

Agenda

MEETING OF THE
SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)
JOINT POWERS AGENCY OF THE COUNTY OF SAN DIEGO &
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)

February 1, 2018

8:30 a.m.

>>>>>>>>>>San Diego Metropolitan Transit System<<<<<<<<<<<
1255 Imperial Avenue, 10th Floor
San Diego, CA 92101
Executive Committee Room

ACTION
RECOMMENDED

1. ROLL CALL
2. APPROVAL OF MINUTES - July 13, 2017 Approve
3. Amend SDRBA Board Policy No. 1, Expenditure Authority Approve
Action would approve the proposed revisions to SDRBA Board Policy No. 1, Expenditure Authority.
4. Approve Budget Increase for Unarmed and Armed Security Guards Approve
Action would: (1) authorize an increase for unarmed security within the 2017-2018 budget from \$595,255 to \$669,317; (2) authorize an increase for armed security within the 2017-2018 budget from \$0 to \$56,362; and (3) authorize the Executive Director to approve the additional expenditure of \$130,424 from the operating account in accordance therewith.
5. PUBLIC COMMENTS
Limited to five speakers with three minutes per speaker. If you have a report to present, please give your copies to the Clerk.
6. NEXT MEETING DATE: March 1, 2018 (if needed)
7. ADJOURNMENT

SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)
JOINT POWERS AGENCY
OF THE COUNTY OF SAN DIEGO AND
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)

DRAFT MINUTES

July 13, 2017

1. Roll Call

Chairman Roberts called the meeting to order at 8:30 a.m. Authority members present included Mr. Cox, Mr. Mathis and Chairman Roberts.

2. Approval of Minutes

Mr. Mathis moved for approval of the minutes of the May 4, 2017, San Diego Regional Building Authority (SDRBA) meeting. Mr. Cox seconded the motion, and the vote was 3 to 0 in favor.

3. James R. Mills Building - Amendment of Capital Improvement Budget for Fiscal Year 2017/2018

Marko Medved, Director of the County of San Diego Department of General Services and Executive Officer for SDRBA, stated that the two proposed amendments to the Capital Improvement Budget (CIP) would be for \$300,000 for parking system equipment replacement and parking garage camera upgrades and expanded capacity. He stated that the \$300,000 would be transferred from the operating budget to the capital budget.

Action Taken

Mr. Cox moved to (a) Approve the Proposed Amended FY 18 Capital Improvement Budget (Attachment A); (b) Authorize the Executive Officer to make a onetime transfer of \$300,000 from the operating account to the capital reserve account; and (c) Authorize the Executive Officer to approve the additional expenditure of \$300,000 from the capital reserve account in accordance therewith. Mr. Mathis seconded the motion, and the vote was 3 to 0 in favor.

4. Expenditure Authority Policy

Mr. Medved stated that staff drafted an expenditure authority policy to establish expenditure authority limits on budgeted and unbudgeted expenditures; and to formalize the process of the execution of contracts. The policy would authorize the Executive Director to approve change orders or miscellaneous projects under \$100,000, as long as there are sufficient funds in the budget, without having to come back to the SDRBA for approval. Karen Landers, MTS General Counsel, noted that this policy is in line with MTS's signature authority policy. Mr. Roberts asked if there is a provision in the policy that would prevent the Executive Director from approving change orders or projects which cumulatively exceed the \$100,000 limit. Ms. Landers replied that there is language in the policy that states that SDRBA Board approval would be required to authorize the expenditure of funds for an expense in an amount over \$100,000. She stated that she could amend the language in the policy to more explicitly state that the Executive Director could not approve any one change order or project that cumulatively exceeds the \$100,000 limit.

The SDRBA Board agreed to approve the policy with those amendments included in the policy.

Action Taken

Mr. Cox moved to approve the proposed SDRBA Board Policy No. 1, including the discussed amendments. Mr. Mathis seconded the motion, and the vote was 3 to 0 in favor.

5. Public Comments

There were no public comments.

6. Next Meeting Date

The next SDRBA meeting is scheduled for August 10, 2017 (if needed) in the Executive Committee Room at MTS.

7. Adjournment

The meeting adjourned at 8:47 a.m.

Chairman

Attachment: Roll Call Sheet

SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)
JOINT POWERS AGENCY OF THE COUNTY OF SAN DIEGO &
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)

ROLL CALL

MEETING OF (DATE) July 13, 2017

CALL TO ORDER (TIME) 8:30 a.m.

RECESS

RECONVENE

ADJOURN 8:47 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
COX	<input checked="" type="checkbox"/>	8:30 a.m.	8:47 a.m.
MATHIS	<input checked="" type="checkbox"/>	8:30 a.m.	8:47 a.m.
ROBERTS	<input checked="" type="checkbox"/>	8:30 a.m.	8:47 a.m.

OTHER ATTENDEES:

NAME	REPRESENTING
Rachel Witt	County Counsel / SDRBA GC
Hugh Rowles	County General Services
Marko Medved	County General Services
Adrian Granda	County of San Diego
Karen Landers	MTS
Paul Jablonski	MTS
Samantha Leslie	MTS
Julia Tuer	MTS
Antonio Castaneda	Colliers International

SIGNED BY THE CLERK OF THE BOARD: Julia Tuer

CONFIRMED BY OFFICE OF THE MTS GENERAL COUNSEL: Karen Landers

SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)
JOINT POWERS AGENCY OF THE COUNTY OF SAN DIEGO &
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)

February 1, 2018

SUBJECT:

AMEND SDRBA BOARD POLICY NO. 1, EXPENDITURE AUTHORITY

INTRODUCTION:

SDRBA Board Policy No. 1, Expenditure Authority (Attachment A) expresses the authority limits on 1) budgeted and unbudgeted expenditures; and 2) execution of contracts. On July 13, 2017, the SDRBA Board adopted the SDRBA Board Policy No. 1, Expenditure Authority subject to adding clarifying language in regards to cumulative totals. The following language was added to clarify the Executive Director of the SDRBA's authority to approve unbudgeted expenses and change orders:

- SDRBA Board Policy No. 1, Section 1.2 Unbudgeted Expense: In situations where multiple expenses relate to one individual project, the cumulative total of the expenses shall be used to determine if the threshold of \$100,000 has been met.
- SDRBA Board Policy No. 1, Section 1.3 Change Orders: Both the total amount of a single change order and the cumulative total of several change orders shall be used to determine if the threshold of \$100,000 has been met.

Today's action also adds language to expressly allow the Executive Director or designee to have the County of San Diego or MTS directly procure goods and/or services, subject to reimbursement by the SDRBA. Use of contracts procured by the County of San Diego or MTS provides the SDRBA additional flexibility when reviewing what is the best and most efficient way to procure needed goods and/or services.

RECOMMENDATION:

That the SDRBA approve the proposed revisions to SDRBA Board Policy No. 1, Expenditure Authority (Attachment A).

Budget Impact

None.

Attachments: A. SDRBA Board Policy No. 1, Expenditure Authority (red lined version)
B. SDRBA Board Policy No. 1, Expenditure Authority (final version)

**SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)
JOINT POWERS AGENCY OF THE COUNTY OF SAN DIEGO &
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)**

Policies and Procedures

No. 1

SUBJECT:

Board Approval: 7/13/2017 2/1/2018

EXPENDITURE AUTHORITY

PURPOSE:

To establish a policy concerning the expenditure of funds and execution of contracts

BACKGROUND:

The SDRBA was created through a Joint Exercise of Powers Agreement (JPA Agreement), entered into between the County of San Diego and MTS. The JPA Agreement establishes the restrictions on which the SDRBA may exercise its power. Per Section 4.04 of the JPA Agreement, the powers of the SDRBA shall be exercised in the manner imposed upon MTS in the exercise of similar powers.

MTS's enabling legislation however is silent in the area of expenditure authority limits. To ensure there are appropriate controls for SDRBA expenditures, the SDRBA Board Policy No. 1 has been established to designate authority limits on 1) budgeted and unbudgeted expenditures; and 2) execution of contracts. In addition, this Policy establishes the delegating authority in the absence of the Executive Director.

POLICY:

1.1 Budgeted Expense

The Executive Director of the SDRBA (Executive Director) or designee may authorize the expenditure of funds and execute contracts for projects or expenses that are within the amount approved in the annual budget.

1.2 Unbudgeted Expense

If sufficient funding is available in the operating and/or capital budgets, the Executive Director or designee may authorize up to \$100,000 in the expenditure of funds and execute contracts for an expense that has not been included within the annual budget. SDRBA Board approval is required to authorize the expenditure of funds for an expense in an amount over \$100,000 that has not been included within the annual budget. Funding must be available prior to approval. In situations where multiple expenses relate to one individual project or for a single contractor, the cumulative total of the expenses shall be used to determine if the threshold of \$100,000 has been triggered.

1.3 Change Orders

A change order is a change within the original scope of the contract. If sufficient funding is available in the operating and/or capital budgets, the Executive



Director or designee may authorize change orders that would result in up to an additional \$100,000 of increased expenditures for a from the original contract award. SDRBA Board approval is required to authorize change orders that would result in over \$100,000 in increased additional expenditures for a from the original contract award. Both the total amount of a single change order and the cumulative total of several change orders shall be used to determine if the threshold of \$100,000 has been met.

- 1.4 County of San Diego and MTS Staff Approval of All Expenditures
All contracts under Sections 1.1, 1.2. and 1.3 shall first be approved by the County of San Diego and MTS designated Mills Building representatives.

Use of County of San Diego and MTS Contracts

- 1.5
When procuring goods and/or services for the SDRBA, the Executive Director or designee may review whether the County of San Diego or MTS have entered into contracts for the needed goods and/or services. If the County of San Diego or MTS have contracts that include the needed goods and/or services within its scope and there is sufficient capacity, the Executive Director or designee may enter into an agreement with the County of San Diego or MTS, whichever is applicable, to directly procure the goods and/or services, subject to SDRBA reimbursement.

- ~~1.5~~ 1.6 Authorized Signatories for Absences
In the Executive Director's absence, the Executive Director may designate a representative of the County of San Diego or a representative of MTS to authorize the expenditure of funds and execution of contracts as necessary, subject to any limits set or instructions given by the Executive Director.

- ~~1.6~~ 1.7 Independent Management Company
The SDRBA is the owner and ground lessee of certain real property improvements located at 1255 Imperial Avenue (the Property). The SDRBA may contract with an Independent Management Company to manage, operate, maintain, repair and lease the Property for and on behalf of the SDRBA. The Executive Director or designee may direct the Independent Management Company to manage the expenditure of funds or execution of contracts, in conformance with existing SDRBA policies and instructions.

Original Policy Adopted on 7/13/2017
Policy revised on 2/1/2018

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MTS's enabling legislation however is silent in the area of expenditure authority limits. To ensure there are appropriate controls for SDRBA expenditures, the SDRBA Board Policy No. 1 has been established to designate authority limits on 1) budgeted and unbudgeted expenditures; and 2) execution of contracts. In addition, this Policy establishes the delegating authority in the absence of the Executive Director.

POLICY:

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A change order is a change within the original scope of the contract. If sufficient funding is available in the operating and/or capital budgets, the Executive



Director or designee may authorize change orders that would result in up to an additional \$100,000 of expenditures from the original contract award. SDRBA Board approval is required to authorize change orders that would result in over \$100,000 in additional expenditures from the original contract award. Both the total amount of a single change order and the cumulative total of several change orders shall be used to determine if the threshold of \$100,000 has been met.

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Original Policy Adopted on 7/13/2017

Policy revised on 2/1/2018

SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)
JOINT POWERS AGENCY OF THE COUNTY OF SAN DIEGO &
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)

February 1, 2018

SUBJECT:

APPROVE BUDGET INCREASE FOR UNARMED AND ARMED SECURITY GUARDS

INTRODUCTION:

To enhance building security, this proposed SDRBA Board action is to authorize expanding the existing 2017-2018 budget to increase funding for additional security guards. The funding will be used to provide additional unarmed security patrols of the property and to provide the addition of two armed security guards.

RECOMMENDATION:

That the San Diego Regional Building Authority:

- 1) authorize an increase for unarmed security within the 2017-2018 budget from \$595,255 to \$669,317;
- 2) authorize an increase for armed security within the 2017-2018 budget from \$0 to \$56,362; and
- 3) authorize the Executive Officer to approve the additional expenditure of \$130,424 from the operating account in accordance therewith.

Budget Impact

An increase of \$130,424 to the 2017-2018 budget.