Weekly™ Email is a classifieds publication that lists used equipment, products, services and specials to industry decision makers via email throughout North America and Canada. Bus Weekly™ Email is delivered - FREE OF CHARGE - to thousands of in-boxes every Tuesday morning.

Buyers will find Bus Weekly™ Email an indispensable information source for industry related purchasing. The weekly email publication gives users one-click-access to both the downloadable publication and our extensive archive of past editions.

Sellers can reach the full group of Bus Weekly™ readers by purchasing banner space. Call our sales reps for more information.

Dave's Hot Tips™

Dave's Hot Tips™ is a periodic blog post regarding variety of topics such as bus values, bus appraisals, and management tips. It also includes such topics as bus equipment, the market place, preserving the value of your assets and various other important and bits of helpful information.

Bus Industry Annual Report

Bus Industry Annual Report, a complete market analysis of all four segments of the North American Bus and Coach Market. This publication is no longer in print.

The Bus Pages

The Bus Pages was considered to be the official buyers guide and directory for the bus, coach and limousine industries. This publication ceased publishing in 2004.

Bus Direct Pages – Online

Bus Direct Pages – Online was considered to be the industry's largest on-line buyer's guide and search engine. This publication is no longer available.

Rapidsell

Rapidsell, was the predecessor to Bus Weekly. The Rapidsell fax publication was the first industry publication ever to be delivered weekly. As many as 7,500 fax machines received the weekly Rapidsell communication. This publication was replaced in 2002 by Bus Weekly.

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Agenda Item No. 10

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

**Draft for
Executive Committee
Review Date: 2/1/18**

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 race-neutral 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 require MTS to prepare a DBE Triennial Overall Goals. The DBE Triennial Overall Goal is established upon the number of ready, willing, and able DBE contractors within MTS's geographic market area that are 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 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) (collectively referred to as SBE) toward meeting its DBE Triennial Overall Goal. Nonetheless, MTS encourages participation from, conducts outreach to, and tracks awards and payments to SBE.

IV. Race-Neutral Measures to Increase DBE Participation

A race-neutral DBE program means that there are no DBE contract specific goals and no advantages provided to interested DBE contractors when submitting bids or proposals. 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 SBEs 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 small purchase procurements in which MTS must seek out three (3) bids, MTS aims to advertise the procurement on PlanetBids so as to increase the potential of DBEs, MBEs, DVBES, WBEs, SBs or LGBTBEs learning of the procurement, 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. MTS generally uses local and state funds for capital projects (e.g. construction, architectural & engineering), administrative costs and other operating expenses (e.g. marketing expenses, land management, office supplies).

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

The FTA Semi-Annual Report for April 1, 2017 to September 30, 2017 is the fourth of six reports in the current triennial period.

a. Contracts Awarded

For this reporting period, MTS **did not meet** its DBE Triennial Overall Goal of 3.75% for contracts awarded. MTS achieved **0.95%** DBE participation for contracts awarded

The main reason for why MTS was not able to meet its DBE Triennial Overall Goal for contracts awarded was due to awarding several large contracts to non-DBE Contractors.

Large non-DBE Contracts Awarded During Reporting Period			
Non-DBE Contractor	Services	Contract Amount	Comments
Creative Bus Sales	Purchase of 20 ADA Paratransit Buses	\$2,189,944.00 (80% Fed Funded)	Procured through a California State Government Purchasing Scheduling (CalACT). FTA encourages transit agencies to use government purchasing schedules in order to secure the best possible competitive price based on the economies of scale involved. MTS is unaware of a DBE bus manufacturer or dealer. Although the FTA requires that transit vehicle awards to transit vehicle manufacturers be not included on this report, since this Contractor is a dealer of transit vehicles, MTS does include this transaction.

Daniels Tire Service (SB)	Purchase of Tires for Gillig and New Flyer Buses	\$295,906.64 (80% Fed Funded)	Formal competitive bid process was used. Two bids received. Awarded to lowest, responsive, and responsible bidder Daniels Tire Service (SB).
Macton Corp.	Repair of Trolley C5 Floor Jacks	\$92,445.12 (80% Fed Funded)	Sole Source. Macton Corp. is the only Contractor that can provide this unique, highly specialized material and service.
Siemens Industry	S70 Center Truck Axle Build and Inspect	\$70,200.00 (80% Fed Funded)	Sole Source. Siemens Industry is the only Contractor that can provide this unique, highly specialized material and service.
Siemens Industry	Amendment – Testing of I/O Points in Traction Power Substations (TPSS)	\$67,814.78 (49% Fed Funded)	Amendment executed relating to the exercise of an Option for the purchase of additional TPSS. In 2012, a formal competitive bid process was used. Three bids received. Awarded to lowest, responsive, and responsible bidder Siemens Industry.
San Diego Sweeping Service / Steven Reid	Option Years - Parking Lot Sweeping Services	\$64,848.00 (80% Fed Funded)	Option Years (4 & 5) exercised. Base Years (1, 2 & 3) complete. In 2014, a formal competitive bid process was used. Six bids received. Awarded to lowest, responsive, and responsible bidder San Diego Sweeping Service.

	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: Apr 1, 2017 to Sept 30, 2017	\$3,326,175.53	\$31,444.62	0.95%	-2.80%

b. Contracts Completed

MTS **did meet** its DBE Triennial Overall Goal of 3.75% for contracts completed. MTS achieved 72.11% DBE participation for contracts completed.

The main reason for why MTS was able to meet its DBE Triennial Overall Goal for contracts completed was due to closing out several large, multi-year contracts to a DBE Contractor, NMS Management.

Large DBE Contracts Completed During Reporting Period			
DBE Contractor	Services	Contract Amount	Total Payments
NMS Management	Janitorial Service - SDTC	\$840,613.74 (80% Fed Funded)	\$840,613.66 (80% Fed Funded)
NMS Management	Janitorial Service - SDTI	\$5,609,688.72 (80% Fed Funded)	\$5,600,544.57 (80% Fed Funded)
NMS Management	Anti-graffiti window film	\$1,770,532.12 (80% Fed Funded)	\$1,531,225.77 (80% Fed Funded)

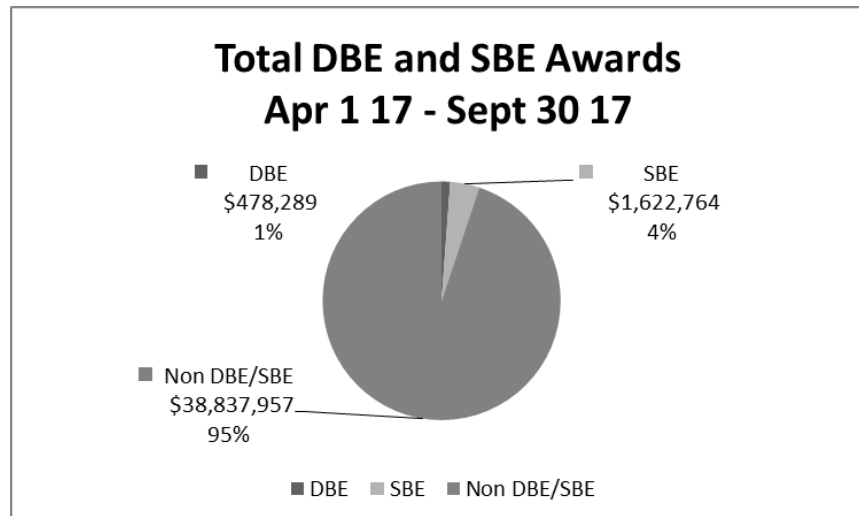
	Federal Contracts Completed/Actual Payments			Goal
<u>REPORTING PERIOD</u>	<u>Total Federal \$\$</u>	<u>DBE \$\$</u>	<u>DBE %</u>	<u>vs 3.75%</u>
Federal Funds: Apr 1, 2017 to Sept 30, 2017	\$7,929,547.67	\$5,718,287.77	72.11%	+68.36%

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

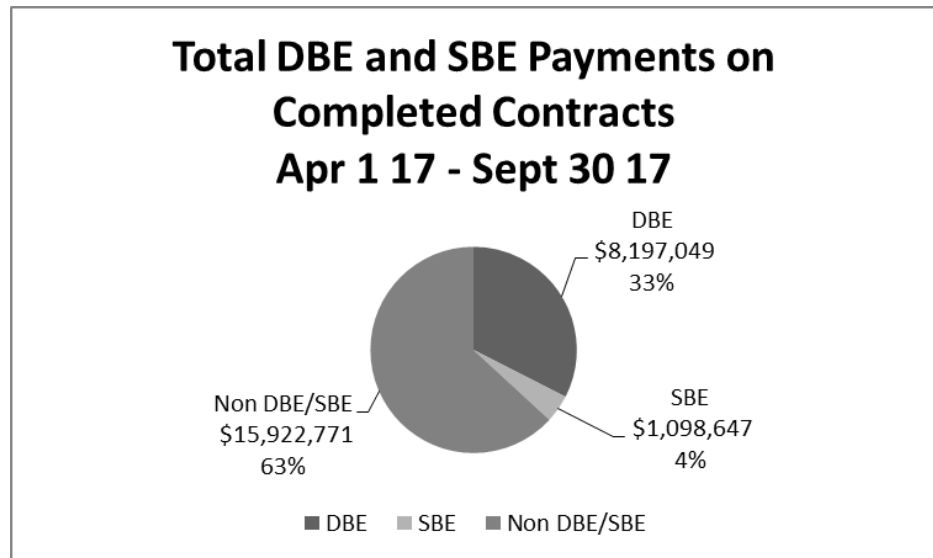
Although MTS cannot report to the FTA the participation of MBE, DVBE, WBE, SB and LGBTBE (collectively referred to as SBEs) for its FTA DBE Semi Annual Report, MTS does record the participation of these businesses to gauge the success of its program to foster small business participation.

MTS encourages the participation of SBEs on all of its contracts, no matter the funding source. MTS's DBE and SBE participation rates for the reporting period, using both local and federal funds, were as follows:

	ALL Contract Awards/Commitments				
<u>REPORTING PERIOD</u>	<u>Total \$\$</u>	<u>DBE \$\$</u>	<u>DBE %</u>	<u>SBE \$\$</u>	<u>SBE %</u>
Total Funds: Apr 1, 2017 to Sept 30, 2017	\$40,939,010.42	\$478,288.92	1.17%	\$1,622,764.06	3.96%



REPORTING PERIOD	All Contracts Completed (Actual Payments)				
	<u>Total \$\$</u>	<u>DBE \$\$</u>	<u>DBE %</u>	<u>SBE \$\$</u>	<u>SBE %</u>
Total Funds: Apr 1, 2017 to Sept 30, 2017	\$25,218,465.99	\$8,197,048.76	32.50%	\$1,098,646.55	4.36%



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

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

Attachment: A. History of Semi-Annual Reports for Contracts Awarded

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%
		Apri 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%
		Apri 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%
		Apri 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%
		April 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%
		April 1 16 to Sept 30 16	\$ 40,939,010.42	\$ 478,288.92	1.17%	\$ 1,622,764.06	3.96%	\$ 3,326,175.53	\$ 31,444.62	0.95%	\$ 405,594.52	12.19%	\$ 37,612,834.89	\$ 446,844.30	1.19%	\$ 1,217,169.54	3.24%
FFY16-18	3.75%	Oct 1, 2015 thru Sept 30, 2018 (6 semi-annual reports - in progress)	\$ 229,517,970.99	\$ 7,364,472.98	3.21%	\$ 9,284,344.78	4.05%	\$ 33,666,537.67	\$ 4,080,164.42	12.12%	\$ 996,754.16	2.96%	\$195,851,433.32	\$ 3,284,308.56	1.68%	\$ 8,287,590.62	4.23%

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, which is used to determine whether a DBE is considered a small business or not.

****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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Agenda Item No. 11

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

**Draft for
Executive Committee
Review Date: 2/1/18**

SUBJECT:

COMMUNICATION EQUIPMENT HEATING VENTILATION AIR CONDITIONING
(HVAC) MAINTENANCE SERVICES - CONTRACT AWARD

RECOMMENDATION:

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

- 1) authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG225.0-17 (in substantially the same format as Attachment A) with Comfort Mechanical, Inc. to provide Communication Equipment HVAC Maintenance Services for a three (3) year base term with two (2) one-year options; and
- 2) authorize the CEO to exercise the option years, at his discretion.

Budget Impact

The value of this agreement will not exceed \$197,509.00 and will be funded through the operating budget account 360016-571210 as follows:

	Preventative Maintenance	Unscheduled Repairs	Total
Total Base (Years 1 -3)	\$ 97,812.00	\$ 18,800.00	\$ 116,612.00
Total Option (Years 4 - 5)	70,452.00	9,930.00	80,382.00
Option: Additional Stations	515.00	-	515.00
Total Contract	\$ 168,779.00	\$ 28,730.00	\$ 197,509.00



DISCUSSION:

MTS intends to award an agreement to Comfort Mechanical for on call HVAC preventative maintenance services necessary to ensure safe and well maintained HVAC systems for communications equipment at various MTS Facilities/locations. These systems shall be maintained at optimum efficiency in accordance with manufacturers' recommendations.

On September 27, 2017 MTS issued the Request for Proposal (RFP) for preventive maintenance services, including scheduled routine inspection, adjustments, cleaning, minor repairs, testing, and inspecting equipment to reduce or avoid service interruption in strict compliance with the relevant equipment manufacturers' recommendations. Three (3) proposals were received as follows:

1. Comfort Mechanical, Inc.
2. Richardson Technologies, Inc.
3. Johnson Controls, Inc.

The submissions were deemed responsive and responsible.

A selection committee, consisting of representatives from MTS Facilities, Maintenance of Way, and Contract Services met and scored the proposal based on the following:

- | | |
|---|------------|
| 1. Qualifications of the Firm or Individual | 25% |
| 2. Staffing, Organization and Management Plan | 20% |
| 3. Work Plan | 20% |
| 4. Cost and Price | <u>35%</u> |
| | Total 100% |

After the initial evaluation of the proposal, the selection committee determined all proposers to be within the competitive range. Following the initial evaluation, MTS requested a revised technical proposal, cost proposal and clarifications. The panel re-evaluated the revised submissions per the RFP requirements.

The following table represents the proposer's final score following the interviews and evaluation of revised technical and cost proposal:

PROPOSER NAME	TOTAL AVG. TECH. SCORE	COST SCORE	TOTAL SCORE (TECH + COST)
COMFORT MECHANICAL	62.33	35.00	97.33
JOHNSON CONTROLS	57.67	21.83	79.50
RICHARDSON TECH.	50.83	33.99	84.83

Based on the objectives of this procurement, consideration of the evaluation criteria and Comfort's technical and price proposals, the evaluation team determined that Comfort Mechanical, Inc.'s proposal presented the best overall value to MTS.

Therefore, staff recommends that the MTS Board of Directors:

- 1) authorize the CEO to execute MTS Doc. No. PWG225.0-17 (in substantially the same format as Attachment A) with Comfort Mechanical, Inc. to provide Communication Equipment HVAC Maintenance Services for a three (3) year base term with two (2) one-year options; and
- 2) authorize the CEO to exercise the option years, at his discretion.

/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. PWG225.0-17

STANDARD SERVICES AGREEMENT

PWG225.0-17
 CONTRACT NUMBER

DRAFT

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 ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Comfort Mechanical, Inc. Address: 10740 Kenney Street
 Form of Business: Corporation Santee, CA 92071
 (Corporation, partnership, sole proprietor, etc.)
 Telephone: 518.462.5431

Authorized person to sign contracts: Sean Caviness Project Manager
 Name Title

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

Provide HVAC Communication Maintenance Services (attached as Exhibit A), and in accordance with the Standard Conditions Services Agreement, including the Standard Conditions Services (attached as Exhibit B), and the Federal Requirements (attached as Exhibits C).

The contract term is for three (3) base years, with two (2) optional years exercisable at the sole discretion of MTS.

Payment terms shall be net 30 days from invoice date. The total cost of this contract shall not exceed \$116,612.00 without the express written consent of MTS.

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
\$116,612.00	360016-571210	FY 18

By: _____
 Chief Financial Officer Date



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Agenda Item No. 12

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

**Draft for
Executive Committee
Review Date: 2/1/18**

SUBJECT:

SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS) TASK ORDER CONTRACT
APPROVAL FOR FASHION VALLEY STATION ELEVATOR REPLACEMENT AND
ADDITION PROJECT

RECOMMENDATION:

That the MTS Board of Directors authorize the Chief Executive Officer (CEO) to execute Work Order WOA1949-AE-15 for MTS Doc. No. G1949.0-17 (in substantially the same format as Attachment A) with Jacobs Engineering Group, Inc. for \$272,000.00 to perform Design-Engineering Services for the Fashion Valley Station Second Elevator Project ("Project") and includes design for replacing the existing elevator.

Budget Impact

The funding for Work Order WOA1949-AE-15 (\$272,000) is allocated under MTS Capital Improvement Project (CIP) Budget No. 2004001902.

DISCUSSION:

On January 12, 2016, San Diego Association of Governments (SANDAG) and MTS issued a joint Request for Statements of Qualifications (RFSQ) for On-Call Architectural and Engineering (A&E) Design Consulting services. The RFSQ resulted in the approval of 8 firms qualified to perform A&E services. Tasks are assigned to the firms through a work order process. MTS selects the most qualified firm based on the scope of work to be performed.

The Fashion Valley Trolley Station is one of MTS's most highly traveled stations with more than 6,000 passengers per day. The station is organized around an existing elevator/stair core to the east and a stair core to the west, both providing vertical circulation from grade to the platforms. Due to excessive use, vandalism and element exposure of the elevator shaft components, the existing elevator equipment requires replacement. Furthermore, if the Fashion Valley station elevator is out of service,



patrons must travel through the upper deck of a parking garage and over the mall to access another accessible route. The existing elevator tower will be reused and repaired, if necessary, or modified as required to accommodate the new elevator requirements. The replacement elevator will be designed to MTS's current standard used at other facilities such as Grossmont Transit Center, Sabre Springs and the Mid-Coast project.

Additionally, a new elevator is required to provide for the continued servicing of the increased number of passengers, during peak travel periods and for maintenance of the existing elevator. The second elevator will also provide additional functionality of the station under the Americans with Disabilities Act (ADA). The design of the new elevator tower is to match the architectural features of the existing station as much as possible.

All modifications to the station and associated construction staging would occur within the existing station footprint and would have no adverse effects to traffic circulation.

MTS staff reviewed the approved A&E firms and utilizing a rotation process according to the established ranked order of firms, selected Jacobs Engineering to perform the requisite services. Jacobs Engineering has the architectural experience to fulfill the requirements of this project.

The total value of Work Order WOA1949-AE-15, to MTS Doc. No. G1949.0-17 is \$272,000 and is budgeted to CIP Project Line Item 2004001902. Improvements, based on the design under this Scope of Work, would be constructed during fiscal year 2019.

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to execute Work Order WOA1949-AE-15 for MTS Doc. No. G1949.0-17 (in substantially the same format as Attachment A) with Jacobs Engineering Group, Inc. for \$272,000.00 to perform Design-Engineering Services for the Fashion Valley Station Second Elevator Project ("Project") and includes design for replacing the existing elevator.

/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 WOA1949-AE-15, MTS Doc. No. G1949.0-17

February 15, 2018

MTS Doc. No. G1949.0-17
Work Order No. WOA1949-AE-15

Jacobs Engineering Group, Inc.
Lewis P. Cornell, Vice President
725 West Town & Country Road, Suite 300
Orange CA, 92868

Dear Mr. Cornell:

Subject: MTS DOC. NO. G1949.0-17, WORK ORDER WOA1949-AE-15, GENERAL ENGINEERING
DESIGN SERVICES FOR FASHION VALLEY STATION ELEVATOR REPLACEMENT AND
ADDITION PROJECT

This letter shall serve as our agreement for Work Order WOA1949-AE-15 to MTS Doc. No. G1949.0-17, for professional services under the General Engineering Consultant Agreement, as further described below.

SCOPE OF SERVICES

This Work order provides for design services to MTS Fashion Valley Station elevator replacement and addition. Work provided under this Work Order will be performed in accordance with the attached Scope of Services (Attachment A and B)

SCHEDULE

This Work Order will not change the original schedule. The Scope of Services, as described above, shall remain in effect for eight (8) months from the date of the Notice to Proceed.

PAYMENT

Payment shall be based on actual costs in the amount not to exceed without prior authorization of \$272,000.00.

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

Lewis Cornell
Jacobs Engineering Group, Inc.

Date: _____

Attachments: Attachment A, Scope of Services
Attachment B, Negotiated Fee Proposal



Attachment A

PROJECT SCOPE

The existing Fashion Valley Trolley Station is located at the intersection of Riverwalk Drive and Fashion Valley Road, San Diego, CA. The station is organized around an existing elevator/stair core to the east and a stair core to the west, both providing vertical circulation from grade to the platforms.

The existing elevator equipment requires replacement with a new machine room-less type. The existing elevator tower will be reused and repaired if necessary or modified as required to accommodate the new elevator requirements. A new elevator is required adjacent to the west stair core. The design of the new elevator tower is to match the architectural features of the existing station as much as possible.

PHASING

Construction will be executed in the following phases:

Phase 1 - Includes construction of a new elevator tower and equipment and must be operational prior to the start of replacing the existing elevator.

Phase 2 - Includes replacing the existing elevator with new machine room-less elevator. The contract documents to specify that the existing elevator will be required to remain in service until the new elevator (Phase 1) is commissioned and available for use by MTS patrons. Final plans will include both phase 1 and 2 under the same package.

SCOPE OF DESIGN SERVICES

The Scope of Work shall consist of the following tasks and deliverables.

TASK 1 PROJECT MANAGEMENT AND COORDINATION

- 1.1 Includes invoicing, scheduling, monthly project progress, and administration costs.
- 1.2 Provide project coordination with MTS as well as coordination with other project stakeholders as necessary i.e. bus operations, MTS procurement.
- 1.3 Provide coordination and oversight of other sub consultants design work including integration of the plans and specifications into submittal packages.
- 1.4 Also included in Project Management is QA/QC which will be performed on all deliverables. To ensure quality of work and compliance with the scope of work, the consultant shall perform a systematic in-house review of all documents produced prior to submittal. All reviewed documents will have a check box or signature page indicating review has been performed.

TASK 2 SURVEY

- 2.1 The consultant to utilize the existing as-built information and will rely on the accuracy of the information contained in the documents and the field visit.

TASK 3 GEOTECHNICAL INFORMATION

- 3.1 The consultant to utilize the boring information provide in the as-built drawings.

TASK 4 DOCUMENT REVIEW AND SITE VISITS

- 4.1 Consultant to conduct a site visit with key personnel involved on the design team for conceptual layout of the new elevator and for follow-up visits to confirm as-built information, verification of existing facilities i.e. utilities, communication rooms, etc.

TASK 5 DESIGN MEETINGS

- 5.1 Conduct monthly progress meetings with MTS during the design phase of the project (four max.) for providing comments to any aspect of the design and make changes where appropriate. The Consultant to utilize the SANDAG design criteria for developing the basic aspects of the facility for meeting the project objectives. For the meetings, provide drawings, sketches, cost estimates, schedules and other relevant information for presentation to MTS. Special considerations shall also be addressed such as: Contractor site access limitations, utility shutdowns and switchover coordination, phased construction, schedule requirements, fire life safety, security enhancements, telemetry to the Operations Control Center, available swing space, material and equipment delivery, etc.
- 5.2 Record the minutes of each design meeting and distribute within seven (7) calendar days to all attendees and those persons specified to be on the distribution list by the Project Manager.

TASK 6 PRELIMINARY ELEVATOR DESIGN

- 6.1 Based on document review, field visits, and conceptual ideas discussed, a preliminary design will be prepared for the proposed elevator tower on the west tower, including exhibits and 3D renderings. Design will incorporate the 'machine room-less' type elevator operating system.
- 6.2 Architectural and structural collaboration for validating the location of elevator tower. Consideration will be given to existing structures and facilities concerning potential for demolition, relocation, connectivity, and accessibility, pedestrian flow and access, and safety.
- 6.3 Prepare general layout for elevator showing positioning of elevator tower, and LRV platform bridge connection including the following:
- Perform preliminary review of platform drainage patterns to ensure proper flow around proposed elevator
 - Perform structural evaluation of existing structures to verify preliminary design is allowable at proposed location
 - Determine most viable mechanical operating system
 - Determine whether existing mechanical room is sufficient for two elevators, and whether it can be used during phase 1 for the operating elevator needs to be expanded or new one installed
 - Phasing feasibility assessment

- 6.4 Follow existing architectural elements on the east tower for the west tower taking into consideration the existing transfer station architectural features including the preparation of a 3D rendering. Material samples and color pallets shall be submitted to MTS for review and approval for all the interior car walls, floor, ceilings, etc.
- 6.5 Prepare a broad based preliminary cost estimate.
- 6.6 Prepare a preliminary submittal package for review meeting with MTS.
- 6.7 Plans will be produced at a scale of 1"=20' in Revit, Version 2013 or newer.

TASK 7 EXSTING ELEVATOR TOWER & ELEVATOR REPLACEMENT

- 7.1 Replacement of the existing elevator and replace using the 'machine room-less' type elevator.
- 7.2 Re-Use of Elevator Tower
- 7.3 Consideration of re-using the existing elevator tower for the new machine room-less type. Evaluation of the existing tower to include a visual inspection of the concrete structure for the new elevator shaft. Observations will be made for cracking, spalling, and other deleterious effects and provide maintenance and/or repair recommendations. Additional inspections will include the connections of the pipe façade and the elevator guide rail to the concrete structure and provide maintenance and/or repair recommendations. Non-Destructive Testing (NDT) methods for the concrete will not be included in these evaluation efforts.

7.4 Elevator Operating System

The design standards for the vertical transportation equipment and related system components shall comply with those specified in A17.1 of the American Society of Mechanical Engineers (ASME), The Americans with Disabilities Act/Architectural Barriers Act Accessibility Guidelines (2010 Guidelines), and the 2013 California Building Code, Title 24, Part 2, Volumes 1 & 2. These standards shall be applied to items determined, based on the evaluation, as requiring upgrades. The following components to be included with the new elevator:

- Operators & Controls
- Car
- Communication
- Electrical
- Mechanical
- Miscellaneous Components including:
 - Specified hoist-ways
 - Elevator pit
 - Hoist-way ventilation and lighting

- 7.5 Determine a phased construction schedule for the elevator upgrades considering the material fabrication times, delivery dates, allowable elevator shut down durations and any required electrical mechanical, structural, and architectural improvements.

Task 8 FINAL ELEVATOR DESIGN

- 8.1 Based on comments received from MTS during the preliminary design review meeting the elevator design will be advanced to increased design levels. The continued design efforts will incorporate current design and operating safety

standards including foundations, structural members, material type selection, electrical, mechanical and control systems, accessibility, pedestrian circulation, and architectural adaptation to the existing facility. In addition, the design will take into account site security measures to increase public safety.

8.2 Tasks to be performed will include:

i. General Civil Design

1. General civil design plans will be developed to show the general site layout, utilities, demolition, grading and drainage as needed, platform improvements, traffic and pedestrian control and detours, and construction phasing.

ii. Architectural Design

- Tower layout details
- Machine room
- Elevator cab
- stairwell
- Lighting
- Exterior and car signage

iii. Elevator Design

- Mechanical operating system including equipment and hydraulics
- Elevator pit
- Elevator hoist way
- Cab controls
- Control system
- Electrical
- Fire, Life, Safety

iv. Structural Design

1. Structural design for both the elevator tower and will include foundation and member analysis based on the architectural design layout prepared above. The foundation analysis will also utilize as-built information of the original design and geotechnical recommendations. Structural design plans will be coordinated with both the architectural and elevator designs and will include the following:
 - Foundation design and details
 - Structural member sizing, configuration, and connection details
 - Existing structure tie-in details

8.3 Construction Documents – PS&E (30 %, 60%, 90%, and 100% submittals)

8.4 Technical specifications will follow MTS format.

8.5 Design drawings will, in accordance with the submittal stages below, address proposed site improvements including utilities and demolition, new elevator including elevator tower, electrical and mechanical operating systems, elevator car and all associated architectural features, and details. Design drawings will be developed on MTS title blocks with the inclusion of City of San Diego title block where applicable. Additional plan features and construction document content is described below:

8.6 Plan Features

- a. Plan format (i.e. title sheet and sheet borders) will be in a MTS format for each project segment with local jurisdiction signature blocks (as necessary). Standard notes for MTS and the local jurisdiction (as necessary) will be included.
- b. Horizontal control – Non-linear project elements will rely on dimensions between project features and a table of coordinates at key locations.
- c. The scale of plan sheets are anticipated to be 1"=40' for improvement plans and 1"=20' where more detail is required.

8.7 Design Packages shall include the following information

- a. Title Sheet
- b. Location / Vicinity Maps
- c. General Notes
- d. Sheet Index, Legend & Abbreviations
- e. Horizontal & Vertical Control
- f. Existing Topography- if the existing CAD file provided
- g. Demolition Plans
- h. Typical Cross Sections
- i. Utility Relocations Plans- no third party utilities
- j. Elevator Layout Plan
- k. Floor and Roof Plans
- l. Building Elevation Plans Structural Details)
- m. Architectural Details
- n. Electrical Plans
- o. Mechanical Plans
- p. Construction Details
- q. Construction Phasing
- r. Temporary Traffic Control- if necessary
- s. Erosion Control Plan- if necessary
- t. Specifications
- u. Construction Cost Estimate

8.5.1 30% -60% PS&E

30% and 60% Construction Documents will be prepared for improvements determined as necessary in tasks 3 through 5 above. 60% construction documents will include the advancement of the preliminary documents, inclusion of MTS, City of San Diego (as necessary), and other reviewing agencies comments from the preliminary submittal with the addition of specifications outline, and some design details.

8.5.2 90% PS&E

90% Construction Documents will be prepared for improvements determined as necessary in tasks 3 through 5 above. 90% construction documents will include advancement of the 60% documents, inclusion of MTS, City of San Diego (as necessary), and other reviewing agencies comments from 60% submittal with the addition of full specifications, design drawings including structural and architectural details, cross-sections and elevations, erosion control, and draft construction cost estimate.

8.5.3 100% PS&E

100% Construction Documents will be prepared for improvements determined as necessary in tasks 3 through 5 above. 100% construction documents will include advancement of the 90% documents, inclusion of MTS, City of San Diego (as necessary), and other reviewing agencies comments from 90% submittal, finalizing specifications, design drawings and details, and confirming construction cost estimate is complete and matches all pay items discussed in the specifications.

8.5.4 Fire, Life, and Safety Permit Application

Coordinate with the City of San Diego Division of Building and Safety and Fire Marshal concerning Fire, Life, Safety issues and prepare a submittal package for review and permit approval by the City and Fire Marshal. Attend review meeting with the City and Fire Marshal, incorporate any comments into the design documents, and submit a final review package to the City and Fire Marshal.

9 BID PACKAGE DEVELOPMENT AND SUPPORT SERVICES (IFB SUBMITTAL)

9.1 Final Review Comments

Incorporate review comments to the Final PS&E submittal and prepare “Bid-Ready” packages for MTS Contracts Department to advertise project.

9.2 Bid Support

Prepare and submit “Bid Form” and “Electronic Info” form to MTS Contracts Department for advertisement.

Prepare for and attend the pre-bid meeting and respond to RFI's from the contractor(s) during the bid process.

Preparing Conformed Plans & Specifications (by incorporating any relevant contractor RFI's during the Bid Phase)

TASK 10 DESIGN SUPPORT DURING CONSTRUCTION (DSDC)

- 10.1. Attend Weekly Construction Team Meetings in person or via teleconferencing – Meeting attendance to be required at MTS' request.
- 10.2. Review & Approve Submittals - The Consultant Team will review and approve or take other appropriate action in respect to Contractor-prepared submittals required by the specifications, including shop drawings, product catalog cut sheets, certificates of compliance, samples, and other data which the Contractor is required to submit, but only for conformance with the information given in the Contract Documents. Such review and approvals or other action will not extend to means, methods, techniques, equipment choice and usage, sequences, schedules, or procedures of construction or to related safety precautions and programs.
- 10.3. Respond to Requests for Information (RFI) - The Consultant Team will review and respond to Contractor RFIs forwarded from the SANDAG CM and issue necessary clarifications and interpretations of the Contract Documents as appropriate to the orderly completion of the Contractor's work. Any orders authorizing variations from the Contract Documents will be made by the SANDAG CM.
- 10.4. Field Observations - At the request of MTS, the Consultant Team's staff may conduct site visits to respond to RFI's, to develop Change Orders, or to perform other specific tasks.
- 10.5. Prepare Design Revisions/Design Change Notices (DCN's) - Prepare revisions to design plans and technical specifications as directed. Modifications to the project plans and specifications may be required prior to and during the construction phase of the project. The Consultant Team will work with the MTS construction team to assess the purpose for implementing a potential change, to develop an appropriate solution, and develop corresponding revisions to the plans and specifications. Design revisions may be in response to action required by an RFI, CCO, an unforeseen site condition, value-engineering, etc. If requested by MTS, the Consultant Team will develop cost estimates to coincide with the proposed changes. Design revisions will be transmitted in PDF file format.

- 10.6. Punchlist and Closeout Activities - As the project nears Substantial Completion, the Consultant Team will assist the construction management (CM) team in preparing a punchlist of items to be addressed by the Contractor. Assistance with the punchlist will entail site walks as directed by the CM team. Consultant shall also prepare final as-built plans.

I. DELIVERABLES

Deliverables are anticipated to include the following:

- Design Review Meeting Minutes
- Preliminary Design Documents
 - Plans
 - Broad Based Cost Estimate
 - 3-D Rendering
- 30-60%, 90%, & 100% PS&E
 - Plans
 - Specifications
 - Cost Estimate
- Bid Construction Package and Processing
 - Bid Ready Plans
 - Bid Ready Specifications
 - Bid Ready Construction Costs
 - Bid Form
- Conformed Plans & Specifications. Provide one 11" x 17" hard copy set to MTS
- Miscellaneous DSDC Phase Deliverables (RFI's, DCN's, As-Builts, Approvals, etc.)
- Monthly Invoices and Progress Reports

II. SCHEDULE OF SERVICES/MILESTONES/DELIVERABLES

A. Tasks Schedule

Task	Begin/End Dates
1. Project Management and Coordination	NTP / Project Completion
2. Survey	NTP / NTP + 2 week
3. Site Evaluation & Investigation	
• Field Work	NTP / NTP + 2 week
• Survey	End Task 3 / NTP + 4 weeks
• Utility/Facilities Verification	End Task 4 / NTP + 6 weeks
4. Document Review & Site Visits	NTP / Project Completion
5. Design Review Meetings	NTP / Project Completion
6. Preliminary Elevator Design	End Task 3 / NTP + 8 weeks
7. Replacement of the Existing Elevator	NTP + 8 weeks
8. Final Elevator & Stairwell Design	
8.5.1 30-60% Design Submittal Package	End Task 6 / NTP + 12 weeks
8.5.2 90% Design Submittal Package	NTP/NTP + 18 weeks
8.5.3 100% Design Submittal Package	NTP / NTP + 24 weeks
8.5.4 Fire, Life, Safety Permit Application	End Task 8.5.1 / NTP + 31 weeks
9. Bid Package Development & Support Services	End Task 8 / At Contractor's NTP Meeting
10. Design Support During Construction	Contractor's NTP / Project Close-out

III. MATERIALS TO BE PROVIDED BY SANDAG AND/OR THE LOCAL AGENCY

- Geotechnical data/reports (if available).
- As-built drawings of Fashion Valley Transit Center.
- As-built drawings of Grossmont Transit Center, Sabre Springs, Mid-Coast.
- Site access for field work
- Electronic version of original design plans

IV. SPECIAL CONDITIONS

The following is excluded from this scope:

- Construction Management Services
- Specialty inspections
- Utility Relocation design and coordination for the third party utilities
- Environmental

V. 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.

VI. 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.

VII. 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.

Work Order Estimate Summary

Att. A, AI 12, 2/15/18

MTS Doc. No.	G1949.0-17
Work Order No.	17.04
Attachment:	B

Work Order Title: Fashion Valley Elevator

Project No: TBD

Table 1 - Cost Codes Summary (Costs & Hours)

Item	Cost Codes	Cost Codes Description	Total Costs
1	0100	PROJECT MANAGEMENT	\$36,430.80
2	0255	ENGINEERING	\$235,354.07

Totals = \$271,784.87

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

Item	TASKS/WBS	TASKS/WBS Description	Labor Hrs	Total Costs
1	ADMIN	PM & COORDINATION	192.00	\$36,430.80
4	ENGINEERING	DOCUMENT REVIEW & SITE VISITS	86.00	\$11,299.14
5	ENGINEERING	DESIGN REVIEW MEETINGS	72.00	\$9,832.36
6	ENGINEERING	PRELIMINARY ELEVATOR DESIGN	210.00	\$21,019.21
7	ENGINEERING	EXISTING TOWER & ELEVATOR REPLACEMENT	260.00	\$24,468.83
8	ENGINEERING	FINAL ELEVATOR DESIGN	936.00	\$102,005.40
9	ENGINEERING	BID PACKAGE DEVELOPMENT & SUPPORT	77.00	\$9,430.97
10	ENGINEERING	DESIGN SUPPORT DURING CONSTRUCTION	464.00	\$57,298.16

Totals = 2,297.00 \$271,784.87

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

(If Applicable, Select One)				Consultant	Labor Hrs	Total Costs
DBE	DVBE	SBE	Other			
			X	Consultant A	2,297.00	\$271,784.87

Totals = 2,297.00 \$271,784.87

Work Order Estimate Summary

Att. A, AI 12, 2/15/18

Total Hours =	2,297
Total Costs =	\$271,784.87

Consultant/Subconsultant: JACOBS ENGINEERING GROUP, INC.

Work Order Title: Fashion Valley Elevator

MTS Doc. No.: G1949.0-17

Work Order No.: 17.04

Attachment: B

INTERNAL ONLY																						
Item	TASKS/WBS	TASKS/WBS Description	ODCs (See Attachment)	Manager of Projects II	Administrative Assistant V	Manager of Engineering I (Architecture)	Office Engineer V (Architecture)	Office Engineer II (Architecture)	Civil Design VI	CADD Design III	Engineering PM II (Electrical)	Office Engineer III (Electrical Design)	Engineering PM I (Mechanical Design)	Office Engineer I (Mechanical)	Manager of Engineering I	Office Engineer III (Structural Design)	Transportation Planner IV (Structural)	Estimating V	NA	NA	Total Hours	Totals
				\$ 255.14	\$ 87.46																	
						219.47	124.18	94.04														
1	ADMIN	PM & COORDINATION				\$ 199.95	\$ 130.38	\$ 119.94	\$ 133.68	\$ 73.41	\$ 173.85	\$ 94.04	\$ 173.85	\$ 89.78	\$ 219.47	\$ 94.04	\$ 119.20	\$ 155.37				
1.1	0100	INVOICING/SCHEDULING/ADMIN					(19.52)	6.20	25.90	12.58												
1.2	0100	COORDINATION W/MTS, BUS OPERATORS, MTS PROCUREMENT			16																	16
1.4	0100	QA/QC ON DELIVERABLES			32	8																40
					16	20			4		24	6	8	6	24	16	12					136
					64	8	20		4	24	24	6	8	6	24	16	12					192
		Subtotals (Hours) =	N/A																			
		Subtotals (Costs) =		\$16,328.96	\$699.68	\$3,999.00			\$534.72		\$4,172.40	\$564.24	\$1,390.80	\$538.68	\$5,267.28	\$1,504.64	\$1,430.40					192
																						\$36,430.80
																						\$36,430.80
4	ENGINEERING	DOCUMENT REVIEW & SITE VISITS																				
4.1	0255	REVIEW AS-BUILTS FOR NEW ELEVATOR DESIGN					4		6	4	4	2	2	2	8	4	10					38
4.2	0255	SITE VISIT W/KEY PERSONNEL IN DESIGN TEAM					8	14	8	12	2	2	10	8	4	4	18					86
		Subtotals (Hours) =	N/A																			
		Subtotals (Costs) =					\$1,043.04		\$1,871.52	\$587.28	\$2,086.20	\$188.08	\$347.70	\$897.80	\$1,755.76	\$376.16	\$2,145.60					\$11,299.14
																						\$11,299.14
5	ENGINEERING	DESIGN REVIEW MEETINGS																				
5.1	0255	MONTHLY PROGRESS MEETINGS WITH MTS		\$500.00			40				12			12			8					72
		Subtotals (Hours) =	N/A																			72
		Subtotals (Costs) =	\$500.00				\$5,215.20				\$2,086.20			\$1,077.36			\$953.60					72
																						\$9,832.36
																						\$9,832.36
6	ENGINEERING	PRELIMINARY ELEVATOR DESIGN																				
6.5	0255	PREPARE A PRELIM SUBMITTAL PACKAGE FOR MTS MEETING							8	97	4					25	56	20				210
		Subtotals (Hours) =	N/A						8	97	4					25	56	20				210
		Subtotals (Costs) =							\$1,069.44	\$7,120.77	\$695.40					\$2,351.00	\$6,675.20	\$3,107.40				210
																						\$21,019.21
																						\$21,019.21
7	ENGINEERING	EXISTING TOWER & ELEVATOR REPLACEMENT																				
7.1	0255	REPLACEMENT OF EXISTING ELEVATOR							4	65	2				2	25	56					154
7.2	0255	RE-USE OF ELEVATOR TOWER								40												40
7.3	0255	ELEVATOR OPERATING SYSTEM					24		4	40	2											66
		Subtotals (Hours) =	N/A				24		4	145	4				2	25	56					260
		Subtotals (Costs) =					\$3,129.12		\$534.72	\$10,644.45	\$695.40				\$438.94	\$2,351.00	\$6,675.20					\$24,468.83
																						\$24,468.83
8	ENGINEERING	FINAL ELEVATOR DESIGN																				
8.1	0255	GENERAL CIVIL DESIGN							6	8												14
8.2	0255	ARCHITECTURAL DESIGN					20															20
8.3	0255	ELEVATOR DESIGN					20															20
8.4	0255	STRUCTURAL DESIGN																				20
8.5	0255	CONSTRUCTION DOCUMENTS								76					2		54					150
8.5.1	0255	30-60% PS&E			4			12	40	40	54	12	32		2	60						214
8.5.2	0255	10% PS&E			36			12	60	20	28	8	24					20				208
8.5.3	0255	100% PS&E			6			60	20	24	4	8						20				150
8.5.4	0255	FIRE, LIFE, & SAFETY PERMIT APPLICATION						16	8	16	24	2	4					20				62
		Subtotals (Hours) =	N/A				40		40	36	160	88	122	24	66	4	108					936
		Subtotals (Costs) =					\$4,188.08		\$5,215.20	\$4,812.48	\$19,086.60	\$15,298.80	\$11,472.88	\$4,172.40	\$5,025.48	\$877.88	\$5,642.40	\$12,873.60	\$12,429.60			936
																						\$102,005.40
																						\$102,005.40
9	ENGINEERING	BID PACKAGE DEVELOPMENT & SUPPORT																				
9.1	0255	FINAL REVIEW COMMENTS					8		8	12	2	4	1	4		4	4					47
9.2	0255	BID SUPPORT					8		8	8												30
		Subtotals (Hours) =	N/A				16		16	12	10	4	3	4		4	8					77
		Subtotals (Costs) =					\$2,086.08		\$2,138.88	\$880.92	\$1,738.50	\$376.16	\$521.55	\$359.12		\$376.16	\$953.60					77
																						\$9,430.97
10	ENGINEERING	DESIGN SUPPORT DURING CONSTRUCTION																				
10.1	0255	ATTEND WEEKLY CONSTRUCTION MEETINGS					72				24			12			10					118
10.2	0255	REVIEW & APPROVE SUBMITTALS						40		12			2	4			40					98
10.3	0255	RESPOND TO RFIs						20		8			2	2			30					62
10.4	0255	FIELD OBSERVATIONS					32										16					48
10.5	0255	PREPARE DCN's						8		12	8	12	2	6			12					54
10.6	0255	PUNCHLIST & CLOSEOUT ACTIVITIES						16		12	12	12	2	8			12					84
		Subtotals (Hours) =	N/A				72		108	24	64	24	8	32			112					464
		Subtotals (Costs) =					\$9,387.36	\$12,953.52	\$1,069.44	\$1,761.84	\$11,126.40	\$2,256.96	\$1,390.80	\$2,872.96		\$1,128.48	\$13,350.40					\$57,298.16
																						\$57,298.16

Totals (Summary) =

Total (Hours) =

Total (Costs) =

Percentage of Total (Hours) =

Percentage of Total (Costs) =

N/A	64	56	20	200	108	90	546	218	158	45	130	38	146	378	100
\$500.00	\$16,328.96	\$4,897.76	\$3,999.00	\$26,076.00	\$12,953.52	\$12,031.20	\$40,081.86	\$37,899.30	\$14,858.32	\$7,823.25	\$11,671.40	\$8,339.86	\$13,729.84	\$45,057.60	\$15,537.00
N/A	3%	2%	1%	9%	5%	4%	24%	9%	7%	2%	6%	2%	6%	16%	0.043535046
	6%	2%	1%	10%	5%	4%	15%	14%	5%	3%	4%	3%	5%	17%	0.057166538

Totals = 2,297 \$271,784.87

2297 \$271,784.87

100% 70%

Work Order Estimate Summary

Att. A, AI 12, 2/15/18

Consultant/ Subconsultant: **JACOBS ENGINEERING GROUP, INC.**

Contract No: **G1949.0-17**

Work Order Title: **Fashion Valley Elevator**

Task Order No. **17.04**

Attachment: **B**

TASKS/WBS (1-5)

ODC Item	Description	Unit	Unit Cost	Task 1		Task 2		Task 3		Task 4		Task 5	
				Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total
1	Mileage	EA	\$500.00									1	\$500.00
2													
3													
4													
5													
6													
7													
8													
9													
10													
				Subtotal =		Subtotal =		Subtotal =		Subtotal =		Subtotal =	
												\$500.00	

TASKS/WBS (6-10)

ODC Item	Description	Task 6		Task 7		Task 8		Task 9		Task 10		Totals	
		Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total
1	Mileage											1	\$500.00
2													
3													
4													
5													
6													
7													
8													
9													
10													
		Subtotal =		Subtotal =		Subtotal =		Subtotal =		Subtotal =		Totals =	
												\$500.00	



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Agenda Item No. 13

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

**Draft for
Executive Committee
Review Date: 2/1/18**

SUBJECT:

INVESTMENT REPORT – DECEMBER 2017

INFORMATIONAL ONLY

Budget Impact

None.

DISCUSSION:

Attachment A comprises a report of the San Diego Metropolitan Transit System (MTS) investments as of December 31, 2017. The combined total of all investments has decreased month to month from \$117.2 million to \$98.3 million. This \$18.9 million decrease is attributable to \$20.1 million in capital expenditures, partially offset by \$3.1 million in State Transit Assistance (STA) funds, as well as normal timing differences in other payments and receipts.

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

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

/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 December 2017



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

	Restricted	Unrestricted	Total	Average rate of return
Cash and Cash Equivalents				
JP Morgan Chase - concentration account	-	32,059,780	32,059,780	0.00%
Total Cash and Cash Equivalents	-	32,059,780	32,059,780	
Cash - Restricted for Capital Support				
US Bank - retention trust account	2,303,606	-	2,303,606	N/A*
California Bank & Trust - retention trust account	66,842		66,842	N/A*
San Diego County Investment Pool				
Proposition 1B TSGP grant funds	7,386,515	123,910	7,510,425	
Total Cash - Restricted for Capital Support	9,756,963	123,910	9,880,873	
Investments - Working Capital				
Local Agency Investment Fund (LAIF)	6,612,858	49,772,090	56,384,948	1.239%
Total Investments - Working Capital	6,612,858	49,772,090	56,384,948	
Total cash and investments	\$ 16,369,821	\$ 81,955,780	\$ 98,325,601	

N/A* - Per trust agreements, interest earned on retention account is allocated to trust beneficiary (contractor)



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Agenda Item No. 14

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

**Draft for
Executive Committee
Review Date: 2/1/18**

SUBJECT:

HAZARDOUS WASTE AND TRAUMA SCENE CLEAN-UP SERVICES – CONTRACT
AWARD

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to:

- 1) Execute MTS Doc. No. G2029.0-17 (in substantially the same format as Attachment A) with Ocean Blue Environmental Services (Ocean Blue) for the provision of hazardous waste disposal and trauma scene clean-up services for a two (2) year base period with three (3) 1-year options, exercisable at MTS's sole discretion; and
- 2) Exercise each option year at the CEO's discretion.

Budget Impact

The total cost shall not exceed \$1,349,601.75. The amount for the base years is \$514,134 (from April 1, 2018 to March 31, 2020) and the optional years is \$771,201 (from April 1, 2020 to March 31, 2023), exercisable at MTS's sole discretion plus the contingency for various containers in the amount of \$64,266.75. The project will be funded as follows:

Contract Term	Hazardous Waste (funding source SDTC 331014-536600/ SDTI 650010-571210)		Trauma Scene Clean- Up Services (funding source SDTC 411014-575170/ SDTI 380016-571210)		Total Amount	
	Agency	SDTC	SDTI	SDTC	SDTI	SDTI
Base Year 1		\$65,650	\$151,017	\$20,200	\$20,200	\$85,850
Base Year 2		\$65,650	\$151,017	\$20,200	\$20,200	\$85,850
Subtotal (Base)		\$131,300	\$302,034	\$40,400	\$40,400	\$171,700



Option Year I (Year 3)	\$65,650	\$151,017	\$20,200	\$20,200	\$85,850	\$171,217
Option Year II (Year 4)	\$65,650	\$151,017	\$20,200	\$20,200	\$85,850	\$171,217
Option Year III (Year 5)	\$65,650	\$151,017	\$20,200	\$20,200	\$85,850	\$171,217
Subtotal (Options)	\$196,950	\$453,051	\$60,600	\$60,600	\$257,550	\$513,651
Total					\$429,250.00	\$856,085.00
Contingency – Various Containers					\$ 21,462.50	\$ 42,804.25
Grand Total (SDTC and SDTI)					\$1,349,601.75	

DISCUSSION:

On September 22, 2017, staff released a Request for Proposals (RFP) MTS Doc. No. G2029.0-17 to solicit offers from qualified firms for Hazardous Waste and Trauma Scene Clean-Up Services. A Single proposal was received from Ocean Blue by the due date of November 14, 2017.

The initial review of the technical proposal showed Ocean Blue's proposal to be responsive and responsible to the requirements of the solicitation. In compliance with the Federal Transit Administration (FTA) requirements for single proposal, staff conducted a post-proposal survey of potential proposers that chose not to submit a proposal. Based on the responses received, it was determined that the reason for other potential proposers choosing not to submit a proposal was caused by conditions beyond MTS's control.

An evaluation panel was comprised of representatives from Bus Maintenance, Environmental Health and Safety, Storeroom Operations, Finance, and Rail Facilities. Proposals were evaluated based on the following (technical and cost) factors based on the following criterion:

Pass/Fail Criteria to include:

- a. Proposer has demonstrated the ability to meet insurance requirements described in the Agreement;
 - b. Proposer has demonstrated at least five (5) years of relevant experience; and
 - c. Proposer has demonstrated previous experience working for or with public agencies, transit entities, or corporations on a similar project.
1. Organizational Structure, Qualifications and Experience of Firm or Individual
 2. Staffing, Organization and Management Plan
 3. Proposed Methodology and Work Plan
 4. Cost/Price

MTS used an evaluation scale system for rating contractor proposals against the evaluation factors identified above. For technical and cost proposals, the appropriate evaluation rating would be assigned to each evaluation factor consistent with the narrative evaluation of strengths, weaknesses, and risks.

The evaluation panel met and communicated with Ocean Blue at various stages of the procurement process to obtain clarifications and followed by a Request for a Revised Proposal. After clarifications, discussions and the revised proposal, the evaluation panel

determined that Ocean Blue's proposal represented the best value and most advantageous offer to MTS after considering both price and technical factors.

The following table represents the cost proposal and final scores for Ocean Blue:

PROPOSER NAME	TOTAL AVG. TECH. SCORE	COST SCORE	TOTAL SCORE (Tech + Cost)
OCEAN BLUE ENVIRONMENTAL SERVICES	59.60	30.00	89.60

Based on the evaluation panel's analysis of the technical proposal, discussions and evaluation of price, MTS staff has determined that Ocean Blue's proposed pricing is fair and reasonable, and has provided a very competitive proposal that meets MTS's requirements as outlined in the RFP.

Therefore, staff is requesting that the MTS Board of Directors authorize the CEO to:

- 1) Execute MTS Doc. No. G2029.0-17 (in substantially the same format as Attachment A) with Ocean Blue Environmental Services (Ocean Blue) for the provision of hazardous waste disposal and trauma scene clean-up services for a two (2) year base period with three (3) 1-year options, exercisable at MTS's sole discretion; and
- 2) Exercise each option year at the CEO's discretion.

/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. G2029.0.17
B. Cost Summary

STANDARD SERVICES AGREEMENT

G2029.0-17
CONTRACT NUMBER

DRAFT

FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2018, in the state of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Ocean Blue Environmental ServicesAddress: 3110 Hancock StreetForm of Business: Corporation
(Corporation, partnership, sole proprietor, etc.)San Diego, CA 92110Telephone: 619-294-6682Email: dostrand@ocean-blue.com

Authorized person to sign contracts: Donald Ostrand District Manager
Name Title

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

Provide Hazardous Waste and Trauma Scene Clean-Up services as set forth in the MTS Scope of Work (attached as Exhibit A), Ocean Blue Environmental Services' Proposal (attached as Exhibit B), in accordance with the Standard Services Agreement, including Standard Conditions Services (attached as Exhibit C), and Federal Requirements (attached as Exhibit D).

The contract term is for up to a 5-year period (2-year base with three 1-year options). Base period shall be effective April 1, 2018, through March 31, 2020, and Option Years 1-3 shall be effective April 1, 2018, through March 31, 2023 (exercisable at MTS's sole discretion). Payment terms shall be net 30 days from invoice date.

The total contract cost shall not exceed \$514,134 for the base period and \$771,201 for the option years for a total of \$1,285,335, plus the contingency for various containers in the amount of \$64,266.75 as reflected on the table below.

Contract Term	Hazardous Waste		Trauma Scene Clean-Up Services		Total Amount	
	SDTC	SDTI	SDTC	SDTI	SDTC	SDTI
Agency						
Base Year 1	\$65,650	\$151,017	\$20,200	\$20,200	\$85,850	\$171,217
Base Year 2	\$65,650	\$151,017	\$20,200	\$20,200	\$85,850	\$171,217
Subtotal (Base)	\$131,300	\$302,034	\$40,400	\$40,400	\$171,700	\$342,434
Option Year I (Year 3)	\$65,650	\$151,017	\$20,200	\$20,200	\$85,850	\$171,217
Option Year II (Year 4)	\$65,650	\$151,017	\$20,200	\$20,200	\$85,850	\$171,217
Option Year III (Year 5)	\$65,650	\$151,017	\$20,200	\$20,200	\$85,850	\$171,217
Subtotal (Options)	\$196,950	\$453,051	\$60,600	\$60,600	\$257,550	\$513,651
Total					\$429,250.00	\$856,085.00
Contingency – Various Containers					\$ 21,462.50	\$ 42,804.25
Grand Total (SDTC and SDTI)					\$1,349,601.75	

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
\$ 514,134.00 – Base		
\$ 771,201.00 – Options		
\$ 64,266.75 – Contingency	SDTC: 331014-536600 / 411014-575170	
\$1,349,601.75 – Total	SDTI: 6500010-571210 / 380016-571210	17-22

By: _____	_____
Chief Financial Officer	Date

FINAL COST SUMMARY
HAZARDOUS AND UNIVERSAL WASTE MANAGEMENT AND TRAUMA SCENE CLEAN-UP SERVICES RFP
MTS DOC. NO. G2029.0-17

GRAND TOTAL - SDTC			
CONTRACT TERM	HAZARDOUS AND UNIVERSAL WASTE MANAGEMENT (Routine Waste/Lab Pack & Emergency Response)	TRAUMA SCENE CLEAN-UP * (per Incident)	TRAUMA SCENE CLEAN-UP SERVICES (20 incidents per year)
Total Base Year 1: (4/1/18 - 3/31/19)	\$ 65,650.00	\$ 1,010.00	\$ 20,200.00
Total Base Year 2: (4/1/19 - 3/31/20)	\$ 65,650.00	\$ 1,010.00	\$ 20,200.00
Subtotal (Base Years 1 and 2)	\$ 131,300.00	\$ 2,020.00	\$ 40,400.00
Total Option Year 1 [Year 3]: (4/1/20 - 3/31/21)	\$ 65,650.00	\$ 1,010.00	\$ 20,200.00
Total Option Year 2 [Year 4]: (4/1/21 - 3/31/22)	\$ 65,650.00	\$ 1,010.00	\$ 20,200.00
Total Option Year 2 [Year 5]: (4/1/22 - 3/31/23)	\$ 65,650.00	\$ 1,010.00	\$ 20,200.00
Subtotal (Option Years I, II and III)	\$ 196,950.00	\$ 3,030.00	\$ 60,600.00
TOTAL (BASE and OPTIONS)	\$ 328,250.00	\$ 5,050.00	\$ 101,000.00

TOTAL - 5 Years (SDTC)	\$ 429,250.00
5% Contingency - Various Containers	\$ 21,462.50
GRAND TOTAL (SDTC)	\$ 450,712.50

GRAND TOTAL - SDTI			
CONTRACT TERM	HAZARDOUS AND UNIVERSAL WASTE MANAGEMENT (Routine Waste/Lab Pack & Emergency Response)	TRAUMA SCENE CLEAN-UP * (per Incident)	TRAUMA SCENE CLEAN-UP SERVICES (20 incidents per year)
Total Base Year 1: (4/1/18 - 3/31/19)	\$ 151,017.00	\$ 1,010.00	\$ 20,200.00
Total Base Year 2: (4/1/19 - 3/31/20)	\$ 151,017.00	\$ 1,010.00	\$ 20,200.00
Subtotal (Base Years 1 and 2)	\$ 302,034.00	\$ 2,020.00	\$ 40,400.00
Total Option Year 1 [Year 3]: (4/1/20 - 3/31/21)	\$ 151,017.00	\$ 1,010.00	\$ 20,200.00
Total Option Year 2 [Year 4]: (4/1/21 - 3/31/22)	\$ 151,017.00	\$ 1,010.00	\$ 20,200.00
Total Option Year 3 [Year 5]: (4/1/22 - 3/31/23)	\$ 151,017.00	\$ 1,010.00	\$ 20,200.00
Subtotal (Option Years I, II and III)	\$ 453,051.00	\$ 3,030.00	\$ 60,600.00
TOTAL (BASE and OPTIONS)	\$ 755,085.00	\$ 5,050.00	\$ 101,000.00

TOTAL - 5 YEARS (SDTI)	\$ 856,085.00
5% Contingency - Various Containers	\$ 42,804.25
GRAND TOTAL (SDTI)	\$ 898,889.25

GRAND TOTAL (SDTC/SDTI)	\$ 1,349,601.75
--------------------------------	------------------------



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Agenda Item No. 15

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

**Draft for
Executive Committee
Review Date: 2/1/18**

SUBJECT:

ON-CALL GENERAL CIVIL CONSTRUCTION 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. PWL204.3-16 (in substantially the same format as Attachment A) with ABC Construction Company, for an increase to the contract value.

Budget Impact

The total estimated cost of this amendment would not exceed \$2,000,000. Funding will be included in the budget of each project for which a task order will be issued under this agreement. This amendment brings the total contract award to \$8,000,000.

DISCUSSION:

In September 2015, the San Diego Association of Governments (SANDAG) and MTS issued a joint solicitation for the provision of on-call Job Order Contracting (JOC) general civil construction services. This includes general civil and site improvements, earthwork, utilities, paving, concrete, drainage, building facilities, landscaping mitigation, site clearing, and all incidental professional and technical services required. 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.

Three bids were received and the contract was awarded to ABC Construction Company. The combined resultant agreements totaled \$15,000,000. SANDAG's portion was \$12,000,000 and MTS's was \$3,000,000. Since contract award, MTS has experienced an increase in construction related projects while SANDAG has utilized their portion less than anticipated. In May 2017, MTS requested and received additional capacity from



SANDAG. SANDAG's revised contract value was \$9,000,000 and MTS's revised contract value was \$6,000,000. On June 8, 2017, the Board of Directors approved an Amendment authorizing the additional \$3,000,000 in capacity to MTS.

Since the amendment, MTS has continued to experience an increase in construction related projects while SANDAG has utilized their portion less than anticipated. MTS requested and received additional capacity from SANDAG. SANDAG's revised contract value was \$7,000,000 and MTS's revised contract value was \$8,000,000.

Today's action authorizes an increase in the contract value of this on call contract to ABC, 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 Doc. No. PWL204.3-16 (in substantially the same format as Attachment A) with ABC Construction Company, to increase the total contract value.

/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. PWL204.3-16

February 15, 2018

MTS Doc. No. PWL204.3-16

Mr. Kenneth Czubernat
President
ABC Construction Company Inc.
3120 National Avenue
San Diego, CA 92113

Subject: AMENDMENT NO. 3 TO MTS DOC. NO. PWL204.0-16

Dear Mr. Czubernat:

This shall serve as Amendment No. 3 to our agreement for the Metropolitan Transit System (MTS) ON-CALL RAILROAD JOB ORDER GENERAL CIVIL CONSTRUCTION SERVICES as further described below.

SCOPE OF SERVICES

There shall be no changes to the Scope of Services.

SCHEDULE

There shall be no changes to the schedule.

PAYMENT

Not exceed \$8,000,000 without prior written approval from MTS. The total value of this contract including this amendment shall.

All other terms and conditions of the original Agreement PWL204.0-16 shall remain in effect.

If you agree with the above, please sign below and return the document marked "Original" to the Contracts Specialist at MTS. The second copy is for your records:

Sincerely,

Accepted:

Paul C. Jablonski
Chief Executive Officer

Mr. Kenneth Czubernat
President/ABC Construction Company, Inc.

Date: _____

Attachment:

cc: Michael Diana, Troy Girard, Bid File



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Agenda Item No. 16

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

**Draft for
Executive Committee
Review Date: 2/1/18**

SUBJECT:

IMPERIAL AVENUE DIVISION (IAD) ASPHALT REPAIR AND STRIPING – 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 MTSJOC7503-43 (05), PWL234.0-17 (in substantially the same format as Attachment A) with ABC Construction Co. Inc. (ABC) for IAD Asphalt Repair.

Budget Impact

The total cost will not exceed \$176,208.36 inclusive of a direct cost of \$174,446.28 and the contractor share of administrative fees totaling \$1,762.08. Total administrative fees are \$4,687.14 (contractor share \$1,762.08 and MTS share \$2,925.06). Funding will be from the MTS Capital Improvement Project(s) 3006104301 – IAD Asphalt Repair & Striping.

DISCUSSION:

On September 12, 2016, the San Diego Association of Governments (SANDAG) and MTS issued a joint solicitation for the provision of on-call Job Order Contracting (JOC) general building and facilities construction services. This includes general building and facility contracting services such as demolition, maintenance, and modification of existing buildings and facilities, as well as the construction of buildings and facilities with all required incidental professional and technical services required. 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.



Four bids were received, and the contract was awarded to ABC. The combined resultant agreements totaled \$6,000,000.

The MTS IAD Asphalt Lot Repair project consists of the phased resurfacing of failed asphalt sections in the larger areas of bus parking totaling approximately 35,000 square feet. Sections will be milled and overlaid with 2" of new asphalt. The project also consists of new striping in the bus parking bays and repair and infill of various cracks in the asphalt. Several areas will also require full section replacement.

The work is necessary as multiple areas on the lot are in disrepair due to normal wear and tear from the bus traffic at the location, and in culmination with the age of the asphalt being beyond its useful life. Various areas of the pavement have over 1" deep pits and grooves, creating tripping hazards and subsequent workers' compensation claims. Furthermore, the general degradation of the asphalt increases the wear on the bus tires and the frequency of tire repairs and related costs. Staff has determined that it is more cost effective to mill and overlay larger areas than fixing smaller patches throughout the parking lot surface, as the smaller asphalt patches have a greater potential for failure at the joint between the patch and existing asphalt, thus, increasing the need for additional repairs.

Utilizing the JOC process was determined to be the most effective way of ensuring project completion.

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to execute Work Order MTSJOC7503-43 (05), PWL234.0-16 with ABC Construction Co. Inc. for IAD Asphalt Repair and Striping.

/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 MTSJOC7503-43 (05), PWL234.0-17

JOB ORDER CONTRACT
WORK ORDER

PWL234.0-17

CONTRACT NUMBER

MTSJOC7503-43 (05)

WORK ORDER NUMBER

THIS AGREEMENT is entered into this _____ day of _____ 2018, in the state of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following, hereinafter referred to as "Contractor":

Name: ABC Construction, Inc.Address: 3120 National AvenueForm of Business: Corporation
(Corporation, partnership, sole proprietor, etc.)San Diego, CA 92113Telephone: (619) 239-3428

Authorized person to sign contracts: _____

Wayne Czubernat
NameProject Manager
Title

Pursuant to the existing Job Order Contract (MTS Doc. No. PWL234.0-17), 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 \$176,208.36 inclusive of a direct cost of \$174,446.28 and a 1% Gordian Group license fee of \$1,762.08.

TOTAL PAYMENTS TO CONTRACTOR SHALL NOT EXCEED \$ 174,446.28

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CONTRACTOR AUTHORIZATION

By: _____
Chief Executive Officer

Firm: _____

Approved as to form:

By: _____
SignatureBy: _____
Office of General Counsel

Title: _____

AMOUNT ENCUMBERED

BUDGET ITEM

FISCAL YEAR

\$ 174,446.28

3006104301

2018

By: _____

Chief Financial Officer

Date

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