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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

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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>
Action would approve the purchase of excess liability insurance (at limits of \$75 million less a \$2 million self-insured retention [SIR]) and excess workers' compensation insurance (at statutory limits less a \$1 million SIR). The new policies would be in effect from March 1, 2018 through March 1, 2019. | 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 |
| 17. | <u>Vehicle Advertising Services</u>
Action would authorize the Chief Executive Officer (CEO) to extend the contract with Michael-Allen & Associates, MTS Doc. No. G1140.3-08, for Vehicle Advertising Services. | 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 (Tim Allison, Sharon Cooney & Manny Guaderrama)</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 |
|-----|---|---------|

REPORT ITEMS

- | | | |
|-----|--|---------------|
| 45. | <u>Riverwalk Real Estate (Tim Allison and Sharon Cooney)</u> | Informational |
| 46. | <u>Operations Budget Status Report for December 2017 (Mike Thompson)</u> | Informational |
| 60. | <u>Chair Report</u> | Informational |

61. Chief Executive Officer's Report

Informational

62. Board Member Communications

63. Additional Public Comments Not on the Agenda

If the limit of 5 speakers is exceeded under No. 3 (Public Comments) on this agenda, additional speakers will be taken at this time. If you have a report to present, please furnish a copy to the Clerk of the Board. Subjects of previous hearings or agenda items may not again be addressed under Public Comments.

64. Next Meeting Date: March 8, 2018

65. Adjournment

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

MINUTES

January 18, 2018

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

1. Roll Call

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

2. Approval of Minutes

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

3. Public Comments

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

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

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

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

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

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

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

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

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

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

Action Taken – Close Nominations for Chair

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

PUBLIC COMMENTS

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

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

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

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

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

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

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

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

BOARD COMMENTS

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

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

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

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

Action Taken – Elect Chairperson

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

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

Action Taken – Close Nominations

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

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

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

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

CONSENT ITEMS

6. Number Not Used.
7. Accessible Services Advisory Committee (ASAC) Membership
Action would approve the revisions to the ASAC Membership Guidelines.
8. MTS Access Operator First Transit Proposed Use of Taxicab Transportation Services
Action would waive the applicability of MTS Board Policy No. 31, "Providing Transit Services", in order for First Transit to subcontract with a taxicab dispatch company.
9. Green Line Shelter Replacement - Work Order
Action would authorize the Chief Executive Officer (CEO) to execute Work Order MTSJOC7504-42, PWL204.0-16 with ABC Construction, Inc. (ABC) for Green Line Shelter Replacement.
10. Upgrade Euclid Avenue and University Avenue Grade Crossings - Job Order Contract (JOC)
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL203.0-16, Work Order No. MTSJOC7500-07 with HMS Construction for the upgrade of grade crossings at both Euclid Avenue and University Avenue.
11. Investment Report - November 2017
12. Kearny Mesa Division Bay 18 Lift Replacement - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWB244.0-18 with Makai Solutions for the purchase and installation of Bay 18 replacement lifts.
13. WSP/Parsons Brinckerhoff (WSP) Procurement of Inspection and Engineering Support Services During the Manufacturing of MTS Light Rail Vehicles (LRV)
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G0930.17-04.65 with the San Diego Association of Governments (SANDAG) for the procurement of inspection and engineering support services during manufacturing of up to 9 LRVs.

14. Green Line Train to Wayside Communications (TWC) System Upgrade - Amendment Approval
Action would: (1) Ratify Amendments 1 through 5 of MTS Doc. No. PWL214.0-17 with Global Signals Group, Inc. (GSG) for the TWC system upgrade; (2) Authorize the Chief Executive Officer (CEO) to execute Amendments 6 and Amendment 7. Amendment 6 is for reprogramming the TWC to separate the ability to track trains and control the signals at Mission Valley, and Amendment 7 is for additional site surveying and conduit installation at fourteen locations; and (3) Approve time extension for three months from June 8, 2018 to September 8, 2018.
15. Light Rail Vehicle (LRV) Upper Level Work Platforms Construction Management Services - Work Order Agreement
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. WOA2016-CM001 to MTS Doc. No. G2016.0-17 with Caltrop Corporation for the LRV Upper Level Work Platform Construction Management Services.
16. MTS Building A - Operations Control Center (OCC) Video Wall System and Workstation Consoles Purchase and Installation Services - Award Work Order Under a Job Order Contract
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. MTSJOC7504-41, under MTS Doc. No. PWL204.0-16 with ABC Construction, Inc., for the provision of labor, materials, equipment, and supplies for the purchase and installation of new video wall system and dispatch workstation console for MTS Building A - OCC room.
17. Prohibiting Marijuana Advertisements
Action would approve the revisions to MTS Board Policy No. 21, "MTS Revenue-Generating Display Advertising, Concessions, and Merchandise".
18. On-Board Video Surveillance System (OBVSS) Vehicle Upgrades and Camera Removal and Re-Installations - Sole Source Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0685.0-18 with Apollo Video Technology ("Apollo") for: (1) A camera system upgrade to the Fixed-route, Access, Mini Bus fleets; and (2) An agreement for the removal and re-installation of camera systems on Access and Mini Bus fleets vehicles that have reached the end of their service life.
19. Roadway Worker Protection (RWP) Safety Training Services - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1373.0-17, with Jacobs Engineering Group ("Jacobs"), for Roadway Worker Protection (RWP) Safety Training Services.
20. Vehicle Advertising - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2014.0-17, with Outfront Media, to provide Vehicle (MTS Buses and Trolley Rail Cars) Advertising services for a five (5) year base term with five (5) one year options.

BOARD COMMENTS

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

Action on Recommended Consent Items

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

CLOSED SESSION

24. Closed Session Items

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

- a. CLOSED SESSION - PUBLIC EMPLOYEE PERFORMANCE EVALUATION/CONFERENCE WITH LABOR NEGOTIATORS - CHIEF EXECUTIVE OFFICER Pursuant to California Government Code Sections 54957 and 54957.6;
Agency-Designated Representative: Ron Roberts, Vice Chairman
Employee: Paul C. Jablonski
- b. CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54957.6
Agency: San Diego Trolley, Inc. (SDTI)
Employee Organization: Public Transit Employees Association (PTEA) (Representing SDTI Train Operators, Electromechanics, Servicepersons and Clerical Staff)
Agency-Designated Representative: Jeff Stumbo
- c. CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54957.6
Agency: San Diego Trolley, Inc. (SDTI)
Employee Organization: Transit Enforcement Officers Association (TEOA) (Representing SDTI Code Compliance Inspectors)
Agency-Designated Representative: Jeff Stumbo

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

Oral Report of Final Actions Taken in Closed Session

Karen Landers, General Counsel, reported the following:

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

NOTICED PUBLIC HEARINGS

25. None.

REPORT ITEM (TAKEN OUT OF ORDER)

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

This report was deferred to next meeting.

Action Taken

No action taken. Informational item only.

DISCUSSION ITEMS:

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

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

Action Taken

No action taken. Informational item only.

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

Anne Harper and Alice Alsberghe with Cheiron Inc. provided a presentation on the SDTC Employee Retirement Plan's Actuarial Valuation as of July 1, 2017. Ms. Harper discussed the plan cost changes and plan cost by source. Ms. Alsberghe discussed the plan history contributions; plan history funding; plan history membership; and plan composition. Ms. Harper then discussed the future plan projections and noted that the projections are only estimates. She reviewed the projected total contributions and projected funded ratio of the plan. Lastly, Ms. Harper reviewed the major takeaways including the details of the plan history and plan future.

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

Action Taken

Mr. Roberts moved to receive the SDTC Employee Retirement Plan's (Plan) actuarial valuation as of July 1, 2017, and adopt the pension contribution amount of \$15,614,315 for fiscal year 2019. Ms. Rios seconded the motion, and the vote was 12 to 0 in favor with Ms. Aguilar, Ms. Bragg and Mr. McWhirter absent.

32. 2018 State and Federal Legislative Programs

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

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

PUBLIC COMMENT

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

BOARD COMMENTS – CONTINUED

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

Action Taken

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

REPORT ITEM

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

This staff report was waived.

Action Taken

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

60. Chair Report

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

61. Chief Executive Officer's Report

There was no Chief Executive Officer's report.

62. Board Member Communications

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

63. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

64. Next Meeting Date

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

65. Adjournment

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

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

Filed by:

Approved as to form:

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

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

Attachment: Roll Call Sheet

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS
ROLL CALL

MEETING OF (DATE): January 18, 2018

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

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 10:00 a.m.

RECONVENE: 11:22 a.m.

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 12:09 p.m.

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

SIGNED BY THE CLERK OF THE BOARD: Julia Teller

CONFIRMED BY THE GENERAL COUNSEL: Paula Card

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

1

**PLEASE SUBMIT THIS COMPLETED FORM (AND YOUR WRITTEN STATEMENT)
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(PLEASE PRINT)

DATE	2/15/2018		
Name	Mikail Hussein		
Address	4265 Fairmount Ave #180		
Telephone	619 - 255-7355		
Email	mikail.hussein@utsd.com		
Organization Represented	United Taxi Workers of San Diego UTWSD		
Subject of Your Remarks	Public comments		
Regarding Agenda Item No.	3		
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

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2

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(PLEASE PRINT)

DATE	15 FEBRUARY 2018
Name	NANCY YUEN
Address	10258 BLACK MTN RD SD
Telephone	619 218 0684
Email	nancyuen@yahoo.com
Organization Represented	—
Subject of Your Remarks	BUS ROUTE CHANGE
Regarding Agenda Item No.	PUBLIC COMMENTS
Your Comments Present a Position of:	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

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REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

3

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(PLEASE PRINT)

DATE	2/15/18
Name	ANTHONY PALMERI
Address	3473 KURTZ ST SD 92110
Telephone	619-517-0044
Email	APALMERI@DRIVEN.COM
Organization Represented	YELLOW RADIO SERVICE / YELLOW CAB
Subject of Your Remarks	PUBLIC COMMENTS
Regarding Agenda Item No.	PUBLIC COMMENTS
Your Comments Present a Position of:	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSITION

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Giving time to speaker # 3

AGENDA ITEM NO.

3

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

4

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(PLEASE PRINT)

DATE	2/15/18
Name	AKBAR MAJID
Address	3473 KURTZ ST SD CA 92110
Telephone	619-577-0014
Email	AKMAJID@DRIVEU.COM
Organization Represented	YELLOW RADIO SERVICE
Subject of Your Remarks	PUBLIC COMMENTS
Regarding Agenda Item No.	11 11
Your Comments Present a Position of:	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSITION

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REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

5

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(PLEASE PRINT)

DATE	2/15/2018
Name	DEB McHissack
Address	4095 DELTA ST. SD 58113
Telephone	614-264-1614
Email	debmchiscox.net
Organization Represented	
Subject of Your Remarks	Issues with MTS Access
Regarding Agenda Item No.	Public Comments
Your Comments Present a Position of:	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSITION

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AGENDA ITEM NO.

3

Public Comment

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

6

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(PLEASE PRINT)

DATE	2/15/2018
Name	Steve Padilla
Address	
Telephone	(619) 885-1149
Email	spadilla@aquariusgroup.org
Organization Represented	GCN, LLC
Subject of Your Remarks	S/A
Regarding Agenda Item No.	
Your Comments Present a Position of:	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSITION

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CEDE TIME TO
STEVE PADILLA
AGENDA ITEM NO.



REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED



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(PLEASE PRINT)

DATE	2/15/18
Name	Miguel Aguirre
Address	727 E. San Ysidro Bl.
Telephone	619-917-3167
Email	miguel@sbglobal.net
Organization Represented	GCM
Subject of Your Remarks	Settlement - same as above
Regarding Agenda Item No.	
Your Comments Present a Position of:	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSITION

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(PLEASE PRINT)

DATE	
Name	Zoe Vandeburgh, MS
Address	10468 El Comal Drive, SD 92124
Telephone	619 930 1773
Email	zoe.vandeburgh.civ@mail.mil
Organization Represented	myself
Subject of Your Remarks	MTS Transit Enforcement
Regarding Agenda Item No.	
Your Comments Present a Position of:	<input type="checkbox"/> SUPPORT <input checked="" type="checkbox"/> OPPOSITION

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(PLEASE PRINT)

DATE	2/15/18
Name	ABEBE ANTALLO
Address	4356 Wilson Ave. #1 S.D CA 92104
Telephone	619-200-6245
Email	abebew@yahoo.com
Organization Represented	UTW SD
Subject of Your Remarks	Public Comment
Regarding Agenda Item No.	3
Your Comments Present a Position of:	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

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(PLEASE PRINT)

DATE	2-15-18		
Name	TONY HURZO		
Address	2660 IMPERIAL AVE		
Telephone	619 231-1144		
Email	USA Cal @ shcglobal.net		
Organization Represented	TAXI INDUSTRY		
Subject of Your Remarks	Insurance Requirements		
Regarding Agenda Item No.	non agenda		
Your Comments Present a Position of:	<input type="checkbox"/>	SUPPORT	<input type="checkbox"/> OPPOSITION

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

Agenda Item No. 6

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

SUBJECT:

AMENDMENT TO CHIEF EXECUTIVE OFFICER EMPLOYMENT AGREEMENT

RECOMMENDATION:

That the Board of Directors approve an amendment to the Executive Employment Agreement between MTS and Paul C. Jablonski to provide additional compensation and fringe benefits (Attachment A).

Budget Impact

The proposed 2.5% merit increase (\$9,283 salary adjustment from \$371,316 to \$380,599) and the \$24,000 deferred compensation contribution total \$33,283. The proposed merit increase and deferred compensation contribution recommended above increases the total compensation of the CEO (including all contractual deferred compensation) by \$6,476 as compared to calendar year 2017, as MTS's health insurance costs have decreased.

DISCUSSION:

At the Board's regular meeting on January 18, 2018, the Board conducted a closed session performance evaluation of Chief Executive Officer Paul Jablonski. The Board also conducted a closed session conference with Board Chair Georgette Gomez, who acts as the Board's chief negotiator regarding the CEO contract, to discuss a potential merit increase for the CEO.

Section 4.b of Mr. Jablonski's Executive Employment Agreement states:

Performance and Salary Review: Each year, beginning in January 2014, the Board of Directors shall review the performance of Mr. Jablonski and determine a salary adjustment, bonus or fringe benefit adjustment, if any.



An award of a salary adjustment, bonus and/or fringe benefit adjustment, if any, will be made by the Board of Directors in its sole and absolute discretion.

Some highlights of Mr. Jablonski's 2017 performance achievements include:

- Achieved a \$3.5M favorable variance for Fiscal Year (FY) 2017 budget, with MTS expenses \$1.1M below budget.
- As compared to MTS's peer agencies, under Mr. Jablonski's leadership, MTS carries more passengers for less money, by a substantial margin. (See Attachment B.) This has helped insulate MTS passenger services from significant and sudden service reductions or fare increases that might be necessitated by a decline in local, state or federal subsidy revenue.
- In calendar year 2017, MTS improved various key performance indicators regarding service quality and safety, including:
 - Complaints reduced by 11.9%
 - On-time performance (bus) improved by 0.7%
 - Preventable accidents reduced by 9.7% (bus) and 34.6% (rail)
 - Vehicle breakdowns improved by 9.7% (bus) and 9.0% (rail)
 - 92% satisfied or very satisfied rating by MTS passengers (meeting or exceeding similar customer satisfaction ratings for peer agencies)
- Continued MTS emphasis on safety by adopting a Safety-Management-System compliant Safety Policy and achieving recognition for superb safety record by earning the 2017 APTA Gold Safety Award for bus operations and runner-up for rail operations.
- Continued MTS efforts to combat the effects of climate change by achieving 100% renewable natural gas purchases, replacing 51 diesel buses with CNG buses at East County division (resulting in 85% reduction in PM emissions, 50% reduction in NOx emissions, and 89% reduction in GHG emissions related to those vehicles), and introduction of 56 new buses with low NOx engines (resulting in 90% reduction in NOx emissions and 9% reduction in GHG emissions as compared to vehicles they replaced)
- Improved passenger experience by:
 - Installing 200 new bus shelters and 1500 new benches throughout MTS service area;
 - Courthouse Station underway (new Orange Line terminal station and added state and federal court transit access);
 - Implemented several fare system improvements including launching stored value (Compass Cash) and a separate mobile app (Compass Cloud) and beginning the procurement for a comprehensive, next-generation fare system
- Developed Transit Optimization Plan (TOP) that adds up to \$2 million in service and reorganizes MTS transit services in an effort to grow net ridership by 2.63 million passenger boardings per year starting in 2018.

- In an effort to continue to identify additional sources of revenue to support MTS's transit operations, over the past several years Mr. Jablonski has led efforts to increase advertising and concession revenue generated at MTS stations, bus stops and vehicles. Net advertising and concession revenue for 2017 was \$2.35 million, a 28% increase over 2016. A new naming rights contract for the Green Line was also executed with Sycuan Casino, resulting in an additional \$600,000 in gross annual revenue (estimated at \$20.9 million over 30 year contract term).

In recognition of his exceptional performance, an amendment to Mr. Jablonski's Executive Employment Agreement is proposed to provide a merit increase to his salary of 2.5%, consistent with the merit pool provided for Management employees in the FY 18 budget, and also to provide Mr. Jablonski with a discretionary, one-time \$24,000 contribution to a deferred compensation account designated by Mr. Jablonski.

Mr. Jablonski's pension is capped by state law, so the raise does not increase his "pensionable compensation". MTS's health insurance costs for Mr. Jablonski also decreased in 2018, offsetting a portion of the salary increase.

/s/ Karen Landers
Karen Landers
General Counsel

Key Staff Contact: Karen Landers 619.557.4512, Karen.Landers@sdmts.com

Attachments: A. MTS Doc. No. G0912.11-04 – Proposed Amendment No. 11 to CEO Executive Employment Agreement
B. Peer Agency Analysis (based on most current data available – FY 16)

February 15, 2018

MTS Doc. No. G0912.11-04

Mr. Paul Jablonski
Chief Executive Officer
San Diego Metropolitan Transit System
1255 Imperial Avenue, Suite 1000
San Diego, California 92101

Dear Mr. Jablonski:

Subject: AMENDMENT 11 TO MTS DOC. NO. G0912.0-04
EXECUTIVE EMPLOYMENT AGREEMENT (CHIEF EXECUTIVE OFFICER)

This letter shall serve to modify our agreement for professional services pursuant to the Executive Employment Agreement dated July 1, 2008 and modified by amendments dated March 5, 2009, March 24, 2011, December 13, 2012, March 21, 2013, February 20, 2014, March 12, 2015, February 11, 2016, and March 9, 2017 ("Agreement"), as set forth below:

A. Changes Affecting Current Term (through December 31, 2018):

1. Modify base salary pursuant to Section 4(a) to increase compensation by 2.5% retroactive to January 1, 2018 (increasing base pay from \$371,316 to \$380,599).
2. Modify Exhibit A "Fringe Benefits for Chief Executive Officer" to include the following additional fringe benefit, for calendar year 2018 only:
 - 2018 Additional Deferred Compensation: One-time contribution of \$24,000.00 to a deferred compensation account as directed by Mr. Jablonski.

B. Extension of Term:

1. The current term of the Executive Employment Agreement expires on December 31, 2018. By this Amendment No. 11, the agreement shall be extended by an additional year, to December 31, 2019 ("2019 Term").
2. During the 2019 Term, and any holdover period thereafter, Agreement Paragraph 7(c) "Termination without Cause by MTS/Severance", sections (ii) and (iii) are replaced with the following:
 - (i) A "Severance Payment" equivalent to his then-in-effect Base Salary plus benefit accruals for 90 days, payable in a lump sum;

(ii) A Supplemental Retirement Payment for 90 days at the maximum IRS rate in effect on the date of termination, payable in a lump sum into his 401(a). If the amount owed exceeds the 401(a) limit, it shall be paid in cash; and

If you agree with the above, please sign in the space provided below and return one document marked "Original" to MTS. All other terms and conditions shall remain in effect.

Sincerely,

Accepted:

Georgette Gomez
Chair

Paul C. Jablonski

Approved as to Form:

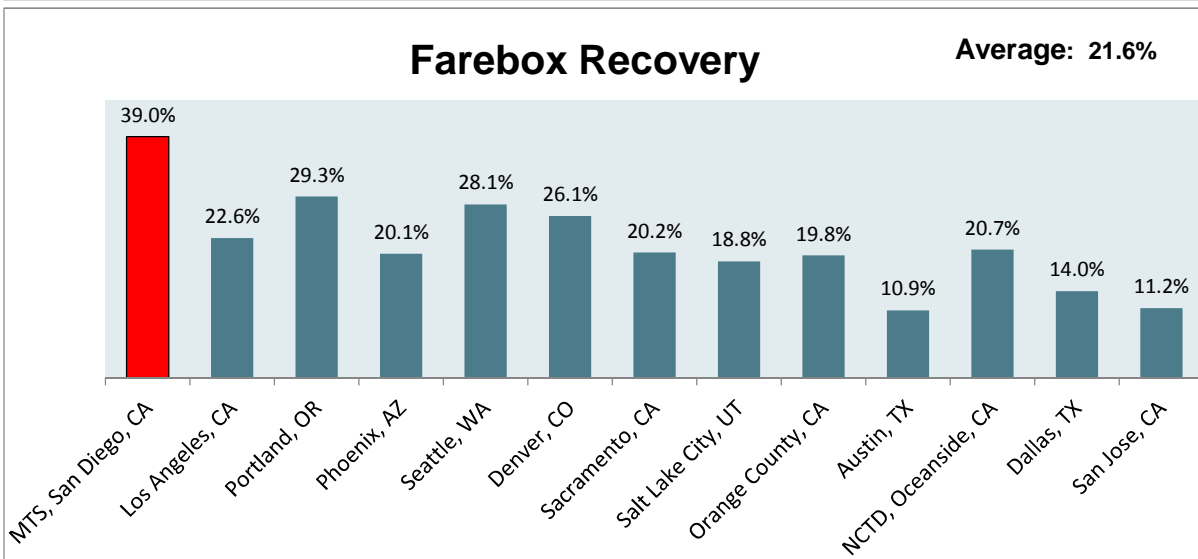
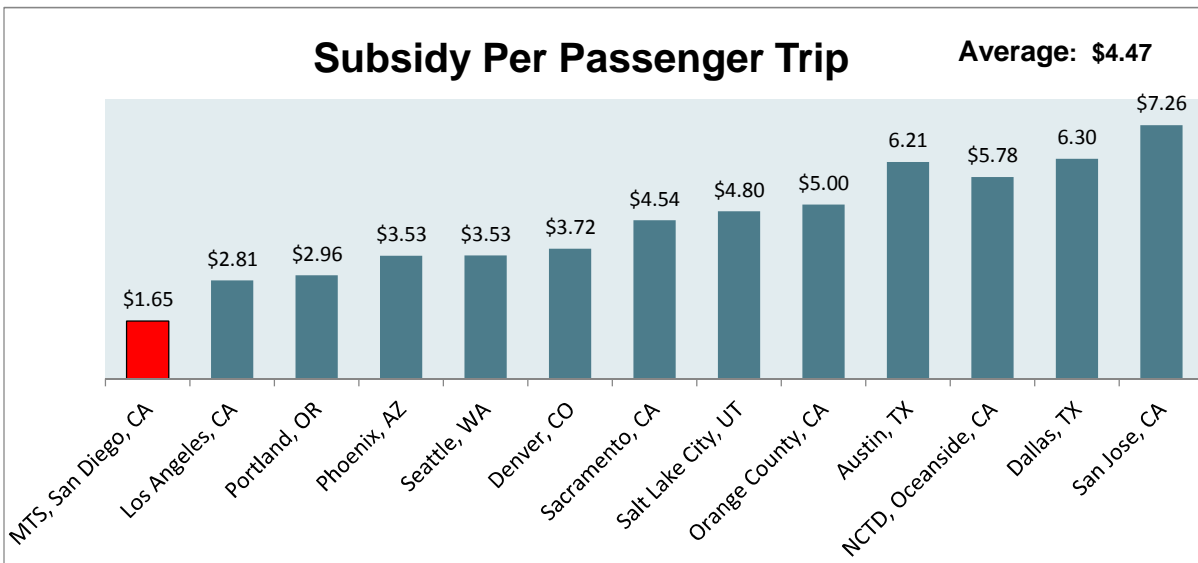
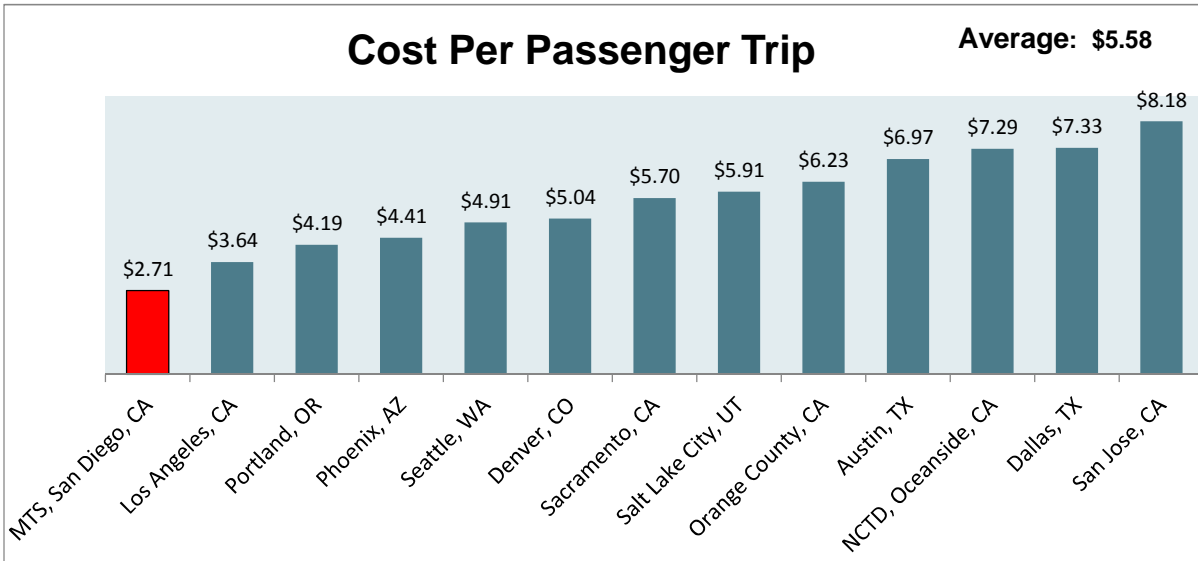
By: _____
Karen Landers, General Counsel

PEER ANALYSIS
Comparable Agencies to MTS

Att. B, AI 6, 2/15/18

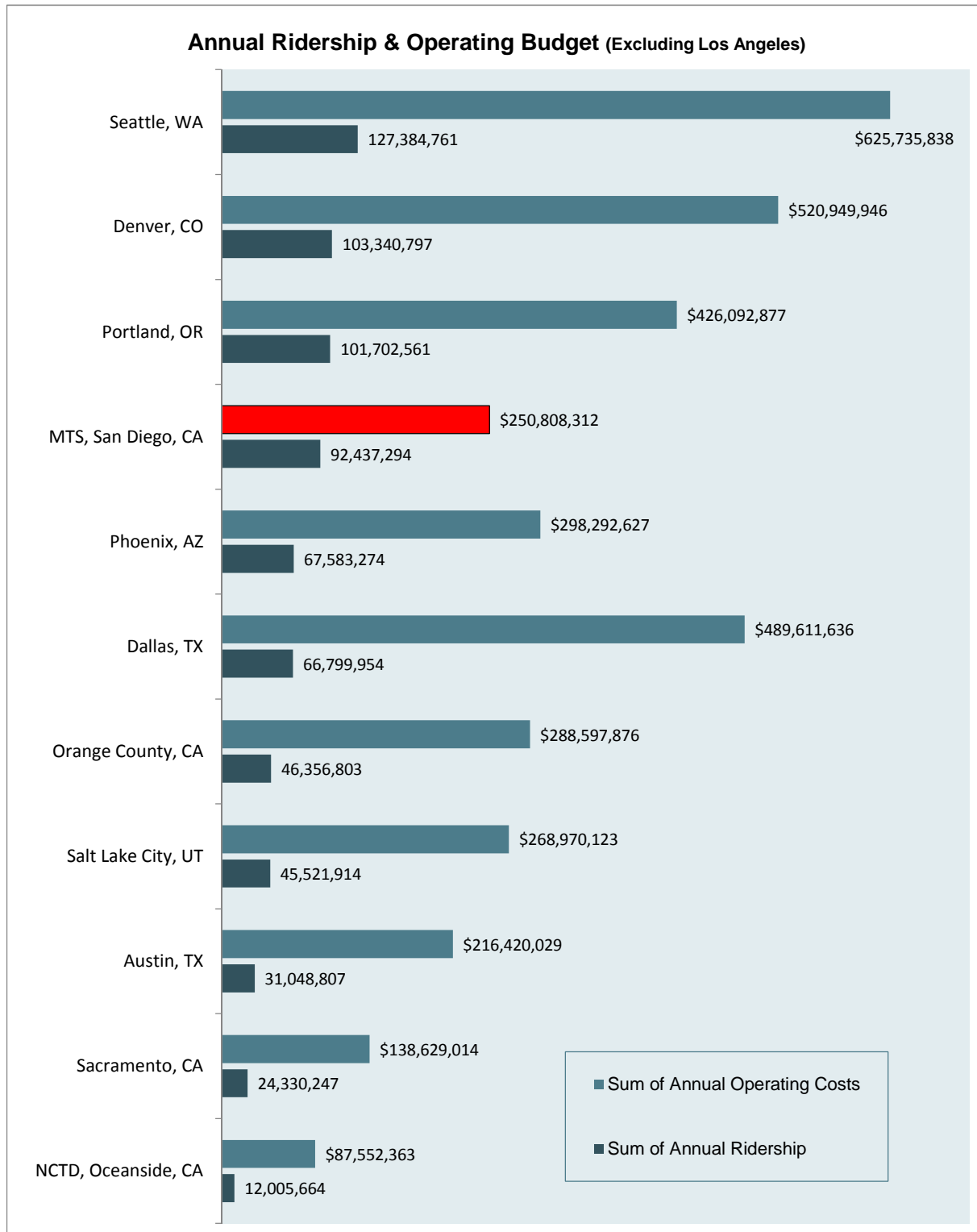
AGENCY NAME	ANNUAL RIDERSHIP	ANNUAL OPERATING COST	COST PER PASSENGER TRIP	FAREBOX RECOVERY
MTS Metropolitan Transit System (San Diego, CA)	92,437,294	\$250,808,312	\$2.71	39.0%
LA METRO Los Angeles County Metropolitan Transportation Authority (Los Angeles, CA)	432,985,182	\$1,574,418,345	\$3.64	22.6%
TRIMET Tri-County Metropolitan Transportation District of Oregon (Portland, OR)	101,702,561	\$426,092,877	\$4.19	29.3%
VALLEY METRO City of Phoenix/RPTA/Valley Metro Rail (Phoenix, AZ)	67,583,274	\$298,292,627	\$4.41	20.1%
KING COUNTY METRO King County Department of Transportation (Seattle, WA)	127,384,761	\$625,735,838	\$4.91	28.1%
RTD Denver Regional Transportation District (Denver, CO)	103,340,797	\$520,949,946	\$5.04	26.1%
RT Sacramento Regional Transit District (Sacramento, CA)	24,330,247	\$138,629,014	\$5.70	20.2%
UTA Utah Transit Authority (Salt Lake City, UT)	45,521,914	\$268,970,123	\$5.91	18.8%
OCTA Orange County Transportation Authority (Orange County, CA)	46,356,803	\$288,597,876	\$6.23	19.8%
CAPMETRO Capital Metropolitan Transportation Authority (Austin, TX)	31,048,807	\$216,420,029	\$6.97	10.9%
NCTD North County Transit District (Oceanside, CA)	12,005,664	\$87,552,363	\$7.29	20.7%
DART Dallas Area Rapid Transit (Dallas, TX)	66,799,954	\$489,611,636	\$7.33	14.0%
VTA Santa Clara Valley Transportation Authority (San Jose, CA)	43,996,916	\$359,996,459	\$8.18	11.2%
AVERAGES	91,961,090	\$426,621,188	\$5.58	21.6%

FY16 National Transit Database - Transit Profiles



PEER ANALYSIS
Comparable Agencies to MTS

Att. B, AI 6, 2/15/18





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Agenda Item No. 7

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

SUBJECT:

EXCESS INSURANCE RENEWALS FOR LIABILITY AND WORKERS'
COMPENSATION PROGRAM

RECOMMENDATION:

That the Board of Directors approve the purchase of excess liability insurance (at limits of \$75 million less a \$2 million self-insured retention [SIR]) and excess workers' compensation insurance (at statutory limits less a \$1 million self-insured retention [SIR]). The new policies would be in effect from March 1, 2018 through March 1, 2019.

Budget Impact

The combined proposed premium for both lines of coverage, including taxes and fees, would not exceed \$1,639,848 for the one year period. The total premium for the excess liability insurance and the excess workers' compensation insurance represents a 7.30% (or \$107,935) increase over the expiring policies. Terrorism coverage is included in both lines.

The specific allocation among MTS, San Diego Transit Corporation (SDTC), San Diego Trolley, Inc. (SDTI), and San Diego and Arizona Eastern (SD&AE) Railway Company is based on the underwriting exposure. Costs associated with the excess insurance policies are allocated across two fiscal years. For fiscal year 2018, staff estimates that the agencies will be within budget. Fiscal year 2019 budgets are currently being developed. Funds for this coverage will be designated and included within them.

The approximate annual breakdown between the agencies is noted within the table below.

COMBINED TOTAL EXCESS INSURANCE PREMIUMS					
AGENCY	MTS	SDTC	SDTI	SD&AE	TOTAL
Excess Liability	\$169,604	\$628,947	\$600,680	\$14,134	\$1,413,365
Excess Workers' Comp.	\$27,178	\$100,785	\$96,255	\$2,265	\$226,483
Total Excess Premium	\$196,782	\$729,732	\$696,935	\$16,399	\$1,639,848
Combined Excess Split	12.0%	44.5%	42.5%	1.0%	



DISCUSSION:

MTS, SDTC, SDTI, and SD&AE jointly purchase commercial general liability insurance to finance large catastrophic losses for bodily injury, property damage and other damage claims in excess of a self-insured retention of \$2 million per occurrence. The agencies also jointly purchase an excess workers' compensation policy to supplement the self-insured program of \$1 million per occurrence. The existing policies will expire on March 1, 2018. MTS' insurance broker, Alliant Insurance Services, Inc., has worked extensively with staff and several insurance carriers to obtain the best coverage possible for the forthcoming year.

Current Program

MTS currently has excess liability coverage within four layers of insurance limits from various insurance companies. These layers provide for a total general liability limit of \$75 million. The policies each contain coverage for acts of terrorism. The current cost of these policies, including taxes and fees, is \$1,317,243. In addition, MTS purchases excess workers' compensation insurance at statutory limits (i.e., the maximum benefit the State would allow for a single accident/injury) for a cost of \$214,670. These premiums totaled \$1,531,913 under the current program structure.

Proposed Program

The proposed excess liability insurance program is also anticipated to include four policy layers and would carry a self-insured retention of \$2 million for general liability and public entity excess liability. All of this coverage (including MTS' self-insured retention) would provide full limits up to \$75 million at an annual cost not to exceed \$1,413,365. The proposed program includes remaining with the incumbent carriers on all 4 layers.

An excess workers' compensation policy is also being recommended for purchase at statutory limits less a \$1 million insurance deductible. The premium cost for this policy is \$226,483, which represents an \$11,813 increase over last year's premium of \$214,773 for the same limits and retention.

The total premium of \$1,639,848 for the combined excess liability and excess workers' compensation coverage represents an overall 7.30% (or \$107,935) increase over last year.

COVERAGE	INSURER	AM BEST RATING	LIMIT & ATTACHMENT	TOTAL PREMIUM
Excess Workers' Comp.	Arch Insurance Company	A+ XV	Statutory x \$1M SIR	\$226,483
1st Layer Excess Liability	Princeton Excess & Surplus Lines (Munich Re)	A+ XV	\$10M x \$2M SIR	\$841,080
2nd Layer Excess Liability	Lloyds of London	A+ XV	\$15M x \$10M x \$2M SIR	\$251,213
3rd Layer Excess Liability	Great American Assurance Company	A XV	\$25M x \$25M x \$2M SIR	\$220,000
4th Layer Excess Liability	Allied World Assurance Co. (AWAC)	A XV	\$23M x \$50M x \$2M SIR	\$101,072
				\$1,639,848

Renewal Issues – Underwriting Base

Premium rates for the excess liability coverage are based on a combination of passenger counts, revenue miles, operating revenue, construction costs, loss history and current market conditions. For excess workers' compensation, premiums are largely driven by payroll as well as loss history and current market conditions.

Public Entity Market - Recent Observations

MTS's brokers marketed several excess general liability insurance carriers in addition to the incumbents to determine whether cost savings could be found elsewhere. What was found is a changing landscape in terms of carriers interested in writing public entity business. Several "lead layer" markets have either left the public entity business entirely, or have increased their attachment points well above MTS's \$2M retention. New carriers have selectively entered the market place; however, their pricing was not as competitive as the carriers currently providing MTS's coverage.


With regard to the excess workers' compensation insurance, MTS would enter the second year of a two year rate agreement with the incumbent carrier. The overall premium is up by 5.7% commensurate with estimated and audited payroll information provided.

Overall, MTS's insurance broker, Alliant, did an outstanding job negotiating an advantageous excess liability and workers' compensation insurance program for MTS once again this year. Despite the rise in premium over last year, MTS is not required to increase its long-standing \$2M self-insured retention for liability and its \$1M self-insured retention for workers' compensation. Furthermore, MTS is able to retain the favorable coverage terms and conditions it has had for many years. This is particularly important in light of current loss history and a general push in the carrier markets to increase self-insured retentions.

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

Key Staff Contact: Sharon Cooney, 619-557-4513 sharon.cooney@sdmts.com

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



San Diego Metropolitan Transit System

2018 – 2019

Excess Liability and Workers' Compensation Insurance Proposal

Presented on January 30, 2018 by:

Dennis Mulqueeney, Senior Vice President
Brian White, First Vice President
Linh Campero, Account Executive

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2018 - 19 Public Entity Market – Recent Observations

Liability Marketplace

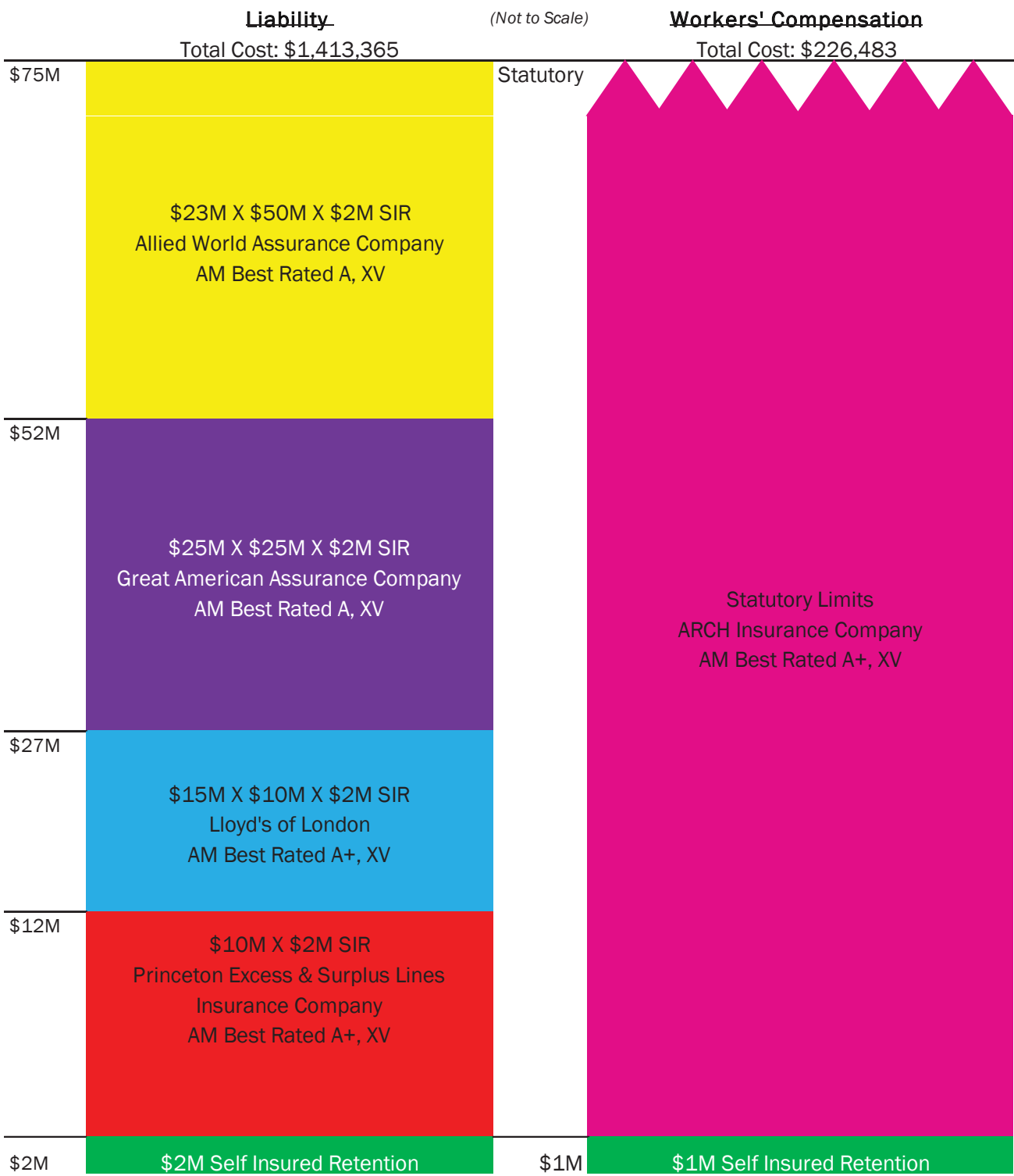
- Changing Landscape:
 - Especially in non tort-protected jurisdictions such as California
 - “Hard” in the lead market environment, but not yet a crisis (?)
- Several **lead** markets have either left the segment entirely, or significantly restructured their offerings due to surprisingly large losses within their insured book of business:
 - Starr
 - Civic Risk
 - Ironshore
 - AmTrust
- Severe industry wide losses spanning many areas: **Transit**, Streets & Road Design, Employment Practices, Sexual Abuse, **Law Enforcement** Legal;
 - Even risks that do not have some of these exposures are feeling market pressure due to increased scrutiny on sector overall and impacts to available capacity
- New carriers have very selectively entered the space, which is a welcome respite, however frequently proposed pricing and terms are not as competitive as expiring
- *Upward SIR & Pricing Pressure on Loss Adverse Placements*
- Overall SD MTS’s pricing is up 7.30% over expiring, with no changes to coverage terms and conditions. The premium increase is driven primarily due to recent loss activity, and to a lesser degree an increase in operations reflected in measures such as transit mileage and operating revenue.

Workers’ Compensation Markets

- Very narrow marketplace with few insurers offering Excess Workers’ Compensation coverage
- Market is mostly stable for good performing accounts with no material loss activity excess of the self-insured retention.
- Rate reductions in this segment are rare; more frequent is flat rate renewals, and small rate increases.
- SD MTS is now entering into the 2nd year of a 2 year rate agreement with Arch Insurance Company for this coverage. Overall premium is up 5.7% commensurate with payroll increase.



LIABILITY AND WORKERS COMPENSATION STRUCTURE CHART





COST OF RISK – RENEWAL COST COMPARISON

Expiring Compared to Renewal: Net of Commission (where applicable) and Includes TRIA

Coverage	\$2M SIR Expiring	\$2M SIR Renewal	Difference	\$2.5M SIR Option
Excess Liability – Layer 1	\$764,193	\$841,080	\$76,887	\$721,626
Excess Liability – Layer 2	\$239,250	\$251,213	\$11,963	\$235,832
Excess Liability – Layer 3	\$215,000	\$220,000	\$5,000	\$218,000
Excess Liability – Layer 4	\$98,800	\$101,072	\$2,272	\$99,827
<i>Excess Liability Sub Total:</i>	<i>\$1,317,243</i>	<i>\$1,413,365</i>	<i>\$96,122</i>	<i>\$1,275,285</i>
Excess Workers' Compensation	\$214,670	\$226,483	\$11,813	\$226,483
Total Annual Cost	\$1,531,913	\$1,639,848	\$107,935	\$1,501,768



Historical Liability Pricing & Layering Exhibit

2014-15										
Layer	Carrier	Limit & Attachment	Annual Premium w/o Terrorism	Terrorism Surcharge	Terrorism Elected	Gross Premium	Surplus Lines Taxes & Fees 3.20%	Grand Total (w/ SL T&F's)	Price / MII (Incl TRIA)	change over expiring
1	Starr Indemnity & Liability Company (Admitted)	10M x 2M SIR	\$ 754,500	\$ 15,090	Yes	\$ 769,590		\$ 769,590	\$ 76,959.00	4.98%
2	Berkley National (Admitted)	15M x 10M x 2M SIR	\$ 296,451	\$ 2,965	Yes	\$ 299,416		\$ 299,416	\$ 19,961.07	3.52%
3	Great American (Admitted)	25M x 25M x 2M SIR	\$ 221,760	\$ 2,240	Yes	\$ 224,000		\$ 224,000	\$ 8,960.00	3.23%
4	AWAC (Admitted)	23M x 50M x 2M SIR	\$ 97,812	\$ 988	Yes	\$ 98,800	N/A	\$ 98,800	\$ 3,952.00	4.00%
TOTAL			\$ 1,370,523			\$ 1,391,806		\$ 1,391,806		4.31%
2015-16										
Layer	Carrier	Limit & Attachment	Annual Premium w/o Terrorism	Terrorism Surcharge	Terrorism Elected	Gross Premium	Surplus Lines Taxes & Fees 3.20%	Grand Total (w/ SL T&F's)	Price / MII (Incl TRIA)	change over expiring
1	National Casualty Company (Admitted)	10M x 2M SIR	\$ 788,274	\$ 7,883	Yes	\$ 796,157		\$ 796,157	\$ 79,615.70	3.45%
					Net of Commission (i.e. less 10% from layer 1)			\$ 716,541		-6.89%
2	Berkley National (Admitted)	15M x 10M x 2M SIR	\$ 296,451	\$ 2,965	Yes	\$ 299,416		\$ 299,416	\$ 19,961.07	0.00%
3	Great American (Admitted)	25M x 25M x 2M SIR	\$ 221,760	\$ 2,240	Yes	\$ 224,000		\$ 224,000	\$ 8,960.00	0.00%
4	AWAC (Admitted)	23M x 50M x 2M SIR	\$ 98,800	Included	Yes	\$ 98,800	N/A	\$ 98,800	\$ 3,952.00	0.00%
TOTAL			\$ 1,405,285			\$ 1,418,373		\$ 1,418,373		1.91%
					Net of Commission (i.e. less 10% from layer 1)			\$ 1,338,757		-3.81%
2016-17										
Layer	Carrier	Limit & Attachment	Annual Premium w/o Terrorism	Terrorism Surcharge	Terrorism Elected	Gross Premium	Surplus Lines Taxes & Fees 3.20%	Grand Total (w/ SL T&F's)	Price / MII (Incl TRIA)	Change over expiring
1	National Casualty Company (Admitted)	10M x 2M SIR	\$ 788,274	\$ 7,883	Yes	\$ 796,157	N/A	\$ 796,157	\$ 79,615.70	0.00%
					Net of Commission (i.e. less 10% from layer 1)			\$ 716,541		0.00%
2	Berkley National (Admitted)	15M x 10M x 2M SIR	\$ 296,451	\$ 2,965	Yes	\$ 299,416	N/A	\$ 299,416	\$ 19,961.07	0.00%
3	Great American (Admitted)	25M x 25M x 2M SIR	\$ 224,000	Included	Yes	\$ 224,000	N/A	\$ 224,000	\$ 8,960.00	0.00%
4	AWAC (Admitted)	23M x 50M x 2M SIR	\$ 98,800	Included	Yes	\$ 98,800	N/A	\$ 98,800	\$ 3,952.00	-93.03%
TOTAL			\$ 1,407,525			\$ 1,418,373		\$ 1,418,373		0.00%
					TOTAL (Net of Commission)			\$ 1,338,757		0.00%
2017-18 (Expiring)										
Layer	Carrier	Limit & Attachment	Annual Premium w/o Terrorism	Terrorism Surcharge	Terrorism Elected	Gross Premium	Surplus Lines Taxes & Fees 3.20%	Grand Total (w/ SL T&F's)	Price / MII (Incl TRIA)	Change over expiring
1	Princeton Excess & Surplus Lines Insurance Company (Non-Admitted)	10M x 2M SIR	\$ 733,086	\$ 7,411	Yes	\$ 740,497	\$ 23,696	\$ 764,193	\$ 74,049.70	-4.01%
2	Lloyd's of London (Non-Admitted)	15M x 10M x 2M SIR	\$ 250,000	Included	Yes	\$ 250,000	\$ 8,000	\$ 258,000	\$ 16,666.67	-13.83%
					Net of Commission (i.e. less 7.5% from layer 2)			\$ 239,250		
3	Great American (Admitted)	25M x 25M x 2M SIR	\$ 215,000	Included	Yes	\$ 215,000	N/A	\$ 215,000	\$ 8,600.00	-4.02%
4	AWAC (Admitted)	23M x 50M x 2M SIR	\$ 98,800	Included	Yes	\$ 98,800	N/A	\$ 98,800	\$ 3,952.00	0
TOTAL			\$ 1,296,886			\$ 1,304,297		\$ 1,335,993		-5.81%
					TOTAL (Net of Commission)			\$ 1,317,243		-1.61%
2018-19 (Proposed)										
Layer	Carrier	Limit & Attachment	Annual Premium w/o Terrorism	Terrorism Surcharge	Terrorism Elected	Gross Premium	Surplus Lines Taxes & Fees 3.20%	Grand Total (w/ SL T&F's)	Price / MII (Incl TRIA)	Change over expiring
1	Princeton Excess & Surplus Lines Insurance Company (Non-Admitted)	10M x 2M SIR	\$ 806,931	\$ 8,069	Yes	\$ 815,000	\$ 26,080	\$ 841,080	\$ 81,500.00	5.64%
2	Lloyd's of London (Non-Admitted)	15M x 10M x 2M SIR	\$ 262,500	Included	Yes	\$ 262,500	\$ 8,400	\$ 270,900	\$ 17,500.00	-9.52%
					Net of Commission (i.e. less 7.5% from layer 2)			\$ 251,213		
3	Great American (Admitted)	25M x 25M x 2M SIR	\$ 220,000	included		\$ 220,000		\$ 220,000	\$ 8,800.00	-1.79%
4	AWAC (Admitted)	23M x 50M x 2M SIR	\$ 100,062	\$ 1,010		\$ 101,072		\$ 101,072	\$ 4,042.88	2.30%
						\$ 1,398,572		\$ 1,433,052		7.26%
					TOTAL (Net of Commission)			\$ 1,413,365		7.30%



LINE OF COVERAGE – EXCESS LIABILITY

First Layer – The Princeton Excess & Surplus Lines (Munich)

NAMED INSURED:	San Diego Metropolitan Transit System																						
INSURANCE COMPANY:	The Princeton Excess and Surplus Lines Insurance Company																						
AM BEST RATING:	A+ (Superior), XV (\$2 Billion or greater) as of October 19, 2016																						
S&P RATING:	AA- (Very Strong) as of December 22, 2006																						
CALIFORNIA STATUS:	Non-Admitted																						
POLICY TERM:	March 1, 2018 to March 1, 2019																						
COVERAGE FORM:	Retained Limit of Liability Form																						
LIMIT OF LIABILITY:	<table> <tr><td>\$</td><td>10,000,000</td><td>General Liability Per Occurrence</td></tr> <tr><td>\$</td><td>10,000,000</td><td>Law Enforcement Liability Per Occurrence</td></tr> <tr><td>\$</td><td>10,000,000</td><td>Auto Liability Per Accident</td></tr> <tr><td>\$</td><td>10,000,000</td><td>Wrongful Acts Liability Per Occurrence</td></tr> <tr><td>\$</td><td>10,000,000</td><td>Employee Benefit Liability Per Occurrence</td></tr> <tr><td>\$</td><td>10,000,000</td><td>Sexual Abuse Per Occurrence</td></tr> <tr><td>\$</td><td>10,000,000</td><td>Miscellaneous Professional Liability</td></tr> </table>		\$	10,000,000	General Liability Per Occurrence	\$	10,000,000	Law Enforcement Liability Per Occurrence	\$	10,000,000	Auto Liability Per Accident	\$	10,000,000	Wrongful Acts Liability Per Occurrence	\$	10,000,000	Employee Benefit Liability Per Occurrence	\$	10,000,000	Sexual Abuse Per Occurrence	\$	10,000,000	Miscellaneous Professional Liability
\$	10,000,000	General Liability Per Occurrence																					
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\$	10,000,000	Sexual Abuse Per Occurrence																					
\$	10,000,000	Miscellaneous Professional Liability																					
	<u>Aggregate Limits</u>																						
	\$	N/A General Liability & Auto Liability																					
	\$	20,000,000 Law Enforcement Liability																					
	\$	30,000,000 Wrongful Acts Liability																					
	\$	20,000,000 Employee Benefits Liability																					
	\$	20,000,000 Sexual Abuse																					
	\$	20,000,000 Miscellaneous Professional Liability																					
RETAINED LIMIT:	\$	2,000,000																					
DEFENSE COST:	Inside the Limit of Liability																						
PREMIUM:	<table> <tr><td>\$</td><td>815,000.00</td><td>Policy Premium</td></tr> <tr><td>\$</td><td>26,080.00</td><td>Surplus Lines Taxes & Fees</td></tr> <tr><td>\$</td><td>841,080.00</td><td>Total Annual Premium</td></tr> </table>		\$	815,000.00	Policy Premium	\$	26,080.00	Surplus Lines Taxes & Fees	\$	841,080.00	Total Annual Premium												
\$	815,000.00	Policy Premium																					
\$	26,080.00	Surplus Lines Taxes & Fees																					
\$	841,080.00	Total Annual Premium																					
TERRORISM OPTION:	\$8,327.21 included in the premium above																						



LINE OF COVERAGE – EXCESS LIABILITY

First Layer – The Princeton Excess & Surplus Lines (Munich), continued

SIR OPTION: \$2.5 SIR - Premium: \$721,626 includes TRIA, taxes and fees
 \$3M SIR - Premium: \$631,584 includes TRIA, taxes and fees.

**ENDORSEMENTS &
EXCLUSIONS:**

Form	Form No.
Common Policy Declaration	RL 1000 CDEC
Liability Coverage Parts Declarations	RL 1000 LDEC
Policy Conditions	RL 1000 PC
Liability Conditions Definitions and Exclusions	RL 1000 LC
Automobile Liability – Coverage Part	RL 1000 AU
General Liability Coverage Part – Occurrence	RL 1000 GLOC
Wrongful Acts Liability Coverage Part – Occurrence	RL 1000 WROC
Miscellaneous Professional Liability Coverage Part – Occurrence	RL 1000 MPOC
Employee Benefits (Wrongful Act Occurrence)	RL 2008
Fire Damage Liability - \$500,000 Limit	RL 2012
Amended Law Enforcement Endorsement – Modified so that AL is not subject to any aggregate	RL 2015
Single Policy Retained Limit & Single Policy Excess Limit – Non-Clash	RL 2019
Sexual Abuse Wrongful Act (Occurrence)	RL 2022
Ultimate Net Loss Amendment	RL 2028
Policy Change – Schedule of Named Insured	RL 2032
Policy Changes – Notice of Cancellation Rev. 90 Days	RL 2032
Policy Changes – Retained Limit – Other Insurance	RL 2032
Policy Changes – Wrongful Act Sublimit – \$500,000	RL 2032
Front or Bay Pay Coverage	
Service of Suit – PESLIC	RL 2050
Additional Insured – lessor or Leased Equipment – US	RL 2064
Bank Corporate Trust Services	
Renewal Endorsement	RL 2089
Amendment of Definition of Insured	RL 2100
Violent Event Response Coverage	RL 2121
Waiver of Subrogation – US Bank	RL 2130
Unmanned Aircraft Exclusion	RL 2172
Mold/Fungal Pathogens Exclusion	RL 2034
Cap on Losses Certified Acts of Terrorism (if elected)	RLVTERR 01
Terrorist Activity Exclusion (if rejected)	RL CTERR 01



LINE OF COVERAGE – EXCESS LIABILITY

First Layer – The Princeton Excess & Surplus Lines (Munich), continued

QUOTE VALID: March 1, 2018

MINIMUM EARNED: 25%

BINDING CONTITIONS:

- Written request to bind coverage
- Sign & Date D1 and Terrorism Disclosure Notice

LOSS REPORTING: Incidents that will or might give rise to a claim should be immediately reported to:

The Princeton Excess & Surplus Lines Ins. Co.
 555 College Road East
 Princeton, NJ 08543
 Phone: 609-243-4200
 Fax: 609-243-4558
clmsins@munichreamerica.com

Or

Alliant Insurance Services – Claims Department
 Mr. Robert Frey or Ms. Elaine Kim
 Main Phone: 415.403.1400
 Fax: 415.403.1466
rfrey@alliant.com / ekim@alliant.com



LINE OF COVERAGE – EXCESS LIABILITY

Second Layer – Lloyd's of London

NAMED INSURED:	San Diego Metropolitan Transit System
INSURANCE COMPANY:	Lloyd's of London
AM BEST RATING:	A+ (Superior), XV (\$2 Billion or greater) as of February 26, 2016
S&P RATING:	A+ (Strong) as of May 13, 1999
CALIFORNIA STATUS:	Non-Admitted
POLICY TERM:	March 1, 2018 to March 1, 2019
COVERAGE FORM:	Commercial Excess Liability Coverage Form
LIMIT OF LIABILITY:	\$ 15,000,000 Each Occurrence \$ 30,000,000 Aggregate Limit (Where Applicable) <i>(In excess of the controlling underlying insurance shown below.)</i>
DEFENSE COST:	Inside the Limit of Liability
UNDERLYING POLICY:	The Princeton Excess & Surplus Lies Ins. Co. \$ 10,000,000 General Liability \$ 10,000,000 Auto Liability \$ 10,000,000 Law Enforcement Liability \$ 10,000,000 Wrongful Acts Liability \$ 10,000,000 Employee Benefits Liability \$ 10,000,000 Sexual Abuse \$ 10,000,000 Miscellaneous Professional Liability <u>Aggregate Limits</u> \$ N/A General & Auto Liability \$ 20,000,000 Law Enforcement Liability \$ 30,000,000 Wrongful Acts Liability \$ 20,000,000 Employee Benefits Liability \$ 20,000,000 Sexual Abuse \$ 20,000,000 Miscellaneous Professional <u>Excess of: Retained Limit</u> \$ 2,000,000



LINE OF COVERAGE – EXCESS LIABILITY

Second Layer – Lloyd's of London, continued

PREMIUM:	\$ 262,500.00	Annual Premium
	\$ -19,687.50	Return Commission Credit (7.5%)
	\$ 7,875.00	Surplus Lines Tax
	\$ 525.00	Stamping Fee
	\$ 251,212.50	Total Annual Premium
TERRORISM OPTION:	\$ included in the premium above	
ENDORSEMENTS & EXCLUSIONS:	Form	Form No.
(including but not limited to)	Schedule of Underlying Policies	
	Premium Payment Clause – 60 Days	LSW 3000
	Cancellation Clause	
	Assistance & Co-Operation Amendment	
	Endorsement	
	Non-Follow Form amendatory Endorsement	
	Service of Suit Clause	LMA 5020
	Sanctions Limitation Clause	LMA 3100
	TRIA Notice, LMA 5218 apply if purchased, LMA5219 if rejected	LMA 9104
	Notice of Cancellation provision – 90 Days	
SIR OPTION:	\$2.5M SIR – Premium: \$246,428 including TRIA	
	\$3M SIR – Premium: \$242,121 including TRIA	
MINIMUM EARNED:	25%	
QUOTE VALID:	March 1, 2018	
POLICY AUDITABLE:	Not Auditable	
BINDING CONDITIONS:	<ul style="list-style-type: none"> • Written request to bind coverage • Signed and Dated TRIA Letter, Required Prior to Binding. • Signed Policyholder Disclosure Notice of Terrorism Insurance Coverage must be returned at the time of binding. 	
LOSS REPORTING:	Incidents that will or might give rise to a claim should be immediately reported to:	
	<i>Alliant Insurance Services – Claims Department</i> Mr. Robert Frey or Ms. Elaine Kim Main Phone: 415.403.1400 Fax: 415.403.1466 rfrey@alliant.com / ekim@alliant.com	



LINE OF COVERAGE – EXCESS LIABILITY

Third Layer – Great American Assurance Company

NAMED INSURED:	San Diego Metropolitan Transit System
INSURANCE COMPANY:	Great American Assurance Company
AM BEST RATING:	A+ (Superior), XV (\$2 Billion or greater) as of May 12, 2016
S&P RATING:	A+ (Strong) as of October 5, 2010
CALIFORNIA STATUS:	Admitted
POLICY TERM:	March 1, 2018 to March 1, 2019
COVERAGE FORM:	Excess Liability Coverage Form - GAI6524 (06/97)
LIMIT OF LIABILITY:	\$ 25,000,000 Each Occurrence \$ 50,000,000 Aggregate, where applicable <i>(In excess of the controlling underlying insurance shown below.)</i>
DEFENSE COST:	Inside the Limit of Liability
EXCESS LAYERS:	Excess Liability Occurrence Lloyd's of London \$ 15,000,000 Each Occurrence or Wrongful Act \$ 30,000,000 Aggregate, where applicable Excess of First Underlying Insurance
FIRST UNDERLYING INSURANCE:	Retained Limit Liability Insurance Policy for Public Entities Princeton Excess & Surplus Lines Insurance Company \$ 10,000,000 General Liability \$ 10,000,000 Law Enforcement Liability \$ 10,000,000 Auto Liability \$ 10,000,000 Wrongful Acts Liability \$ 10,000,000 Employee Benefit Liability \$ 10,000,000 Sexual Abuse \$ 10,000,000 Miscellaneous Professional Liability Aggregate Limits: N/A General Liability & Auto Liability \$ 20,000,000 Law Enforcement Liability \$ 30,000,000 Wrongful Acts Liability \$ 20,000,000 Employee Benefit Liability \$ 20,000,000 Sexual Abuse \$ 20,000,000 Miscellaneous Professional Liability <i>Defense expenses are included in the limits of liability</i>



LINE OF COVERAGE – EXCESS LIABILITY

Third Layer – Great American Assurance Company, continued

RETAINED LIMIT:	\$ 2,000,000	Any one occurrence or wrongful act or employee benefit wrongful act – each & every
FIRST UNDERLYING FORMS, EXCLUSIONS AND/OR IMITATIONS:	We will follow all of the exclusions and limitations of the Princeton E&S Lines Ins. Company coverage form and any additional exclusions/modifications/limitations as noted in their quote.	

Attachments:

Automobile Liability Coverage Part – RL 1000 Au 01/11
 General Liability Coverage Part – Per Occurrence – RL 1000 GLOC 07/13
 Wrongful Acts Liability Coverage Part – Occurrence – RL 1000 WROC 07/13
 Misc. Professional Liability Coverage Part – Occurrence – RL 1000 MOC 07/13
 Employee Benefits (Wrongful Act Occurrence) – RL 2008 07/13
 Amended Law Enforcement Endorsement – RL 2015 07/13
 Sexual Abuse Wrongful Act (Occurrence) – RL 2022 07/13
 Policy Conditions – RL 1000 PC 07/13
 Liability Conditions Definition & Exclusions – Exclusions include but are not limited to: eminent domain, condemnation, inverse condemnation, or adverse possession; medical, surgical, dental, x-ray or nursing service or treatment; punitive or exemplary damages; fiduciary; ERISA; workers' compensation; criminal, fraudulent, dishonest act or bad faith; pollution; hostile fire; asbestos; lead; supply of gas; oil, water, electricity, steam or sewage; earth movement; aircraft; airfields; watercraft; landfill, dam, spillway, levee or reservoir; war; Nuclear Energy Liability; nuclear material; and Electronic Information Security Event – RL 1000 LC 07/15
 Single Policy Retained Limit and Policy Excess Limit – Non-Clash – RL 2019 01/11
 Mold/Fungal Pathogens Exclusion – RL 2034 01/02
 Time Element Pollution Exclusion – RL 2032 01/02
 Land or Earth Movement Exclusion – RL 2032 01/02

Great American Exclusions, Limitation and/or Attachments:

- Exclusion – Recording and Distribution of Material or Information in Violation of Statutes or Common Law – GAI6774 (12/13)
- War Liability Exclusion – GAI6550 (03/03)
- Amendment of Cancellation Condition – California – GAI6011 (06/97)
- Economic and Trade Sanctions Clause – IL7324 (08/12)
- Following Form Endorsement – GAI6965 (10/14)
- In Witness Clause – IL7268 (09/09)
- State Amendatory – California Changes – GAI6704 (01/13)
- If Terrorism Coverage is Accepted – Cap on Losses from Certified Acts of Terrorism will attach – GAI6452 (04/15)
- Disclosure Pursuant to Terrorism Risk Insurance Act – GAO6472 (04/15)



LINE OF COVERAGE – EXCESS LIABILITY

Third Layer – Great American Assurance Company, continued

PREMIUM:	\$ 220,000.00 Annual Premium including \$0 for TRIA
TERRORISM OPTION:	\$0 Included in the premium above
SIR OPTION:	\$2.5M SIR - Premium: \$218,000 including TRIA \$3M SIR – Premium: \$217,000 including TRIA
QUOTE VALID:	March 1, 2018
BINDING CONDITIONS:	<ul style="list-style-type: none"> • Written request to bind coverage • If TRIA is excluded by any underlying, then TRIA will be excluded by this policy and a TRIA rejection disclosure must be signed by the insured.
LOSS REPORTING:	<p>Incidents that will or might give rise to a claim should be immediately reported to:</p> <p><i>Alliant Insurance Services – Claims Department</i> Mr. Robert Frey or Ms. Elaine Kim Main Phone: 415.403.1400 Fax: 415.403.1466 rfrey@alliant.com / ekim@alliant.com</p>



LINE OF COVERAGE – EXCESS LIABILITY

Fourth Layer – Allied World Assurance Company

NAMED INSURED:	San Diego Metropolitan Transit System
COMPANY:	Allied World Assurance Company
AM BEST RATING:	A (Excellent), XV (\$2 Billion or greater) as of December 20, 2016
S&P RATING:	A (Strong) as of June 7, 2011
CALIFORNIA STATUS:	Admitted
POLICY TERM:	March 1, 2018 to March 1, 2019
COVERAGE FORM:	Excess Liability Coverage Form – GL 00126 00 (06/07)
LIMIT OF LIABILITY:	\$ 23,000,000 Each Occurrence/Aggregate (where applicable)
	Excess Of Attachment Point:
	\$ 50,000,000 Each Occurrence/Aggregate (where applicable)
DEFENSE COST:	Follows Scheduled of Underlying Insurance
EXCESS LAYERS:	Excess Liability Occurrence – Great American Assurance Company
	\$ 25,000,000 Each Occurrence
	\$ 50,000,000 Aggregate, where applicable
	Excess Liability Occurrence – Lloyd's of London
	\$ 15,000,000 Each Occurrence or Wrongful Act
	\$ 30,000,000 Aggregate (where applicable)
FIRST UNDERLYING INSURANCE:	Retained Limit Liability Insurance Policy for Public Entities Princeton E&S Lines Insurance Company
	\$ 10,000,000 Each Occurrence or Accident
	\$ 20,000,000 Law Enforcement Liability Aggregate
	\$ 30,000,000 Wrongful Acts Liability Aggregate
	\$ 20,000,000 Employee Benefit Liability Aggregate
	\$ 20,000,000 Sexual Abuse Aggregate
	\$ 20,000,000 Miscellaneous Professional Liability Aggregate
	<i>Excess of Retained limit:</i>
RETAINED LIMIT:	\$ 2,000,000 Any one occurrence or wrongful act or employee benefit wrongful act – each & every
PREMIUM:	\$ 101,072.00 Annual Premium



LINE OF COVERAGE – EXCESS LIABILITY

Fourth Layer – Allied World Assurance Company, continued

TERRORISM OPTION:	\$1,010.00 (included in above premium)	
SIR OPTION:	\$2.5M – Premium: \$99,827 including TRIA \$3M – Premium: \$98,582 including TRIA	
FIRST UNDERLYING FORMS, EXCLUSIONS AND/OR IMITATIONS:	We will follow all of the exclusions and limitations of the Princeton E&S Insurance Company coverage form and any additional exclusions/modifications/limitations	
ENDORSEMENTS & EXCLUSION: (including but not limited to)	Form AWAC – U.S. Follow-Form Occurrence – Claims-Made Declarations Schedule of Underlying Insurance U.S. Treasury Departments Office Of Foreign Assets Control ("OFAC") Advisory Notice To Policyholders Asbestos Exclusion Policyholder Disclosure Statement Under the Terrorism Risk Insurance Act California Amendatory Endorsement Follow-Form Other Aggregate Limit	Form No. GL 00139 00 (12/11) 00157 (11/05) 00136 (11/05) 00241 (11/05) GL 00117 00 (01/15) GL 00286 04 (02/07) GL 00366 00 (09/11)
QUOTE VALID:	March 1, 2018	
MINIMUM EARNED:	25%	
BINDING CONDITIONS:	<ul style="list-style-type: none"> • Written request to bind coverage • This QUOTATION is subject to review if there are any significant changes in operations, exposure or experience prior to Allied World's binding. • Any restrictive policy terms and conditions that apply to underlying policies that are in excess of the Followed Policy but underlying to the Allied World Excess policy will also apply to the Allied World Excess limit of liability. Any additional endorsements to the Allied World Policy will be determined upon review of the above-required documentation. • Complete and Sign TRIA 	
LOSS REPORTING:	Incidents that will or might give rise to a claim should be immediately reported to: <i>Alliant Insurance Services – Claims Department</i> Mr. Robert Frey or Ms. Elaine Kim Main Phone: 415.403.1400 Fax: 415.403.1466 rfrey@alliant.com / ekim@alliant.com	



LINE OF COVERAGE – EXCESS WORKERS' COMP

NAMED INSURED:	San Diego Transit Corporation
COMPANY:	Arch Insurance Company
AM BEST RATING:	A+ (Superior), XV (\$2 Billion or greater) as of August 16, 2016
S&P RATING:	A+ (Strong) as of July 29, 2010
CALIFORNIA STATUS:	Admitted
POLICY TERM:	March 1, 2018 to March 1, 2019
COVERAGE:	Excess Workers Compensation and Employers Liability
LIMIT OF LIABILITY:	<p><u>A. Part One – Excess Workers Compensation Insurance</u> Statutory – Each Accident Statutory – Disease, Each Employee</p> <p><u>B. Part Two – Excess Employers Liability Insurance</u> \$2,000,000 Each Accident \$2,000,000 Disease, Each Employee \$2,000,000 Aggregate</p>
RETAINED LIMIT:	\$1,000,000 Each Accident \$1,000,000 Disease, Each Employee
ESTIMATED ANNUAL PAYROLL:	\$89,838,746
RATE PER \$100 OF PAYROLL:	0.2521
PREMIUM:	\$226,483.00
TERRORISM OPTION:	\$6,795.00 included in the premium above



LINE OF COVERAGE – EXCESS WORKERS’ COMP

Continued – Excess Workers’ Comp

**ENDORSEMENT &
EXCLUSIONS:** (including
but not limited to)

- Named Insured Addition Endorsement
- Losses Redefined to Include Allocated Loss Adjustment Expenses Endorsement
- California Foreign Voluntary Compensation & Employers Liability and Repatriation Coverage Endt.
- California Volunteer Coverage – Excess Voluntary Compensation and Employers Liability Coverage Endorsement
- Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement
- California Amendatory Endorsement

BINDING CONDITIONS:

- Written request to bind coverage

QUOTE VALID:

March 1, 2018

LOSS REPORTING:

Incidents that will or might give rise to a claim should be immediately reported to:

Alliant Insurance Services – Claims Department
 Mr. Robert Frey or Ms. Elaine Kim
 Main Phone: 415.403.1400
 Fax: 415.403.1466
rfrey@alliant.com / ekim@alliant.com



DISCLOSURES

Alliant Disclosure

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance

NY Regulation 194 Disclosure

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.



DISCLOSURES, continued

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.



CERTIFICATES / EVIDENCE OF INSURANCE

Certificates of insurance are issued as a matter of information only and confer no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy. Nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or certificate holder.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a certificate of insurance, you may be required to name your client or customer on your policy as an additional insured. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.



Glossary of Insurance Terms

Below are a couple of links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/UniversityResources/InsuranceGlossaryFREE.aspx>

<http://www.ambest.com/resource/glossary.html>

<http://www.irmi.com/online/insurance-glossary/default.aspx>



OTHER ALLIANT SERVICES

Alliant Business Services: HR Membership Program

Strategic HR

Strategic HR's Membership Program is designed to help our clients protect their company or organization by averting potential problems before they develop, and quickly responding to employment-related issues after they occur. In addition, HR members have access to a wide array of tools and resources to help them navigate the complex world of human resources.

The HR Membership Program provides clients of Alliant Insurance Services with the following:

- **Consultation with Human Resources Experts:** Assigned consultants respond quickly with advice and guidance on any HR or safety issue, such as:
 - Problem employees
 - Terminations
 - Compliance
 - Wage and hour issues
 - Leaves of absence
 - Harassment
- **Human Resources Seminars and Webinars:** With employment laws and regulations constantly changing, it is imperative that employers stay current. Members receive a significant discount on admission to our webinar seminars on a variety of topics including HR, Employment Laws and Management Training.
- **Online Access to HR Forms, Guidelines, Policies and checklists:** By accessing the password-protected members-only section of the Strategic HR web site, members have a wide range of documents available at no charge. Topics include, but are not limited to:
 - Hiring
 - Payroll and Recordkeeping
 - Performance Evaluations
 - Leaves of Absences
 - Discipline and Termination
 - Harassment and Investigation
 - Sample Policies and Required Forms
 - Answers to frequently asked HR questions

- **Alerts and Notices:** Clients who are enrolled in a Strategic HR Program receive timely alerts on employment law legislation and regulations, as well as notices regarding employment trends, best practices and more.
- **Compensation Data:** Each program level provides a certain number of salary surveys. The surveys provide compensation information with data that is customized to a specific industry and geographic location.
- **Special Member Pricing on HR Projects and Services:** Members receive preferred rates on a wide array of projects and services, including:
 - Employee handbooks
 - HR audits
 - Job description review and development
 - Affirmative Action Plans
 - Compensation systems
 - Call Center Services
 - HR Outsourcing
 - Management & Supervisory Training
- **Preferred rates on HR partners, such as:**
 - Compliance Posters: mandated federal and state employment posters
 - HR Plus: accurate and timely background information
 - Payroll Solutions: payroll services
 - Strategic HR Staffing – temporary and fulltime placement

Please contact SHR for details.

Contact Information:
(866)716-6294 Toll free
clientcare@strategichr.com



OTHER ALLIANT SERVICES

Alliant Loss Control Services

HAZARD IDENTIFICATION, EVALUATION, ELIMINATION AND CONTROL WILL PROTECT YOUR COMPANY, LOWER INSURANCE COSTS, AND IMPROVE SERVICE.

Accidents and avoidable incidents that result in financial loss can threaten the very existence and long-term viability of your company. They mean lost time, damaged property, diversion of resources, and possible legal and medical expenses that can place a huge burden on your organization and prevent you from reaching your business goals.

Alliant's Risk Control Consulting helps clients identify and reduce loss exposures. Our specialists can help prevent costly accidents and losses, which can lead to lower insurance costs. Whatever the size of your company or scope of your operations, we can help strengthen your safety and risk management programs with proven services that protect lives, safeguard assets, and control costs. Services are not limited to those listed below.

How to Choose the Right Risk Control Consultant

When seeking a qualified risk control consultant, you should ask:

- Does the consultant have specific commercial experience for your type(s) of operations and assets?
- Does the consultant have the resources and availability to do the job when you need it and for your intended use?
- Do they tell you whatever you need to know to control risk or only what you want to hear?
- Does the consultant have a support team of experts able to help you if there is an regulatory citation, a serious claims, or challenging litigation?

Each of the above questions can be answered YES by Alliant's Risk Control Consulting.

Alliant also offers:

- **Extensive Experience in Diverse Business Sectors**
- **Nationwide Coverage**
- **Local Expertise**
- **Peer Review**

Safety Services

- Program Development
- On-Site Hazard/Risk Assessments
- Ergonomics
- Industrial Hygiene
- Fleet Safety Analysis
- General Liability
- Training Services

Workers' Compensation Services

- Loss Prevention (Safety)
- Risk Control (Injury Management)
- Recordkeeping Management

Property Risk Control Services

- Fire System Evaluation
- Risk Assessment
- Loss Estimates
- Hazard Analysis
- Loss Prevention and Risk Control Program Analysis
- Property Marketing Reports
- Business Interruption Analysis and Continuity Planning
- Infrared and Ultrasonic Testing

To learn more about our risk control consulting and safety services:
(888) 737-4752 Toll Free
riskcontrol@alliantinsurance.com



BIND COVERAGE REQUEST

San Diego Metropolitan Transit System

We have reviewed the Excess Liability and Excess Workers' Compensation proposals and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound effective March 1, 2018.

Please sign, date and return to Alliant Insurance prior to March 1, 2018.

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

Signature

Date

Title

Printed / Typed Name

This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. The Actual terms and conditions of the policy will prevail.

Named Insured : San Diego Metropolitan Transit System**Policy No. or Type of Policy: Renewal of N1-A3-RL-0000109-00 Effective Date: 03/01/2018****Insurance Company: The Princeton Excess and Surplus Lines Insurance Company**

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you now have a right to purchase insurance coverage for losses resulting from acts of terrorism, *as defined in Section 102(1) of the Act*: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury in consultation with the Secretary of Homeland Security, and the Attorney General of the United States--to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020 OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION, IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

SELECTION OR REJECTION OF TERRORISM INSURANCE COVERAGE

_____ I hereby elect to purchase Terrorism coverage as defined in the Terrorism Risk Insurance Act, as amended, for a prospective premium of \$8,069

_____ I hereby elect to have the exclusion for terrorism coverage attached to my policy. I understand that an exclusion will be attached to my policy and I will have no coverage for losses resulting from certified acts of terrorism.

Policyholder/Applicant's Signature

Print Name

Date

TERRORISM RISK INSURANCE ACT

The following is a partial summary of the Terrorism Risk Insurance Act, as amended, (hereinafter referred to as the Act). Only the provisions of the Act determine the scope of the insurance protection available for the losses covered under the Act. The Act has been extended through December 31, 2020.

The Act provides coverage for property and casualty insurance for "insured losses" as a result of an "act of terrorism." As stated in the Act:

- A. "Insured loss" means any loss resulting from an "act of terrorism" (including an act of war, in the case of worker's compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if such loss:
 - 1. occurs within the United States; or
 - 2. occurs to an air carrier (as defined in section 40102 of title 49, United States Code), to a United States flag vessel (or a vessel based principally in the United States, on which US income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs, or at the premises of any United States mission.
- B. "Act of terrorism" means any act or acts that are certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States:
 - 1. To be an act of terrorism;
 - 2. To be a violent act or an act that is dangerous to:
 - a. human life;
 - b. property; or
 - c. infrastructure;
 - 3. to have resulted in damage within the United States, or outside of the United States in the case of:
 - a. an air carrier or vessel described in paragraph (5)(B) of Section 102 of the Act; or
 - b. the premises of a United States mission; and
 - 4. to have been committed by an individual or individuals, as part of an effort to coerce the civilian populations of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- C. Section 102 (1)(B) of the Act states "no act shall be certified by the Secretary as an act of terrorism if:
 - 1. the act is committed as part of the course of a war declared by the Congress, except that this clause shall not apply with respect to any coverage for workers' compensation; or
 - 2. property and casualty insurance losses resulting from the acts, in the aggregate, do not exceed \$5,000,000."
- D. The Act also contains a "program trigger" in Section 103(e)(1)(B), pursuant to which the federal government does not pay compensation for losses resulting from a certified act occurring after December 31, 2007, unless aggregate industry insured losses from such a certified act exceed a certain amount, or "trigger." For insured losses occurring in 2008 and for all additional calendar years, the program trigger is \$100,000,000 through 2015, \$120,000,000 beginning on January 1, 2016, \$140,000,000 beginning on January 1, 2017, \$160,000,000 beginning on January 1, 2018, \$180,000,000 beginning on January 1, 2019, \$200,000,000 beginning on January 1, 2020, of aggregate industry insured losses.

- E. The Act does not apply to: crop or livestock insurance; private mortgage insurance or title insurance; financial guaranty insurance issued by monoline financial guaranty insurance corporations; insurance for medical malpractice; health or life insurance; flood insurance provided under the National Flood Insurance Act of 1968; commercial automobile insurance; burglary and theft insurance; surety insurance; professional liability insurance (except Directors and Officers Liability); or farm owners multiple peril insurance.
- F. Under the Act for calendar years through December 31, 2020, the federal government will reimburse the insurance company for 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020 of its insured losses in excess of a deductible, until aggregate "insured losses" in any calendar year exceed \$100 billion. Each insurer's deductible will be 20% of its direct earned premium for property and casualty insurance (as reported on Page 14 of the company's Annual Statement), over the immediately preceding calendar year.

For the purposes of determining such deductibles, direct earned premium means only the premiums earned on the commercial lines property and casualty insurance covered by the Act for U.S. risks or vessels, aircraft and foreign missions outside the U.S. covered by the Act.

Neither the insurance company (having met its statutorily mandated share as described above) nor the federal government will be liable for payment of any portion of "insured losses" under the Act that exceeds \$100 billion in the aggregate during any calendar year.

ENDORSEMENT NUMBER 9**POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM
INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended ("TRIA"), that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, **as defined in Section 102(1) of the Act, as amended:** The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Any coverage you purchase for "acts of terrorism" shall expire at 12:00 midnight December 31, 2020, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES PAYS 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020; OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE. YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A USD100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS USD100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED USD100 BILLION, YOUR COVERAGE MAY BE REDUCED.

THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

<input type="checkbox"/>	I hereby elect to purchase coverage for acts of terrorism for a prospective premium of USD 5% Additional Premium (INCLUDED IN PREMIUM HEREON)
<input type="checkbox"/>	I hereby elect to have coverage for acts of terrorism excluded from my policy. I understand that I will have no coverage for losses arising from acts of terrorism.*

Policyholder/Applicant's Signature

shall
Hiscox Lloyd's Syndicate 33

Print Name

Policy Number

Date

LMA9104
12 January 2015

***NO REFUND IF TRIA REJECTED**



POLICYHOLDER DISCLOSURE
TERRORISM COVERAGE UNDER THE TERRORISM RISK INSURANCE ACT

The Terrorism Risk Insurance Act establishes a program within the United States Department of the Treasury, under which the Federal Government shares, with the insurance industry, the risk of loss from future terrorist attacks. The Act applies when the Secretary of the Treasury certifies that an event meets the definition of an act of terrorism. The Act provides that, to be certified, an act of terrorism must cause losses of at least five million dollars and must have been committed by an individual or individuals as part of an effort to coerce the government or population of the United States.

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage, as outlined below; of that portion of the amount of such insured losses that exceeds the applicable insurer retention.

Calendar Year	2015	2016	2017	2018	2019	2020
Federal Share	85%	84%	83%	82%	81%	80%

The Terrorism Risk Insurance Act contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

In accordance with the Terrorism Risk Insurance Act, we are required to offer you coverage for losses resulting from an act of terrorism **that is certified under the federal program** as an act of terrorism. The policy's other provisions will still apply to such an act.

This coverage is being included **at no additional charge**; however, if you wish to reject this coverage please sign and date where indicated below and return to the company. By doing so, you agree that an exclusion of losses from certified acts of terrorism will be made part of this policy.

Rejection of Terrorism Coverage

By signing below I acknowledge that I am rejecting the offer of terrorism coverage. I understand that an exclusion of losses from certified acts of terrorism will be made part of this policy.

Policyholder/Applicant's Signature

San Diego Metropolitan Transit System

Named Insured

Great American Assurance Company

Insurance Company

Policyholder/Applicant's Name (Please Print)

Policy Number

Date

**POLICYHOLDER DISCLOSURE STATEMENT
UNDER THE
TERRORISM RISK INSURANCE ACT**

The **insured** is hereby notified that under the federal Terrorism Risk Insurance Act, as amended, (the "Act"), the **insured** has a right to purchase insurance coverage for **losses** arising out of an Act of Terrorism, as defined in Section 102(1) of the Act. The term "act of terrorism" means any act certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside of the United States in case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. The **insured** should read the Act for a complete description of its coverage. The Secretary's decision to certify or not to certify an event as an Act of Terrorism covered by the Act is final and not subject to review.

Coverage provided by this **policy** for **losses** caused by a Certified Act of Terrorism may be partially reimbursed by the United States Government under a formula established by federal law. However, the **insured's policy** may contain other exclusions that might affect coverage, such as an exclusion for nuclear events. Under the formula, the United States Government will generally reimburse 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019; and 80% beginning on January 1, 2020, of covered terrorism losses exceeding a statutorily established deductible that must be met by the **company**, and which deductible is based on a percentage of the **company's** direct earned premiums for the year preceding the Certified Act of Terrorism.

Be advised that the Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap on all losses resulting from Certified Acts of Terrorism. If aggregate insured losses attributable to Certified Acts of Terrorism exceed \$100 billion in a calendar year, the United States Government shall not make any payment for any portion of the amount of such loss that exceeds \$100 billion. If aggregate insured losses attributable to Certified Acts of Terrorism exceed \$100 billion in a calendar year and the **company** has met its deductible under the Act, the **company** shall not be liable for payment of any portion of the losses that exceeds \$100 billion, and in such case, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Coverage for "insured losses" as defined in the Act is subject to the coverage terms, conditions, amounts and limits in this **policy** applicable to **losses** arising from events other than Certified Acts of Terrorism.

The **insured** should know that under federal law, the **insured** is not required to purchase coverage for **losses** caused by Certified Acts of Terrorism.

Please indicate the selection of the **insured** below.

___ The **insured** hereby elects to purchase coverage in accordance with the Act for a premium of \$1,010.

___ The **insured** hereby rejects coverage and accepts reinstatement of the exclusion in accordance with the Act.

Signature of **insured** San Diego Metropolitan Transit System

Print/Title

Date

GL 00117 00 (01/15)



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

Agenda Item No. 8

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

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 has a fluid, connected style.

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/Originating Mexico in the quarter.	519	1110	655
Total railroad carloads Terminating/Originating 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.



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
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Agenda Item No. 9

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

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™.

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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

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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.

DRAFT

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.

DRAFT



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

Agenda Item No. 10

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

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)

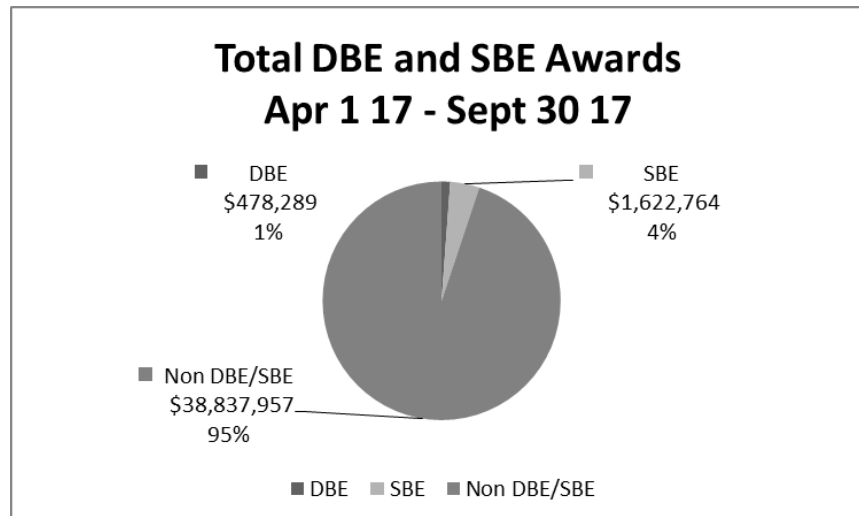
	Federal Contracts Completed/Actual Payments			Goal
<u>REPORTING PERIOD</u>	<u>Total Federal \$\$</u>	<u>DBE \$\$</u>	<u>DBE %</u>	<u>vs 3.75%</u>
Federal Funds: Apr 1, 2017 to Sept 30, 2017	\$7,929,547.67	\$5,718,287.77	72.11%	+68.36%

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

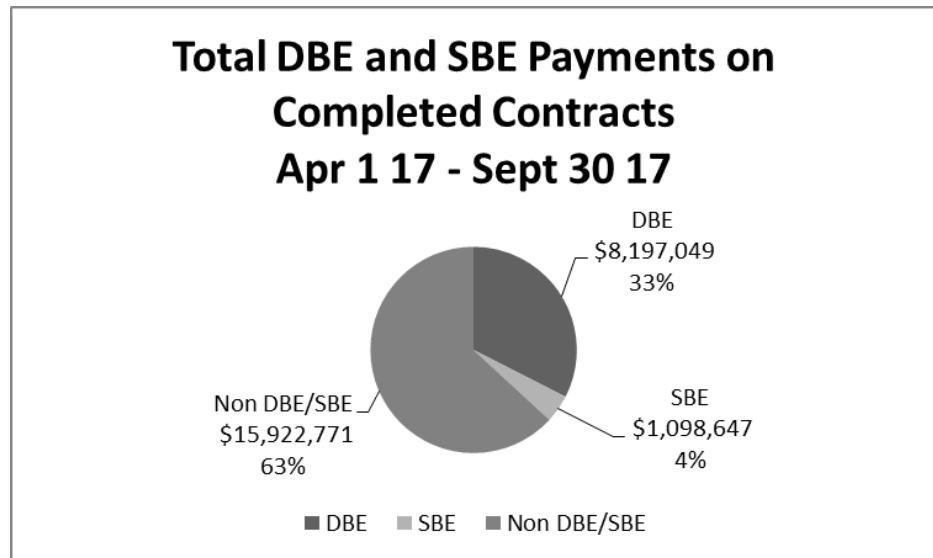
Although MTS cannot report to the FTA the participation of MBE, DVBE, WBE, SB and LGBTBE (collectively referred to as SBEs) for its FTA DBE Semi Annual Report, MTS does record the participation of these businesses to gauge the success of its program to foster small business participation.

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%



	All Contracts Completed (Actual Payments)				
REPORTING PERIOD	Total \$\$	DBE \$\$	DBE %	SBE \$\$	SBE %
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

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	<u>515.00</u>	<u>-</u>	<u>515.00</u>
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

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

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

Attachment: B

A-12

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

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

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

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

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

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

<u>AMOUNT ENCUMBERED</u>	<u>BUDGET ITEM</u>	<u>FISCAL YEAR</u>
<u>\$ 174,446.28</u>	<u>3006104301</u>	<u>2018</u>

By: _____

Chief Financial Officer

Date

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



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Agenda Item No. 17

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

SUBJECT:

VEHICLE ADVERTISING SERVICES

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to extend the contract with Michael-Allen & Associates, MTS Doc. No. G1140.3-08 (in substantially the same format as Attachment A), for Vehicle Advertising Services.

Budget Impact

The extension would result in a revenue contract for MTS. The net revenue estimated for the twelve month extension period would be approximately \$800,000.

DISCUSSION:

The original contract with Michael-Allen & Associates was executed in March 2008 to sell exterior and interior advertising on buses and trolleys, including wraps. The three year contract included additional options that were exercised in 2011 and 2013 which extended the expiration date to February 28, 2018.

On August 23, 2017, MTS released a Request for Proposals (RFP) solicitation for a new advertising services contract. After an evaluation of the proposals, MTS issued a Notice of Intent to Award to Outfront Media who did not identify any exceptions to the RFP at any time during the process. As part of its RFP response, Outfront Media submitted revenue projections and annual Minimum Annual Guarantees (MAG). The agreed upon contract terms were provided to the MTS Board at its January 18, 2018 meeting and were approved.

Subsequently, Outfront Media told MTS that it would not agree to the contract without substantial changes, including the right to approve any future MTS naming rights or partnership agreement, and the requirement that MTS or its partners purchase from Outfront Media at rate card rates any MTS bus or Trolley inventory used for naming



rights or partnership agreements. These terms were not acceptable to MTS and efforts to include contract language that would protect Outfront Media's ability to meet its MAG were not entertained by Outfront Media. Outfront Media officially withdrew its proposal on January 26, 2018.

Staff is now engaged in negotiations with the second highest ranked proposer, Clear Channel. If these negotiations are unsuccessful, the contract may be awarded to the third highest ranked proposer, Michael Allen & Associates, or a reissuance of the entire RFP could take place.

In any scenario, MTS requires a contractor to maintain the advertising on the vehicles and continue to seek opportunities for additional advertising revenue. In addition, if necessary, an adequate transition period is essential for a smooth transition between contractors.

Therefore, staff recommends that a 12-month extension with an MTS option to extend by one additional year be granted to Michael Allen and Associates.

/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. G1140.3-08

DRAFT

February 15, 2018

MTS Doc. No. G1140.3-08
PC 50901

James Cox
Vice President
Michael-Allen Associates
10636 Scripps Summit Court, Suite 124
San Diego, CA 92131

Dear Mr. Cox:

Subject: AMENDMENT NO. 3 TO MTS DOC. NO. G1140.0-08; VEHICLE ADVERTISING

This shall serve as Amendment No. 3 to our agreement for Vehicle Advertising as further described below.

STATEMENT OF WORK

Continue to provide vehicle advertising on the interiors and exteriors of MTS buses and light rail vehicles in accordance with the terms and conditions of MTS Doc. No. G1140.2-08.

SCHEDULE

This amendment shall extend the current contract for an additional 12-month extension with an MTS with an effective date beginning March 1, 2018 through February 28, 2019.

PAYMENT

Payment will be in accordance to the current terms of the existing contract with MTS receiving 75% of total gross revenues and Michael-Allen & Associates receiving 25% commission for their revenue generating services.

Please sign and return the copy marked "original" to the Contracts Specialist at MTS. All other terms and conditions shall remain the same and in effect. Retain the other copy for your records.

Sincerely,

Agreed:

Paul C. Jablonski
Chief Executive Officer

Jim Cox/President
Michael-Allen Associates

Date: _____

Cc: Larry Marinesi, Rob Schupp, Procurement File



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Agenda Item No. 30

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

SUBJECT:

ON-CALL HOMELESS ENCAMPMENT CLEANUP SERVICES - CONTRACT AWARD
(TIM ALLISON, SHARON COONEY & MANNY GUADERRAMA)

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG248.0-18. (in substantially the same format as Attachment A) with Urban Corps of San Diego County for on-call homeless encampment cleanup services for a three (3) year period.

Budget Impact

The value of this agreement will not exceed \$139,568.32. The project will be funded through the operating budget accounts below:

Group	Budget Account	Amount
SDTI Facility Services	791010-571210	\$69,766.72
MTS Real Estate Assets	380016-571140	\$69,801.60

DISCUSSION:

MTS is in need of a contractor to provide on-call homeless encampment clean-up services at MTS Stations and along the MTS right-of-way. On occasions, some MTS properties have become places for homeless to establish camps. It is difficult to predict how many camps will be cleaned or the size and scope of each camp. In some instances, the camp size is much larger than first anticipated, and in other instances, the camp sites are vacated and simple jobs. The contractor shall provide all labor, materials, and equipment required for all work outlined in the Scope of Work.



On November 7, 2017, MTS issued an Invitation for Bids (IFB) for on-call homeless encampment cleanup services. Seven bids were received by the due date of December 22, 2017. The bidders and their respective bids are as follows:

BIDDER NAME	TOTAL AMOUNT
Urban Corps of San Diego County	\$139,568.32
Aztec Landscaping	\$172,558.16
NRC Environmental Services, Inc.	\$233,892.00
Whillock	\$344,643.72
Ocean Blue Environmental Services, Inc.	\$406,200.00
Singh Group, Inc.	\$406,470.00
Clean Harbors Environmental Services, Inc.	\$549,016.46

After conducting price reasonableness analyses and reviewing lowest bid for responsiveness and responsibility, staff determined that Urban Corps of San Diego County presented the lowest responsive and responsible bid. The Urban Corp of San Diego is a non-profit conservation corps and charter school dedicated to developing San Diego's youth while improving the community and preserving resources.

A Notice of Intent to Award was issued on January 3, 2018, and one protest was received from the Singh Group, Inc. MTS determined that there were no grounds for protest and the matter was resolved.

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to execute MTS Doc. No. PWG248.0-18 (in substantially the same format as Attachment A) with Urban Corps of San Diego County for a three (3) year period for on-call homeless encampment cleanup services.

Staff will provide a report on encampment cleanup efforts and MTS's collaboration with other agencies. There are extensive on-going efforts by regional agencies to address the environmental effects of encampments on publicly owned land.

/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. PWG248.0-18
B. Bid Summary

**STANDARD CONSTRUCTION AGREEMENT
FOR
ON-CALL HOMELESS CAMP ENCAMPMENT
CLEAN-UP SERVICES**

PWG248.0-18
CONTRACT NUMBER

FILE/PO 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, hereinafter referred to as "Contractor":

Name: Urban Corps of San Diego County

Address: 3127 Jefferson St.

Form of Business: Conservation Corps & Charter School

San Diego, CA 92110

(Corporation, partnership, sole proprietor, etc.)

Telephone: 619-235-6884

Email Address: abernstein@urbancorps.org

Authorized person to sign contracts: Anne Bernstein
Name

COO
Title

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

On-Call Homeless Camp Encampment Clean-Up Services as specified in the Scope of Work (attached as Exhibit A), Bid Form (attached as Exhibit B), and in accordance with the Standard Services, including Standard Conditions Services (attached as Exhibit C) and Federal Requirements (attached as Exhibit D).

The contract term is 3 years. Payment terms shall be net 30 days from invoice date. The total cost of this contract shall not exceed \$139,568.32 without the express written consent of MTS.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CONTRACTOR AUTHORIZATION

By: _____
Chief Executive Officer

Approved as to form:

By: _____
Office of General Counsel

Firm: _____

By: _____
Signature

Title: _____

AMOUNT ENCUMBERED

BUDGET ITEM

FISCAL YEAR

\$69,766.72

791010-571210

18-21

\$69,801.60

380016-571140

18-21

By: _____
Chief Financial Officer

Date

(____ total pages, each bearing contract number)

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

BID SUMMARY FOR: ON CALL HOMELESS CAMP ENCAMPMENT CLEAN UP

GRAND TOTAL (Group A: Facility Services)	
	Urban Corps
Year 1	\$22,320.00
Year 2	\$23,256.00
Year 3	\$24,225.60
Grand Total	\$69,801.60

GRAND TOTAL (Group B: MTS Real Estate Assets)	
	Urban Corps
Year 1	\$22,310.00
Year 2	\$23,243.00
Year 3	\$24,213.72
Grand Total	\$69,766.72

GRAND TOTAL BID FORMS A & B	
	Urban Corps
Year 1	\$44,630.00
Year 2	\$46,499.00
Year 3	\$48,439.32
GRAND TOTAL BASIS FOR AWARD	\$139,568.32

On-Call Homeless Encampment Cleanup Services

Board of Directors

February 15, 2018



Introduction

- Approval of a contract with Urban Corps for on-call homeless encampment cleanup services
- Report on encampment clean-up efforts and collaboration with other agencies



The Need

- MTS right of way and stations are frequently impacted by homeless encampments
- The number of trespasses and the amount of debris to be removed varies but has been growing steadily in recent years
- Staff resources are insufficient to keep up with the cleanups
- Existing contract capacity for these services has been expended
- Cleanup is MTS's responsibility as property owner



Example: San Diego River

- 2017
 - February 15 & 18: 7 tons, \$9,679
 - July 7: 3 tons, \$4,692
 - October 16-17: 5 tons, \$4,532
 - December 27: 5 tons, \$6,229
- 2018
 - January 3: 4 tons, \$4,171
 - January 17: 4 tons, \$5,347
 - February 7-8: 10 tons, \$10,455
 - Pending: Another east side clean up (\$6,000) and the river island clean up (\$5,000 – requires City assistance)

****Does not include other personnel, resources used*



Other Resources

- Transit Security
- Code Compliance Officers
- Land Management staff
- Trolley Facilities personnel
- San Diego River Park Foundation
 - Volunteers, under existing agreement
- Law enforcement



Procurement of Services

- Current contract with AZTEC Landscaping
- Rebid the work
- Received 7 bids
- Urban Corps the lowest responsive and responsible bidder
- 3 year, on-call contract includes labor, materials, and equipment
- Total not to exceed \$139,558



Collaboration with Other Agencies

- All property owners on notice of zero tolerance for encampments
- City of San Diego
 - December 19, 2017: Meeting with Mayor, SDPD, and other stakeholders to address encampments, associated trash
 - On going actions between the City and MTS (eg. river island clean up)
- County of San Diego
 - Unincorporated clean ups (Lakeside Property)
 - January 30 interagency meeting
 - “New Norm”



Encampment Details Since December 19, 2017

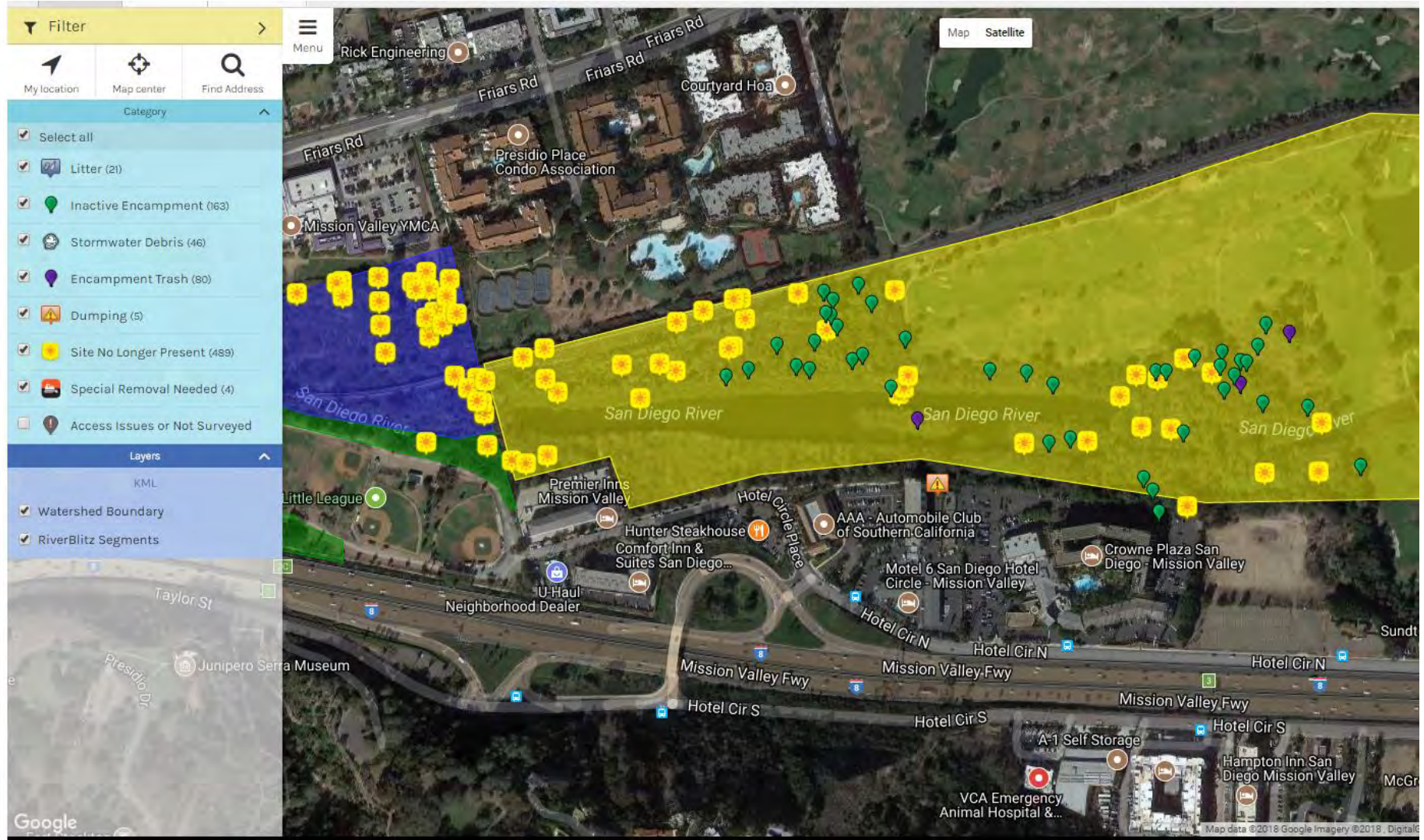
- MTS Transit Enforcement personnel conducted 23 enforcement details in the San Diego River area, including three with SDPD
- Four enforcement details in Cactus Park (Lakeside)
- Issued 41 trespassing related citations
- Four Clean-ups

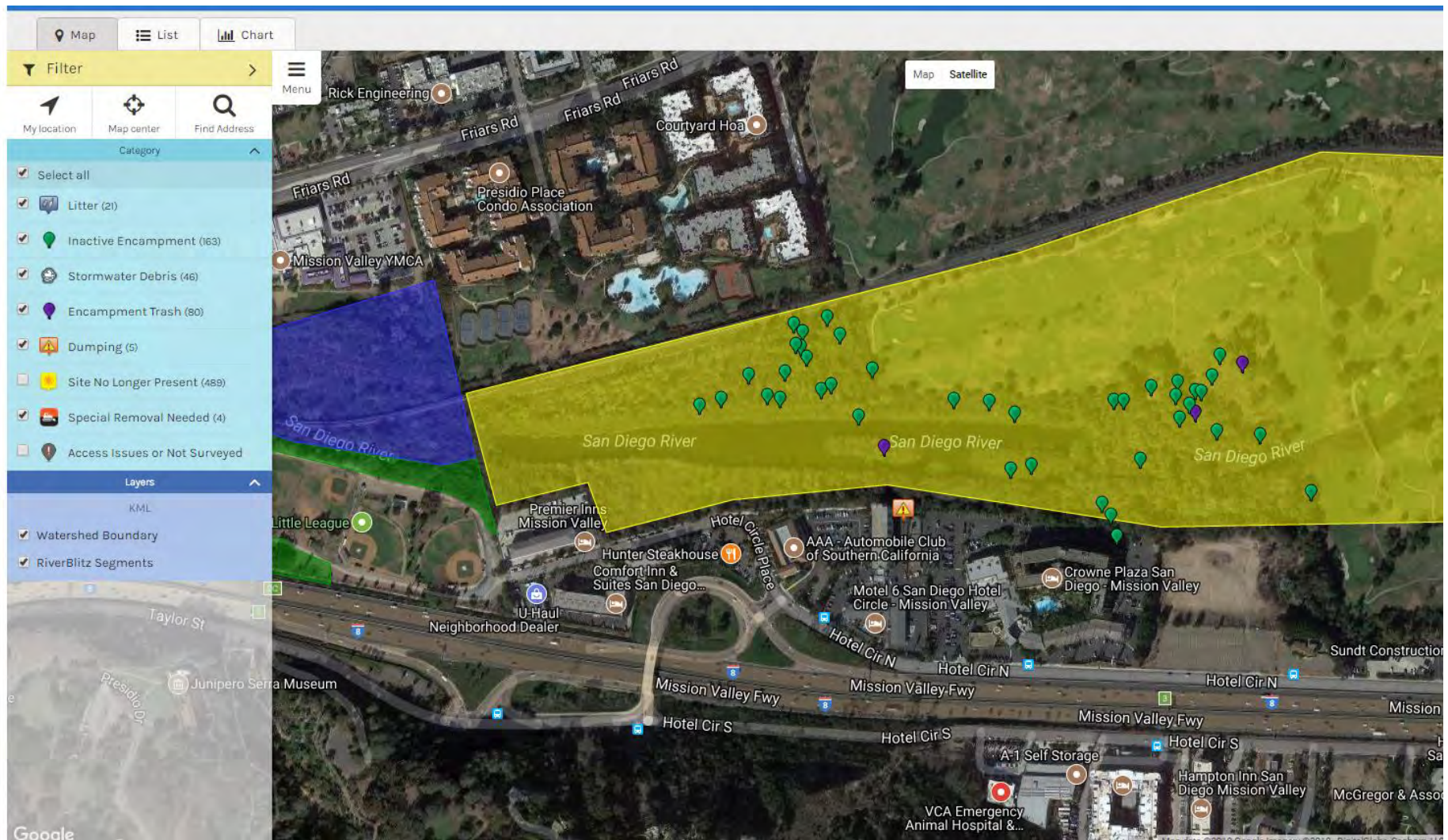


San Diego River





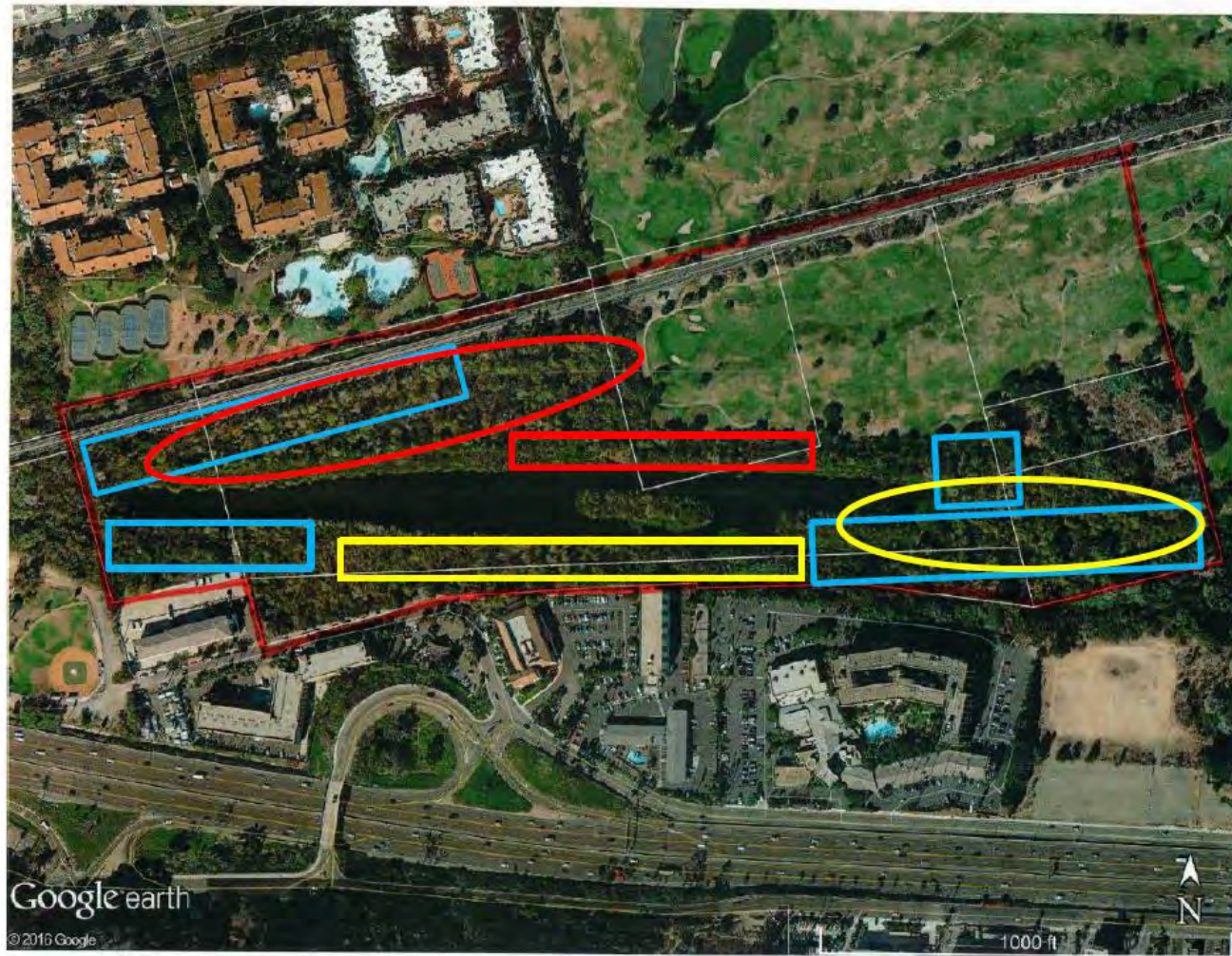




Feb. 15 & 18

July 7

Oct. 16 & 17



SITE CLEAN-UP VISITS THIS YEAR



























Stations and Right of Ways

















Cactus Park













Recommendation

- That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG248.0-18. (in substantially the same format as Attachment A) with Urban Corps of San Diego County for on-call homeless encampment cleanup services for a three (3) year period.



On-Call Homeless Encampment Cleanup Services

Board of Directors

February 15, 2018





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Agenda Item No. 45

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

SUBJECT:

RIVERWALK REAL ESTATE (TIM ALLISON AND SHARON COONEY)

INFORMATIONAL ONLY

Budget Impact

None.

DISCUSSION:

The Mission Valley Community Plan was adopted in 1985 and the area has changed significantly since that time, including the extension of light rail service in 1997 and 2005. With increasing development pressure in Mission Valley, a new plan is intended to direct growth and better promote transit use. In 2015, the City of San Diego and local community members began updating the Mission Valley Community Plan which serves as a blueprint for future development of the neighborhood.

Following the original adoption of the Mission Valley Community Plan, the City approved several Specific Plans to guide development, including the Levi-Cushman Specific Plan (1987) which covers what is the Riverwalk Golf Course today. Currently, development of the area covered by the Levi-Cushman Specific Plan is being planned, and the development has implications for transit in general and MTS real property more specifically. Staff has met with City planning staff and the developer, and will provide an update on the most recent proposal for development of the property.

/s/ Paul C. Jablonski

Paul C. Jablonski
Chief Executive Officer

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



Riverwalk Real Estate

Board of Directors

February 15, 2018

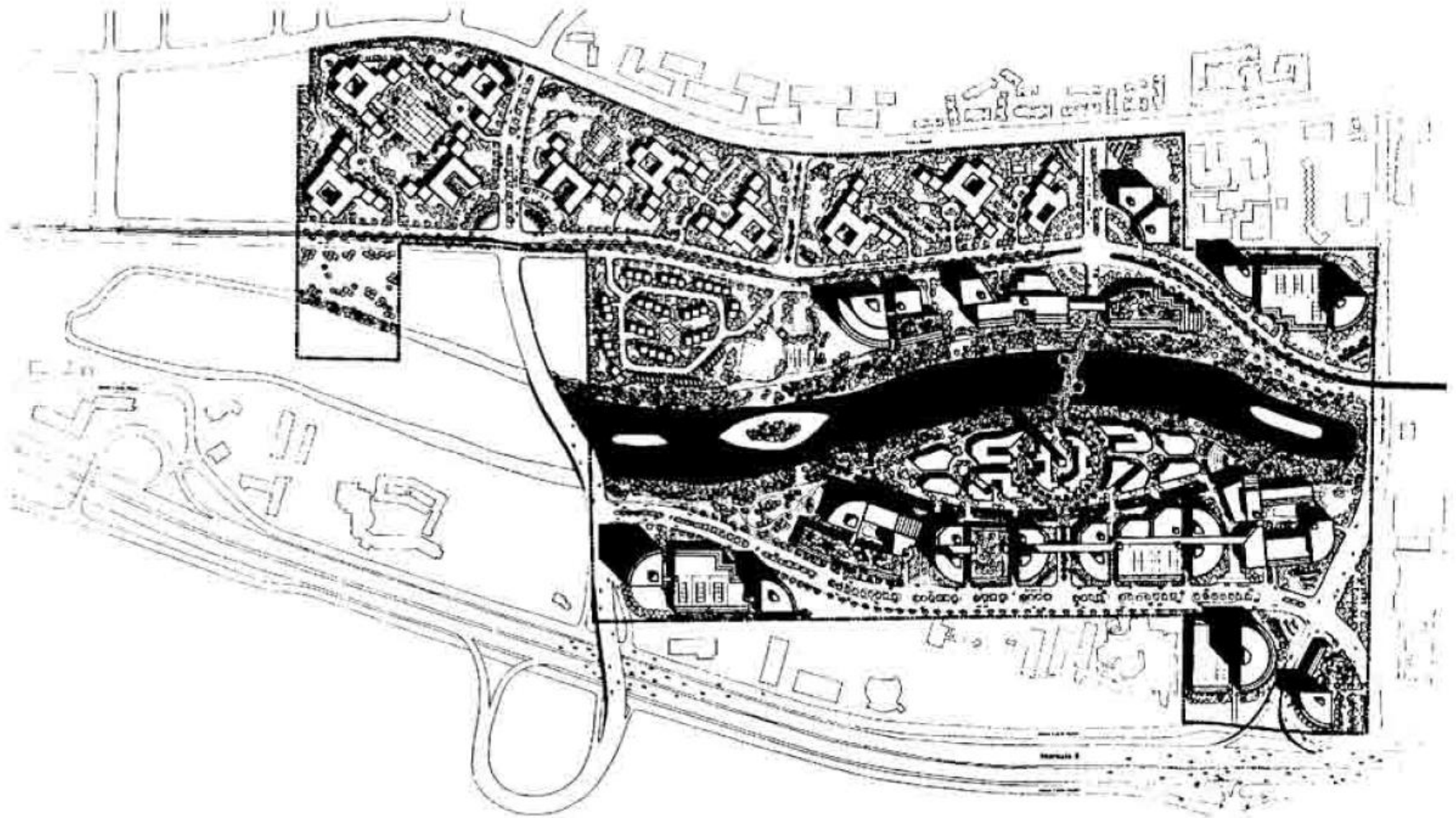




Levi Cushman Specific Plan

- 1987 – Levi Cushman Specific Plan Adopted (LCSP)
- 1988 – Levi Cushman Development Agreement (DA) approved based on LCSP
 - 2.6 million sf office; 1000 hotel rooms; 200,000 sf retail; 1,329 residential units
- The DA expired but the LCSP remains in effect





**LEVI – CUSHMAN
SPECIFIC PLAN**

CONCEPT PLAN



Acquisition History

- 1994 – MTDB initiated condemnation with Levi-Cushman entities to acquire LRT easements through the then Stardust Golf Course and acquire a 5 acre parcel to be used for part of a larger mitigation site (Warner Ranch)
- 1997 Settlement includes:
 - Riverwalk Golf Course Lease
 - LRT Station Construction Agreement



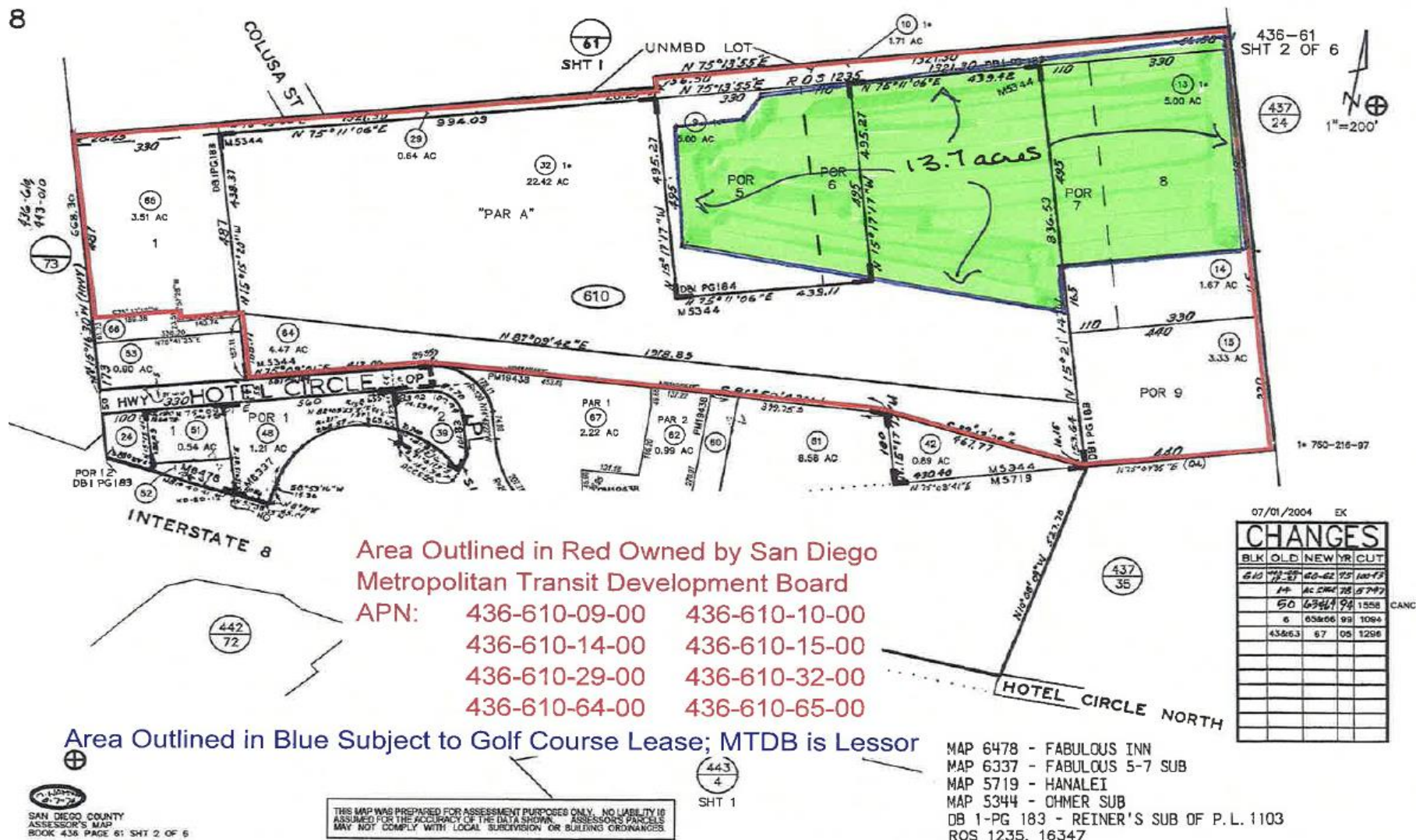


Property Line ———

MHPA Line ———

RIVERWALK - MHPA OVERLAY





Riverwalk Golf Course Lease Agreement

- 90 year lease term – expires 2087
- First 20 years of lease – no rent payment
- Lease expires if no longer used for a golf course

LRT Station Construction Agreement

- Levi Cushman is obligated to construct a trolley station if the Average Daily Trips generated by development exceeds 12,000
- MTS has 4 years from notification to request construction of the new station
- Owners “cost cap” - \$500,000





Hines

4747 Executive Drive, Suite 410
San Diego, CA 92121
T 619.435.4000
www.hines.com

MVE

1900 Main Street, Suite 800
Irvine, CA 92614
T 949.809.3388
www.mve-archifacts.com

ILLUSTRATIVE SITE CONCEPT

MIR SUBMITTAL
RIVERWALK

09.26.2017

A1



Discussion

- Is massing/mix of uses in Hines proposal optimal for transit oriented development?
- Is a new Trolley Station warranted/desirable?
 - .7 mile to Fashion Valley, 1 mile to Morena Linda Vista
 - Other comparable MV stations averaging 630 boardings, but with much more retail
 - No funding identified to pay for the station, cost to maintain
- Transit benefit to extension of Via Las Cumbres
- Multiple at grade rail crossings proposed
- Should MTS try to have its property incorporated into this development plan?
 - Hines proposal will include access to MTS property





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Agenda Item No. 46

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

February 15, 2018

SUBJECT:

OPERATIONS BUDGET STATUS REPORT FOR DECEMBER 2017 (MIKE THOMPSON)

INFORMATIONAL ONLY

Budget Impact

None at this time.

DISCUSSION:

This report summarizes the year-to-date operating results for December 2017 compared to the fiscal year (FY) 2018 adopted budget for San Diego Metropolitan Transit System (MTS). Attachment A-1 combines the operations', administrations' and other activities' results for December 2017. Attachment A-2 details the December 2017 combined operations' results and Attachments A-3 to A-7 present budget comparisons for each MTS operation. Attachment A-8 details budget comparisons for MTS Administration, and Attachment A-9 provides December 2017 results for MTS's other activities (Taxicab/San Diego and Arizona Eastern Railway Company).

MTS NET-OPERATING SUBSIDY RESULTS

As indicated within Attachment A-1, for the year-to-date period ending December 2017, MTS's net-operating income unfavorable variance totaled \$1,393,000 (-1.7%). Operations produced a \$3,091,000 (-3.7%) unfavorable variance and the administrative/other activities areas were favorable by \$1,698,000.

MTS COMBINED RESULTS

Revenues. Year-to-date combined revenues through December 2017 were \$53,841,000, compared to the year-to-date budget of \$55,698,000, representing a



\$1,857,000 (-3.3%) unfavorable variance. This is primarily due to unfavorable variances within Passenger Fare revenues.

Expenses. Year-to-date combined expenses through December 2017 were \$138,223,000 compared to the budget of \$138,687,000, resulting in a \$464,000 (0.3%) favorable variance.

Personnel Costs. Year-to-date personnel-related costs totaled \$66,541,000, compared to a budgetary figure of \$65,762,000, producing an unfavorable variance of \$779,000 (-1.2%).

Outside Services and Purchased Transportation. Total outside services through six months of the fiscal year totaled \$47,152,000, compared to a budget of \$47,998,000, resulting in a favorable variance of \$846,000 (1.8%).

Materials and Supplies. Total year-to-date materials and supplies expenses were \$5,915,000, compared to a budgetary figure of \$5,656,000, resulting in an unfavorable variance of \$260,000 (-4.6%).

Energy. Total year-to-date energy costs were \$13,978,000, compared to the budget of \$14,191,000 resulting in a favorable variance of \$213,000 (1.5%).

Risk Management. Total year-to-date expenses for risk management were \$2,000,000, compared to the budget of \$2,231,000, resulting in a favorable variance totaling \$231,000 (10.4%).

General and Administrative. The year-to-date general and administrative costs, including vehicle and facilities leases, were \$2,636,000 through December 2017, compared to a budget of \$2,849,000, resulting in a favorable variance of \$213,000 (7.5%).

YEAR-TO-DATE SUMMARY

The December 2017, year-to-date net-operating income totaled an unfavorable variance of \$1,393,000 (-1.7%). These factors include unfavorable variances in operating revenue, personnel costs and materials and supplies; offset by favorable variances in outside services, energy, risk management and general and administrative.

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

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

Attachment: A. Comparison to Budget

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
MTS
CONSOLIDATED
COMPARISON TO BUDGET - FISCAL YEAR 2018
DECEMBER 31, 2017
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 45,496	\$ 48,655	\$ (3,158)	-6.5%
Other Revenue	8,345	7,044	1,301	18.5%
Total Operating Revenue	\$ 53,841	\$ 55,698	\$ (1,857)	-3.3%
Personnel costs	\$ 66,541	\$ 65,762	\$ (779)	-1.2%
Outside services	47,152	47,998	846	1.8%
Transit operations funding	-	-	-	-
Materials and supplies	5,915	5,656	(260)	-4.6%
Energy	13,978	14,191	213	1.5%
Risk management	2,000	2,231	231	10.4%
General & administrative	2,230	2,245	15	0.7%
Vehicle/facility leases	406	604	198	32.8%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	-	(0)	(0)	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 138,223	\$ 138,687	\$ 464	0.3%
Operating income (loss)	\$ (84,382)	\$ (82,989)	\$ (1,393)	-1.7%
Total public support and nonoperating revenues	(1,029)	(997)	(32)	3.2%
Income (loss) before capital contributions	\$ (85,411)	\$ (83,986)	\$ (1,425)	1.7%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
CONSOLIDATED OPERATIONS
COMPARISON TO BUDGET - FISCAL YEAR 2018
DECEMBER 31, 2017
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 45,496	\$ 48,655	\$ (3,158)	-6.5%
Other Revenue	501	493	8	1.7%
Total Operating Revenue	\$ 45,997	\$ 49,147	\$ (3,150)	-6.4%
Personnel costs	\$ 56,115	\$ 55,045	\$ (1,070)	-1.9%
Outside services	39,829	40,580	751	1.9%
Transit operations funding	-	-	-	-
Materials and supplies	5,837	5,633	(204)	-3.6%
Energy	13,610	13,792	183	1.3%
Risk management	1,733	1,998	265	13.3%
General & administrative	470	440	(30)	-6.8%
Vehicle/facility leases	347	511	164	32.1%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	13,870	13,870	(0)	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 131,812	\$ 131,870	\$ 59	0.0%
Operating income (loss)	\$ (85,814)	\$ (82,723)	\$ (3,091)	-3.7%
Total public support and nonoperating revenues	(311)	(324)	13	-3.9%
Income (loss) before capital contributions	\$ (86,125)	\$ (83,047)	\$ (3,079)	3.7%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
TRANSIT SERVICES (SAN DIEGO TRANSIT CORPORATION)
COMPARISON TO BUDGET - FISCAL YEAR 2018
DECEMBER 31, 2017
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 10,923	\$ 11,812	\$ (889)	-7.5%
Other Revenue	28	3	26	1022.2%
Total Operating Revenue	\$ 10,951	\$ 11,815	\$ (864)	-7.3%
Personnel costs	\$ 37,301	\$ 36,497	\$ (804)	-2.2%
Outside services	1,340	1,003	(337)	-33.6%
Transit operations funding	-	-	-	-
Materials and supplies	2,191	2,256	65	2.9%
Energy	2,670	2,929	259	8.8%
Risk management	970	1,068	97	9.1%
General & administrative	262	224	(38)	-16.8%
Vehicle/facility leases	165	193	28	14.4%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	4,814	4,814	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 49,713	\$ 48,983	\$ (730)	-1.5%
Operating income (loss)	\$ (38,761)	\$ (37,168)	\$ (1,593)	-4.3%
Total public support and nonoperating revenues	(421)	(426)	5	-1.1%
Income (loss) before capital contributions	\$ (39,182)	\$ (37,594)	\$ (1,589)	4.2%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
RAIL OPERATIONS (SAN DIEGO TROLLEY, INCORPORATED)
COMPARISON TO BUDGET - FISCAL YEAR 2018
DECEMBER 31, 2017
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 20,102	\$ 21,432	\$ (1,330)	-6.2%
Other Revenue	472	490	(18)	-3.8%
Total Operating Revenue	\$ 20,573	\$ 21,922	\$ (1,349)	-6.2%
Personnel costs	\$ 18,433	\$ 18,102	\$ (331)	-1.8%
Outside services	2,344	2,687	344	12.8%
Transit operations funding	-	-	-	-
Materials and supplies	3,640	3,352	(288)	-8.6%
Energy	6,863	6,590	(273)	-4.1%
Risk management	755	923	168	18.2%
General & administrative	184	210	26	12.4%
Vehicle/facility leases	33	168	136	80.5%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	8,015	8,015	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 40,267	\$ 40,048	\$ (218)	-0.5%
Operating income (loss)	\$ (19,693)	\$ (18,126)	\$ (1,567)	-8.6%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (19,693)	\$ (18,126)	\$ (1,567)	8.6%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
MULTIMODAL OPERATIONS (FIXED ROUTE)
COMPARISON TO BUDGET - FISCAL YEAR 2018
DECEMBER 31, 2017
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 13,147	\$ 13,787	\$ (640)	-4.6%
Other Revenue	1	-	1	-
Total Operating Revenue	\$ 13,148	\$ 13,787	\$ (639)	-4.6%
Personnel costs	\$ 138	\$ 166	\$ 28	16.6%
Outside services	27,164	27,616	452	1.6%
Transit operations funding	-	-	-	-
Materials and supplies	7	25	18	73.0%
Energy	2,962	3,182	220	6.9%
Risk management	-	-	-	-
General & administrative	5	2	(3)	-164.0%
Vehicle/facility leases	9	10	1	9.9%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	763	763	0	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 31,048	\$ 31,763	\$ 715	2.2%
Operating income (loss)	\$ (17,900)	\$ (17,976)	\$ 75	0.4%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (17,900)	\$ (17,976)	\$ 75	-0.4%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
MULTIMODAL OPERATIONS (PARATRANSIT)
COMPARISON TO BUDGET - FISCAL YEAR 2018
DECEMBER 31, 2017
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 1,324	\$ 1,623	\$ (299)	-18.4%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 1,324	\$ 1,623	\$ (299)	-18.4%
Personnel costs	\$ 46	\$ 84	\$ 38	44.9%
Outside services	8,714	9,007	292	3.2%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	1,114	1,091	(23)	-2.1%
Risk management	8	8	-	0.0%
General & administrative	19	4	(15)	-380.7%
Vehicle/facility leases	140	140	0	0.0%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	279	279	(0)	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 10,320	\$ 10,612	\$ 292	2.8%
Operating income (loss)	\$ (8,996)	\$ (8,989)	\$ (7)	-0.1%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (8,996)	\$ (8,989)	\$ (7)	0.1%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
CORONADO FERRY
COMPARISON TO BUDGET - FISCAL YEAR 2018
DECEMBER 31, 2017
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	-	-	-	-
Total Operating Revenue	\$ -	\$ -	\$ -	-
Personnel costs	\$ -	\$ -	\$ -	-
Outside services	106	106	(0)	0.0%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	-	-	-	-
Risk management	-	-	-	-
General & administrative	-	-	-	-
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	-	-	-	-
Depreciation	-	-	-	-
Total Operating Expenses	\$ 106	\$ 106	\$ (0)	0.0%
Operating income (loss)	\$ (106)	\$ (106)	\$ (0)	0.0%
Total public support and nonoperating revenues	110	102	8	7.8%
Income (loss) before capital contributions	\$ 4	\$ (4)	\$ 8	-200.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
ADMINISTRATION
CONSOLIDATED
COMPARISON TO BUDGET - FISCAL YEAR 2018
DECEMBER 31, 2017
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	7,666	6,376	1,290	20.2%
Total Operating Revenue	\$ 7,666	\$ 6,376	\$ 1,290	20.2%
Personnel costs	\$ 9,985	\$ 10,215	\$ 229	2.2%
Outside services	7,232	7,275	44	0.6%
Transit operations funding	-	-	-	-
Materials and supplies	78	20	(59)	-296.6%
Energy	358	392	34	8.6%
Risk management	201	221	20	8.9%
General & administrative	1,688	1,745	57	3.3%
Vehicle/facility leases	47	80	33	40.9%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	(13,942)	(13,942)	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 5,649	\$ 6,006	\$ 357	5.9%
Operating income (loss)	\$ 2,017	\$ 370	\$ 1,647	-444.7%
Total public support and nonoperating revenues	(718)	(674)	(44)	6.6%
Income (loss) before capital contributions	\$ 1,299	\$ (303)	\$ 1,603	-528.4%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OTHER ACTIVITIES
CONSOLIDATED
COMPARISON TO BUDGET - FISCAL YEAR 2018
DECEMBER 31, 2017
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	178	175	3	1.8%
Total Operating Revenue	\$ 178	\$ 175	\$ 3	1.8%
Personnel costs	\$ 441	\$ 503	\$ 62	12.3%
Outside services	91	143	51	36.0%
Transit operations funding	-	-	-	-
Materials and supplies	0	4	3	96.7%
Energy	10	7	(3)	-49.7%
Risk management	66	12	(54)	-438.0%
General & administrative	72	59	(12)	-20.4%
Vehicle/facility leases	12	12	1	7.4%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	71	71	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 763	\$ 811	\$ 48	6.0%
Operating income (loss)	\$ (585)	\$ (636)	\$ 51	8.1%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (585)	\$ (636)	\$ 51	-8.1%

Metropolitan Transit System FY 2018 - December 2017 Financial Review

MTS Board of Directors Meeting
February 15, 2018



CONSOLIDATED MTS OPERATIONS

COMPARISON TO BUDGET – December 31, 2017 - FY 2018

TOTAL OPERATING REVENUES (\$000's)

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>VAR %</u>
Fare Revenue	\$ 45,496	\$ 48,655	(\$3,158)	-6.5%
Other Operating Revenue	<u>8,345</u>	<u>7,044</u>	<u>1,301</u>	<u>18.5%</u>
Operating Revenue	\$53,841	\$55,698	(\$1,857)	-3.3%

- Fare Revenue
 - Revenue unfavorable to the prior year by \$1,865K (-3.9%)
 - Ridership year over year unfavorable by -3.8%
- Other Operating Revenue - Favorable experience within Administration



CONSOLIDATED MTS OPERATIONS

COMPARISON TO BUDGET – December 31, 2017 - FY 2018

TOTAL OPERATING EXPENSES (\$000's)

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>VAR %</u>
Personnel Costs	\$ 66,541	\$ 65,762	\$ (779)	-1.2%
Purchased Transportation	34,873	35,426	553	1.6%
Other Outside Services	12,280	12,572	293	2.3%
Energy	13,978	14,191	213	1.5%
Other Expenses	10,552	10,736	184	1.7%
Operating Expenses	\$ 138,223	\$ 138,687	\$ 464	0.3%

- Personnel Costs - Unfavorable experience in Wages and Fringe
- Purchased Transportation – Favorable experience in Fixed Route and Paratransit
- Other Outside Services – Favorable experience within Administration
- Energy – Favorable Commodity Prices



CONSOLIDATED MTS OPERATIONS

COMPARISON TO BUDGET – December 31, 2017 - FY 2018

TOTAL OPERATING VARIANCE (\$000's)

Combined Net Operating Variance

MTS Operating Revenue	\$ (1,857)
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MTS Operating Expenses	<u>464</u>
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Total Combined Net Operating Variance	\$(1,393)
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Variance Percentage	-1.7%
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CONSOLIDATED MTS OPERATIONS

COMPARISON TO BUDGET – December 31, 2017 - FY 2018

ON GOING CONCERNS

	Adopted Budget	YTD Actual	Projection
Sales Tax Subsidy Revenue	\$436.8 M	\$253.3 M	\$438.1 M
State of California Budget	\$12.5 M	\$8.4 M	\$21.3 M
Passenger Levels	88.9 M	43.2 M	87.3 M
Energy Prices			
CNG	\$ 0.90	\$ 0.84	\$ 0.87
Propane	\$ 2.00	\$ 1.93	\$ 1.98
Diesel	\$ 2.25	\$ 2.34	\$ 2.47
Gas	\$ 2.65	\$ 2.24	\$ 2.60
Electricity	\$ 0.208	\$ 0.210	\$ 0.208

Favorable

On Target

Unfavorable





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Agenda Item No. 61

Chief Executive Officer's Report

February 15, 2018

In accordance with Board Policy No. 52, "Procurement of Goods and Services", attached are listings of contracts, purchase orders, and work orders that have been approved within the CEO's authority (up to and including \$100,000) for the period January 9, 2018 through February 6, 2018.

*Please note additional reporting of purchase orders that is now possible with the new SAP Enterprise Resource Planning system.

CEO Travel Report (since last Board meeting)

Jan. 29: CTA Transit Agency Subcommittee Meeting re: Innovative Clean Transit Regulation in Orange, CA
Feb. 8: CTA Subcommittee on Transit Electrification in Oakland, CA
Feb. 9-13: APTA Transit CEOs Seminar in Miami, FL

Board Member Travel Report (since last Board meeting)

Lorie Bragg

Feb. 8: SANDAG Board Retreat

Mona Rios

Feb. 8: SANDAG Board Retreat



EXPENSE CONTRACTS & WORKS ORDERS				
Doc #	Organization	Subject	Amount	Day
G2088.0-18	COMMUNITY COLLEGE DISTRICT	MTS TAXI DRIVER TRAINING	\$18,720.00	1/9/2018
PWL232.2-17	WEST COAST GENERAL/HMS	COURTHOUSE SIDEWALK DESIGN CHANGE	\$5,184.64	1/10/2018
PWL211.1316	HERZOG CONTRACTING	REPLACE BALLAST 47THS ST BRIDGE	\$40,037.34	1/11/2018
L1365.2-17	ADVANCED TRANSIT SOLUTIONS	ADDITIONAL RAIL ACCESS BOX BRACKETS	\$2,710.40	1/18/2018
PWL144.1-13	TRI-SIGNAL INTEGRATION	ADD FUNDS FOR AS NEEDED REPAIR & MATERIA	\$5,060.00	1/18/2018
G19470-1714	HDR ENGINEERING	PLAN REVIEW FOR MTS RIGHT OF WAY	\$54,644.00	1/19/2018
G2064.0-18	7-ELEVEN INC	TVM PASS SALES	\$4,200.00	1/22/2018
G1734.2-15	SOLORZANO CARVAJAL GONZALEZ	MEXICO LEGAL SVC - RAILROAD RIGHTS	\$0.00	1/24/2018
PWL214.6-17	GLOBAL SIGNALS GROUP	REPROGRAMING & CONTRACT EXTENSION	\$28,229.78	1/24/2018
PWL214.8-17	GLOBAL SIGNALS GROUP	PERFORM SVC AT QUALCOMM	\$75,049.61	1/24/2018
PWL182.07.1	HERZOG CONSTRUCTION	HELPER ROD INSTALLATION	\$9,106.70	1/26/2018
PWL182.161	HERZOG CONSTRUCTION	PERMIT FEES	\$1,280.07	1/26/2018
PWL23417446	ABC CONSTRUCTION INC	IAD LIGHTING REPAIR	\$5,007.03	1/30/2018
PWB229.0-17	NPG, INC	CPD SLURRY & STRIPPING	\$50,209.10	1/31/2018
PWL144.2-13	TRI-SIGNAL INTEGRATION	CONTRACT EXTENSION	\$10,168.00	1/31/2018
G1654.4-14	EDCO DISPOSAL	MERGER W/ FORMER DAILY DISPOSAL	\$0.00	2/6/2018
G2097.0-18	AON GLOBAL RISK CONSULTING	ACTUARIAL SVC	\$38,750.00	2/6/2018

REVENUE CONTRACTS & MOUs				
Doc #	Organization	Subject	Amount	Day
L1439.0-18	DIAMOND ENVIRONMENTAL SVC	ROE - RAIL YARD TO DELIVER EQUIP	\$0.00	1/9/2018
L1432.0-18	CITY OF SANTEE	ROE - SANTEE TROLLEY STATION	\$750.00	1/10/2018
S200-18-675	LH WOODS & SONS	ROE - SD COUNTY WATER AUTHORITY PIPELINE	\$1,950.00	1/10/2018
L1141.1-13	DAVEY TREE EXPERT	ROE - PERMIT UPDATED	\$750.00	1/11/2018
L1445.0-18	SCHMIDT FIRE PROTECTION	ROE - MILLS BUILDING FIRE SYSTEM	\$750.00	1/12/2018
L1434.0-18	PAR ELECTRIC CONTRACTOR	ROE DURABLE PERMIT ROW	\$3,150.00	1/17/2018
L6773.0-18	PAR ELECTRIC	JROE - SDGE	\$1,500.00	1/24/2018
L0901010.62	BRICEHOUSE STATION	SOMETHING IDEAL	\$5,000.00	1/29/2018
G2054.1-18	PACIFIC AXE, LLC	MUTUAL LEASE CANCELLATION	\$0.00	2/1/2018
G2094.0-18	PM REALITY GROUP	HAZARD CENTER PARTNERSHIP	\$13,651.00	2/1/2018

Purchase Orders				
PO Number	PO Date	Name	Material Group	PO Value
4400000251	1/11/2018	W.W. Grainger Inc	G270-ELECTRICAL/LIGHTING	2,276.98
4400000252	1/11/2018	W.W. Grainger Inc	G170-LUBRICANTS	81.85
4400000253	1/11/2018	W.W. Grainger Inc	G190-SAFETY/MED SUPPLIES	683.99
4400000254	1/16/2018	W.W. Grainger Inc	B250-BUS REPAIR PARTS	149.99
4400000255	1/17/2018	W.W. Grainger Inc	M200-YARD FACILITIES	641.74
4400000256	1/17/2018	Mcmaster-Carr Supply Co	G180-JANITORIAL SUPPLIES	144.66
4400000257	1/18/2018	W.W. Grainger Inc	G160-PAINTS & CHEMICALS	207.06
4400000258	1/22/2018	W.W. Grainger Inc	M200-YARD FACILITIES	425.72
4400000259	1/22/2018	Mcmaster-Carr Supply Co	G190-SAFETY/MED SUPPLIES	479.51
4400000260	1/25/2018	W.W. Grainger Inc	B250-BUS REPAIR PARTS	161.44
4400000261	1/26/2018	W.W. Grainger Inc	B250-BUS REPAIR PARTS	190.25
4400000262	1/26/2018	W.W. Grainger Inc	G190-SAFETY/MED SUPPLIES	245.16
4400000263	1/31/2018	W.W. Grainger Inc	G180-JANITORIAL SUPPLIES	1,137.84
4400000264	2/5/2018	W.W. Grainger Inc	G190-SAFETY/MED SUPPLIES	167.23
4500016345	1/9/2018	Comfort Mechanical Inc	M180-STATION ELECTRICAL	997.00
4500016346	1/9/2018	South Bay Fence Inc	P120-BLDG/FACILITY REPRS	1,728.71
4500016347	1/9/2018	Agricultural Pest Control Svcs	C120-SPECIALTY CONTRACTOR	14,850.00
4500016348	1/9/2018	BJ's Rentals	P160-EQUIPMENT RENTALS	1,326.61
4500016349	1/9/2018	Golden State Supply LLC	P210-NON-REV VEH REPAIRS	142.22
4500016350	1/9/2018	General Auto Repair	P210-NON-REV VEH REPAIRS	272.54
4500016351	1/9/2018	Transit Products and Services	B250-BUS REPAIR PARTS	2,963.13
4500016352	1/9/2018	W.W. Grainger Inc	F110-SHOP/BLDG MACHINERY	187.43
4500016353	1/9/2018	Cummins Pacific LLC	P190-REV VEHICLE REPAIRS	237.05
4500016354	1/9/2018	Cummins Pacific LLC	P190-REV VEHICLE REPAIRS	237.05
4500016355	1/9/2018	Jeyco Products Inc	B160-BUS ELECTRICAL	191.66
4500016356	1/9/2018	Cummins Pacific LLC	P190-REV VEHICLE REPAIRS	220.00
4500016357	1/9/2018	Prochem Specialty Products Inc	G170-LUBRICANTS	1,755.84
4500016358	1/9/2018	Mohawk Mfg & Supply Co	B140-BUS CHASSIS	144.89
4500016359	1/9/2018	Transit Holdings Inc	B200-BUS PWR TRAIN EQUIP	900.88
4500016360	1/9/2018	Industrial Maintenance Supply LLC	G150-FASTENERS	325.77
4500016361	1/9/2018	Soco Group Inc	A120-AUTO/TRUCK GASOLINE	22,348.13
4500016362	1/9/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	2,688.93
4500016363	1/9/2018	Genuine Parts Co	B250-BUS REPAIR PARTS	427.34
4500016364	1/9/2018	Kaman Industrial Technologies	B120-BUS MECHANICAL PARTS	3,084.65
4500016365	1/9/2018	Dell Marketing L.P.	I110-INFORMATION TECH	8,906.84
4500016366	1/10/2018	Rick Busch	G180-JANITORIAL SUPPLIES	269.38
4500016367	1/10/2018	Waxie Sanitary Supply Inc	G140-SHOP SUPPLIES	1,428.43
4500016368	1/10/2018	W.W. Grainger Inc	F110-SHOP/BLDG MACHINERY	227.36
4500016369	1/10/2018	Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	915.20
4500016370	1/10/2018	Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	173.22
4500016371	1/10/2018	San Diego Community	C120-SPECIALTY CONTRACTOR	18,720.00
4500016372	1/10/2018	M Power Truck & Diesel Repair	P210-NON-REV VEH REPAIRS	100.39
4500016373	1/10/2018	Transit Holdings Inc	B200-BUS PWR TRAIN EQUIP	3,374.38
4500016374	1/10/2018	CDW LLC	I110-INFORMATION TECH	199.54
4500016375	1/10/2018	Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	35,658.16
4500016376	1/10/2018	Gillig LLC	B130-BUS BODY	8,641.35
4500016377	1/10/2018	Muncie Transit Supply	B160-BUS ELECTRICAL	424.50
4500016378	1/10/2018	Prizm Janitorial Services Inc	P150-MAINT. CLEANING	40,799.52
4500016379	1/10/2018	Wayne Harmeier Inc	B140-BUS CHASSIS	641.12
4500016380	1/10/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	671.42
4500016381	1/10/2018	Cengage Learning, Inc.	P540-MAINTENANCE TRAINING	159.43
4500016382	1/10/2018	Mcmaster-Carr Supply Co	F110-SHOP/BLDG MACHINERY	316.85
4500016383	1/10/2018	Professional Contractors Supplies	G190-SAFETY/MED SUPPLIES	119.14
4500016384	1/10/2018	Ingersoll Rand Co	F110-SHOP/BLDG MACHINERY	3,220.98
4500016385	1/10/2018	Nth Generation Computing Inc	I110-INFORMATION TECH	287.70
4500016386	1/10/2018	Nth Generation Computing Inc	I140-IT CAPITAL SOFTWARE	2,286.00
4500016387	1/11/2018	R&M Appliance Inc	G210-OFFICE FURNITURE	385.96
4500016388	1/11/2018	W.W. Grainger Inc	G170-LUBRICANTS	67.89
4500016389	1/11/2018	OneSource Distributors, LLC	G130-SHOP TOOLS	2,520.52

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PO Number	PO Date	Name	Material Group	PO Value
4500016390	1/11/2018	Cummins-Allison	G290-FARE REVENUE EQUIP	220.00
4500016391	1/11/2018	HI-TEC Enterprises	R160-RAIL/LRV ELECTRICAL	538.75
4500016392	1/11/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	597.98
4500016393	1/11/2018	OneSource Distributors, LLC	B160-BUS ELECTRICAL	22.76
4500016394	1/11/2018	HMS Construction Inc	M140-WAYSIDE SIGNALS	14,607.78
4500016395	1/11/2018	The Gordian Group, Inc.	M140-WAYSIDE SIGNALS	392.49
4500016396	1/11/2018	Herzog Contracting Co	C130-CONSTRUCTION SVCS	12,834.07
4500016397	1/11/2018	Muncie Transit Supply	B110-BUS HVAC SYSTEMS	1,854.71
4500016398	1/11/2018	The Gordian Group, Inc.	C110-GENERAL CONTRACTORS	344.83
4500016399	1/11/2018	Kaman Industrial Technologies	B140-BUS CHASSIS	617.41
4500016400	1/11/2018	Delphin Computer Supply	G200-OFFICE SUPPLIES	338.12
4500016401	1/11/2018	General Information Systems Ltd	G120-SECURITY	605.00
4500016402	1/11/2018	Robcar Corporation	G110-BUS/TROLLEY SIGNAGE	1,353.13
4500016403	1/11/2018	711 Print Enterprises Inc	G120-SECURITY	1,687.63
4500016404	1/11/2018	Insultech LLC	B200-BUS PWR TRAIN EQUIP	643.26
4500016405	1/11/2018	Merrimac Petroleum Inc	B180-BUS DIESEL	7,531.73
4500016406	1/11/2018	Merrimac Petroleum Inc	A120-AUTO/TRUCK GASOLINE	21,722.38
4500016407	1/11/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	110.38
4500016409	1/11/2018	Knowledge Key Associates Inc	I110-INFORMATION TECH	3,495.00
4500016410	1/12/2018	San Diego Plastics Inc	G290-FARE REVENUE EQUIP	3,284.75
4500016411	1/12/2018	JKL Cleaning Systems	P210-NON-REV VEH REPAIRS	395.39
4500016412	1/12/2018	Home Depot USA Inc	F190-LANDSCAPING MAT'LS	263.75
4500016413	1/12/2018	W.W. Grainger Inc	G190-SAFETY/MED SUPPLIES	1,214.12
4500016414	1/12/2018	Comfort Mechanical Inc	M180-STATION ELECTRICAL	987.00
4500016415	1/12/2018	3rd Generation Embroidery, Inc.	P540-MAINTENANCE TRAINING	277.99
4500016416	1/12/2018	Knorr Brake Company	R160-RAIL/LRV ELECTRICAL	215.08
4500016417	1/12/2018	Transit Holdings Inc	B160-BUS ELECTRICAL	177.12
4500016418	1/12/2018	Mohawk Mfg & Supply Co	B120-BUS MECHANICAL PARTS	789.12
4500016419	1/12/2018	Gillig LLC	B130-BUS BODY	9,298.79
4500016420	1/12/2018	Midwest Bus Corporation	B130-BUS BODY	922.48
4500016421	1/12/2018	Muncie Transit Supply	B140-BUS CHASSIS	3,198.10
4500016422	1/12/2018	M Power Truck & Diesel Repair	P210-NON-REV VEH REPAIRS	190.00
4500016423	1/12/2018	Neleco Products Inc	G170-LUBRICANTS	27,508.58
4500016424	1/16/2018	Waxie Sanitary Supply Inc	G180-JANITORIAL SUPPLIES	56.48
4500016425	1/16/2018	Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	514.10
4500016426	1/16/2018	Coin Security Systems Inc	G120-SECURITY	2,478.25
4500016427	1/16/2018	R.S. Hughes Co Inc	G160-PAINTS & CHEMICALS	1,069.63
4500016428	1/16/2018	CASEI	F180-BUILDING MATERIALS	1,230.24
4500016429	1/16/2018	Office Solutions	G200-OFFICE SUPPLIES	270.84
4500016430	1/16/2018	TK Services Inc	B250-BUS REPAIR PARTS	1,226.54
4500016431	1/16/2018	Transit Holdings Inc	B110-BUS HVAC SYSTEMS	1,232.84
4500016432	1/16/2018	Midwest Bus Corporation	B140-BUS CHASSIS	204.73
4500016433	1/16/2018	Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	1,496.99
4500016434	1/16/2018	Ferguson Enterprises	G140-SHOP SUPPLIES	23.92
4500016435	1/16/2018	Genuine Parts Co	B250-BUS REPAIR PARTS	63.32
4500016436	1/16/2018	Grah Safe & Lock Inc	F110-SHOP/BLDG MACHINERY	43.10
4500016437	1/16/2018	Mcmaster-Carr Supply Co	F110-SHOP/BLDG MACHINERY	104.10
4500016438	1/16/2018	Gillig LLC	B250-BUS REPAIR PARTS	169.56
4500016439	1/16/2018	Cummins Pacific LLC	P190-REV VEHICLE REPAIRS	387.80
4500016440	1/16/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	2,568.87
4500016441	1/16/2018	Charter Industrial Supply Inc	B250-BUS REPAIR PARTS	256.87
4500016442	1/16/2018	W.W. Grainger Inc	F110-SHOP/BLDG MACHINERY	423.00
4500016443	1/16/2018	Battery Power Inc.	B160-BUS ELECTRICAL	9,425.42
4500016444	1/16/2018	Wesco Distribution Inc	G270-ELECTRICAL/LIGHTING	263.64
4500016445	1/16/2018	Mohawk Mfg & Supply Co	B140-BUS CHASSIS	57.06
4500016446	1/16/2018	Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,750.86
4500016447	1/16/2018	Cummins Pacific LLC	P190-REV VEHICLE REPAIRS	220.00
4500016448	1/17/2018	Norman Industrial Materials	B250-BUS REPAIR PARTS	203.02
4500016449	1/17/2018	Shilpark Paint Corp.	G160-PAINTS & CHEMICALS	247.57

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PO Number	PO Date	Name	Material Group	PO Value
4500016450	1/17/2018	Citywide Auto Glass Inc	P210-NON-REV VEH REPAIRS	266.81
4500016451	1/17/2018	Paul Plevin Sullivan & Connaughton	P490-MANAGEMENT TRAINING	1,125.00
4500016452	1/17/2018	Reid and Clark Screen Arts Co	C120-SPECIALTY CONTRACTOR	2,548.29
4500016453	1/17/2018	Ace Uniforms & Accessories	G240-UNIFORM PROCUREMENT	1,220.62
4500016454	1/17/2018	W.W. Grainger Inc	G200-OFFICE SUPPLIES	127.70
4500016455	1/18/2018	Industrial Maintenance Supply LLC	G150-FASTENERS	47.99
4500016456	1/18/2018	Steven Timme	G110-BUS/TROLLEY SIGNAGE	1,418.33
4500016457	1/18/2018	Mcmaster-Carr Supply Co	F110-SHOP/BLDG MACHINERY	383.97
4500016459	1/18/2018	MCI Service Parts Inc	B140-BUS CHASSIS	43.45
4500016460	1/18/2018	The Carpenter Group Inc	M120-OVRHEAD CATENARY SYS	1,355.50
4500016461	1/18/2018	Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	52.91
4500016462	1/18/2018	Culligan of San Diego	G140-SHOP SUPPLIES	1,604.80
4500016463	1/18/2018	Cummins Pacific LLC	B250-BUS REPAIR PARTS	181.40
4500016464	1/18/2018	Bonsall Petroleum Construction Inc	F200-TANK EQUIPMENT	1,537.00
4500016465	1/18/2018	Transit Holdings Inc	B120-BUS MECHANICAL PARTS	3,182.62
4500016466	1/18/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	592.05
4500016467	1/18/2018	Cummins Pacific LLC	P190-REV VEHICLE REPAIRS	3,954.83
4500016468	1/18/2018	Mouser Electronics Inc	B250-BUS REPAIR PARTS	285.00
4500016469	1/18/2018	Gillig LLC	B120-BUS MECHANICAL PARTS	2,335.54
4500016470	1/18/2018	Gillig LLC	B250-BUS REPAIR PARTS	2,812.80
4500016471	1/18/2018	Gillig LLC	B120-BUS MECHANICAL PARTS	630.91
4500016472	1/18/2018	Cengage Learning, Inc.	P540-MAINTENANCE TRAINING	901.57
4500016473	1/18/2018	Mcmaster-Carr Supply Co	F110-SHOP/BLDG MACHINERY	49.11
4500016474	1/18/2018	Transit Products and Services	B250-BUS REPAIR PARTS	2,963.13
4500016475	1/18/2018	Gillig LLC	B250-BUS REPAIR PARTS	290.20
4500016476	1/18/2018	Office Depot	G200-OFFICE SUPPLIES	438.10
4500016478	1/18/2018	Body Beautiful Car Wash Inc	C120-SPECIALTY CONTRACTOR	2,963.13
4500016479	1/19/2018	Knorr Brake Company	R220-RAIL/LRV TRUCKS	3,444.05
4500016480	1/19/2018	Prudential Overall Supply	G140-SHOP SUPPLIES	739.60
4500016481	1/19/2018	Home Depot USA Inc	G190-SAFETY/MED SUPPLIES	273.01
4500016483	1/19/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	80.16
4500016484	1/19/2018	Soco Group Inc	A120-AUTO/TRUCK GASOLINE	21,901.16
4500016485	1/19/2018	Merrimac Petroleum Inc	B180-BUS DIESEL	7,499.40
4500016486	1/19/2018	Reid and Clark Screen Arts Co	R120-RAIL/LRV CAR BODY	1,493.79
4500016487	1/19/2018	Kaman Industrial Technologies	G140-SHOP SUPPLIES	2,971.38
4500016488	1/19/2018	Vallen Distribution Inc.	G120-SECURITY	926.85
4500016489	1/19/2018	M Power Truck & Diesel Repair	P210-NON-REV VEH REPAIRS	27,776.30
4500016490	1/19/2018	Team One Repair Inc	G290-FARE REVENUE EQUIP	224.12
4500016491	1/19/2018	R.S. Hughes Co Inc	B250-BUS REPAIR PARTS	2,105.32
4500016492	1/19/2018	Flyers Energy LLC	G170-LUBRICANTS	3,079.19
4500016493	1/19/2018	Battery Systems Inc	B160-BUS ELECTRICAL	1,657.58
4500016494	1/19/2018	Robcar Corporation	G140-SHOP SUPPLIES	3,469.11
4500016495	1/19/2018	Merrimac Petroleum Inc	B180-BUS DIESEL	7,050.00
4500016496	1/19/2018	Transit Holdings Inc	B140-BUS CHASSIS	995.20
4500016497	1/19/2018	The Truck Lighthouse	G140-SHOP SUPPLIES	110.67
4500016498	1/19/2018	Pressnet Express Inc	G230-PRINTED MATERIALS	7,700.00
4500016499	1/19/2018	RR Donnelley and Sons Co	G230-PRINTED MATERIALS	2,049.44
4500016500	1/19/2018	Airgas Inc	R160-RAIL/LRV ELECTRICAL	278.00
4500016501	1/19/2018	Pressnet Express Inc	G230-PRINTED MATERIALS	452.56
4500016502	1/19/2018	RR Donnelley and Sons Co	G230-PRINTED MATERIALS	5,579.37
4500016503	1/19/2018	RR Donnelley and Sons Co	G230-PRINTED MATERIALS	2,987.44
4500016505	1/20/2018	Michael Allen Associates	P310-ADVERTISING SERVICES	1,094.00
4500016506	1/20/2018	Aztec Shops, Ltd.	P160-EQUIPMENT RENTALS	516.00
4500016507	1/21/2018	NeonjungleSD.com, Inc.	P280-GENERAL SVC AGRMNTS	420.00
4500016508	1/21/2018	Pressnet Express Inc	G230-PRINTED MATERIALS	1,594.70
4500016509	1/21/2018	Steven Timme	G230-PRINTED MATERIALS	408.60
4500016510	1/22/2018	Transit Holdings Inc	B200-BUS PWR TRAIN EQUIP	30.58
4500016511	1/22/2018	W.W. Grainger Inc	B250-BUS REPAIR PARTS	1,555.05
4500016512	1/22/2018	Romaine Electric Corporation	B160-BUS ELECTRICAL	576.04

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PO Number	PO Date	Name	Material Group	PO Value
4500016513	1/22/2018	Transit Holdings Inc	B130-BUS BODY	2,025.67
4500016514	1/22/2018	Sportworks Northwest Inc	B130-BUS BODY	275.84
4500016515	1/22/2018	United Refrigeration Inc	G170-LUBRICANTS	856.70
4500016516	1/22/2018	Harbor Diesel & Equipment	B200-BUS PWR TRAIN EQUIP	1,120.91
4500016517	1/22/2018	R.S. Hughes Co Inc	G140-SHOP SUPPLIES	561.49
4500016518	1/22/2018	Knorr Brake Company	R220-RAIL/LRV TRUCKS	3,078.44
4500016519	1/22/2018	Freeby Signs	B250-BUS REPAIR PARTS	746.71
4500016520	1/22/2018	Soco Group Inc	G170-LUBRICANTS	1,142.72
4500016521	1/22/2018	ITLC	P540-MAINTENANCE TRAINING	40,000.00
4500016522	1/22/2018	Charter Industrial Supply Inc	B120-BUS MECHANICAL PARTS	493.63
4500016523	1/22/2018	E W Truck & Equipment Co Inc	B120-BUS MECHANICAL PARTS	656.62
4500016524	1/22/2018	IFM Efector, Inc.	R160-RAIL/LRV ELECTRICAL	3,783.11
4500016525	1/22/2018	B & S Graphics Inc	B130-BUS BODY	551.76
4500016526	1/22/2018	W.W. Grainger Inc	G180-JANITORIAL SUPPLIES	339.81
4500016527	1/22/2018	Insultech LLC	B200-BUS PWR TRAIN EQUIP	2,300.19
4500016528	1/22/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	1,861.36
4500016529	1/22/2018	R.S. Hughes Co Inc	B250-BUS REPAIR PARTS	179.51
4500016530	1/22/2018	Mcmaster-Carr Supply Co	F110-SHOP/BLDG MACHINERY	279.30
4500016531	1/22/2018	Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	256.38
4500016532	1/22/2018	Home Depot USA Inc	G140-SHOP SUPPLIES	688.96
4500016533	1/22/2018	National Electric Gate Co., Inc.	M130-CROSSING MECHANISM	10,473.30
4500016534	1/22/2018	Knorr Brake Company	P190-REV VEHICLE REPAIRS	21,823.78
4500016535	1/22/2018	M Power Truck & Diesel Repair	P130-EQUIP MAINT REPR SVC	2,700.00
4500016536	1/22/2018	West End Holdings Inc	P260-TESTING & ANALYSIS	540.00
4500016537	1/22/2018	711 Print Enterprises Inc	G200-OFFICE SUPPLIES	255.37
4500016538	1/22/2018	Comfort Mechanical Inc	M180-STATION ELECTRICAL	993.00
4500016539	1/22/2018	BJ's Rentals	P160-EQUIPMENT RENTALS	76.00
4500016540	1/22/2018	Daniels Tire Service	P210-NON-REV VEH REPAIRS	119.96
4500016541	1/22/2018	Elkhart Brass Manufacturing Co.	B130-BUS BODY	458.05
4500016542	1/22/2018	Prudential Overall Supply	G180-JANITORIAL SUPPLIES	5,511.63
4500016543	1/22/2018	Vern Rose Inc	G160-PAINTS & CHEMICALS	437.45
4500016544	1/22/2018	Cubic Transportation Systems	G290-FARE REVENUE EQUIP	10,195.47
4500016545	1/22/2018	Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	162.53
4500016546	1/22/2018	Soco Group Inc	A120-AUTO/TRUCK GASOLINE	22,973.87
4500016547	1/22/2018	Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	131.26
4500016548	1/22/2018	W.W. Grainger Inc	G140-SHOP SUPPLIES	119.06
4500016549	1/22/2018	Mohawk Mfg & Supply Co	B140-BUS CHASSIS	67.56
4500016550	1/22/2018	Siemens Industry Inc	R160-RAIL/LRV ELECTRICAL	2,204.57
4500016551	1/22/2018	Home Depot USA Inc	G190-SAFETY/MED SUPPLIES	55.84
4500016553	1/23/2018	Jeyco Products Inc	B130-BUS BODY	2,146.14
4500016554	1/23/2018	Mohawk Mfg & Supply Co	B120-BUS MECHANICAL PARTS	101.17
4500016555	1/23/2018	Harbor Diesel & Equipment	G170-LUBRICANTS	5,337.18
4500016556	1/23/2018	Transit Holdings Inc	B110-BUS HVAC SYSTEMS	4,681.34
4500016557	1/23/2018	Industrial Maintenance Supply LLC	G150-FASTENERS	88.53
4500016558	1/23/2018	Knorr Brake Company	R220-RAIL/LRV TRUCKS	7,169.33
4500016559	1/23/2018	HI-TEC Enterprises	R120-RAIL/LRV CAR BODY	8,835.59
4500016560	1/23/2018	Transit Holdings Inc	B130-BUS BODY	3,064.21
4500016561	1/23/2018	CRK Appraisals LLC	P370-RISK MANAGEMENT	1,500.00
4500016562	1/23/2018	Ismael Frausto	R220-RAIL/LRV TRUCKS	1,025.51
4500016563	1/23/2018	Gillig LLC	B130-BUS BODY	16,001.87
4500016564	1/23/2018	Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	16,844.39
4500016565	1/23/2018	Norman Industrial Materials	B250-BUS REPAIR PARTS	949.69
4500016566	1/23/2018	Airgas Inc	G190-SAFETY/MED SUPPLIES	2,541.98
4500016567	1/23/2018	Muncie Transit Supply	B200-BUS PWR TRAIN EQUIP	547.88
4500016568	1/23/2018	Staples Contract & Commercial Inc	G210-OFFICE FURNITURE	1,366.90
4500016569	1/23/2018	Gillig LLC	B250-BUS REPAIR PARTS	217.23
4500016570	1/23/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	722.66
4500016571	1/23/2018	Southcoast Heating & Air	F110-SHOP/BLDG MACHINERY	605.73
4500016572	1/23/2018	Diamond Environmental Services LP	P120-BLDG/FACILITY REPRS	327.23

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PO Number	PO Date	Name	Material Group	PO Value
4500016573	1/23/2018	Decals By Design Inc	R120-RAIL/LRV CAR BODY	544.94
4500016574	1/23/2018	Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	589.30
4500016575	1/23/2018	Ace Uniforms & Accessories	G240-UNIFORM PROCUREMENT	764.88
4500016576	1/24/2018	ERICO International Corporation	M140-WAYSIDE SIGNALS	895.05
4500016577	1/24/2018	Daniels Tire Service	P120-BLDG/FACILITY REPRS	265.64
4500016578	1/24/2018	Clear Channel Outdoor, Inc.	P310-ADVERTISING SERVICES	88,200.00
4500016579	1/24/2018	Transit Holdings Inc	B160-BUS ELECTRICAL	133.44
4500016580	1/24/2018	Reefco LLC	B110-BUS HVAC SYSTEMS	99.52
4500016581	1/24/2018	Gillig LLC	B130-BUS BODY	496.41
4500016582	1/24/2018	Barry Sandler Enterprises	G180-JANITORIAL SUPPLIES	963.29
4500016583	1/24/2018	Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	1,707.48
4500016584	1/24/2018	Rush Truck Centers of California	B200-BUS PWR TRAIN EQUIP	643.92
4500016585	1/24/2018	Rush Truck Centers of California	B200-BUS PWR TRAIN EQUIP	93.75
4500016586	1/24/2018	Industrial Maintenance Supply LLC	G150-FASTENERS	42.76
4500016587	1/24/2018	OneSource Distributors, LLC	M140-WAYSIDE SIGNALS	904.37
4500016588	1/24/2018	Transit Holdings Inc	B140-BUS CHASSIS	2,701.45
4500016589	1/24/2018	Gillig LLC	B130-BUS BODY	2,294.32
4500016590	1/24/2018	Prochem Specialty Products Inc	G180-JANITORIAL SUPPLIES	1,582.31
4500016591	1/24/2018	Professional Contractors Supplies	G160-PAINTS & CHEMICALS	659.60
4500016592	1/24/2018	Sid Tool Co	G180-JANITORIAL SUPPLIES	601.91
4500016593	1/24/2018	Robcar Corporation	G140-SHOP SUPPLIES	161.63
4500016594	1/24/2018	HI-TEC Enterprises	R160-RAIL/LRV ELECTRICAL	1,238.21
4500016595	1/24/2018	Office Depot	G200-OFFICE SUPPLIES	141.39
4500016596	1/24/2018	Golden State Supply LLC	P210-NON-REV VEH REPAIRS	119.72
4500016597	1/24/2018	Team One Repair Inc	G290-FARE REVENUE EQUIP	2,115.01
4500016598	1/24/2018	Bocks Awards Inc	G230-PRINTED MATERIALS	51.78
4500016599	1/25/2018	TTWN Media Networks LLC	P310-ADVERTISING SERVICES	48,000.00
4500016600	1/25/2018	General Signals Inc	M130-CROSSING MECHANISM	1,470.79
4500016601	1/25/2018	All The King's Flags	M200-YARD FACILITIES	254.93
4500016602	1/25/2018	R.B. Hornberger Co Inc	T110-TRACK, RAIL	1,048.35
4500016603	1/25/2018	Transit Holdings Inc	B120-BUS MECHANICAL PARTS	751.85
4500016604	1/25/2018	Presidio Networked Solutions Group	I110-INFORMATION TECH	96,682.67
4500016605	1/25/2018	Sunroad Auto LLC	P210-NON-REV VEH REPAIRS	141.11
4500016606	1/25/2018	R.S. Hughes Co Inc	B250-BUS REPAIR PARTS	2,105.31
4500016607	1/25/2018	Sherwin Williams Company	B250-BUS REPAIR PARTS	2,205.43
4500016608	1/25/2018	Cubic Transportation Systems	B190-BUS FARE EQUIP	4,040.63
4500016609	1/25/2018	Slipit Industries Inc	G140-SHOP SUPPLIES	159.32
4500016610	1/25/2018	W.W. Grainger Inc	F110-SHOP/BLDG MACHINERY	18.75
4500016611	1/25/2018	R.S. Hughes Co Inc	P150-MAINT. CLEANING	389.67
4500016612	1/25/2018	Citywide Auto Glass Inc	P190-REV VEHICLE REPAIRS	400.00
4500016613	1/25/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	1,057.78
4500016614	1/25/2018	Sharham Elihu	C130-CONSTRUCTION SVCS	87,300.00
4500016616	1/25/2018	W.W. Grainger Inc	G150-FASTENERS	123.77
4500016617	1/25/2018	Industrial Maintenance Supply LLC	G150-FASTENERS	104.20
4500016618	1/25/2018	Healy Newspapers	P310-ADVERTISING SERVICES	1,350.00
4500016619	1/25/2018	F-1 Marketing Group	P310-ADVERTISING SERVICES	1,489.49
4500016620	1/25/2018	Supreme Oil Company	B180-BUS DIESEL	8,313.60
4500016621	1/25/2018	Transit Holdings Inc	P240-FIXED ROUTE	2,262.62
4500016622	1/25/2018	Daily Journal Corporation	P310-ADVERTISING SERVICES	5,000.00
4500016623	1/26/2018	Waxie Sanitary Supply Inc	G180-JANITORIAL SUPPLIES	474.57
4500016624	1/26/2018	Cembre Inc	M140-WAYSIDE SIGNALS	1,885.63
4500016625	1/26/2018	Thompson Building Materials	F180-BUILDING MATERIALS	1,182.78
4500016626	1/26/2018	Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	2,339.74
4500016627	1/26/2018	Steven Timme	G230-PRINTED MATERIALS	1,851.09
4500016628	1/26/2018	Carlson & Beauloye Machine Shop	G130-SHOP TOOLS	1,109.83
4500016629	1/26/2018	Asbury Environmental Services	B200-BUS PWR TRAIN EQUIP	2,216.42
4500016630	1/26/2018	7-Eleven Inc	P280-GENERAL SVC AGRMNTS	4,200.00
4500016631	1/26/2018	Steven Timme	G110-BUS/TROLLEY SIGNAGE	205.16
4500016632	1/26/2018	Transit Holdings Inc	B140-BUS CHASSIS	2,857.24

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PO Number	PO Date	Name	Material Group	PO Value
4500016633	1/26/2018	Cummins Pacific LLC	B250-BUS REPAIR PARTS	178.30
4500016634	1/26/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	1,449.82
4500016635	1/26/2018	New Technical Solutions, Inc.	I110-INFORMATION TECH	1,195.00
4500016636	1/26/2018	Daniels Tire Service	P210-NON-REV VEH REPAIRS	800.65
4500016637	1/26/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	868.85
4500016638	1/26/2018	M Power Truck & Diesel Repair	P210-NON-REV VEH REPAIRS	95.00
4500016639	1/26/2018	Transit Holdings Inc	B130-BUS BODY	28,153.99
4500016640	1/26/2018	Kaman Industrial Technologies	B120-BUS MECHANICAL PARTS	1,895.88
4500016641	1/26/2018	Gillig LLC	B130-BUS BODY	15,355.82
4500016642	1/26/2018	R.S. Hughes Co Inc	B250-BUS REPAIR PARTS	2,105.37
4500016643	1/26/2018	Charter Industrial Supply Inc	B250-BUS REPAIR PARTS	100.41
4500016644	1/26/2018	Soco Group Inc	A120-AUTO/TRUCK GASOLINE	23,778.41
4500016645	1/26/2018	Soco Group Inc	A120-AUTO/TRUCK GASOLINE	23,778.41
4500016646	1/26/2018	Mohawk Mfg & Supply Co	B140-BUS CHASSIS	1,671.41
4500016647	1/26/2018	Mohawk Mfg & Supply Co	B120-BUS MECHANICAL PARTS	227.19
4500016648	1/26/2018	Culligan of San Diego	G140-SHOP SUPPLIES	1,944.80
4500016650	1/29/2018	Nth Generation Computing Inc	I110-INFORMATION TECH	57,546.00
4500016651	1/29/2018	R.S. Hughes Co Inc	B250-BUS REPAIR PARTS	2,105.31
4500016652	1/29/2018	Cummins Pacific LLC	P190-REV VEHICLE REPAIRS	220.00
4500016653	1/29/2018	Cummins Pacific LLC	B250-BUS REPAIR PARTS	178.30
4500016654	1/29/2018	Louis Sardo Upholstery Inc	B130-BUS BODY	1,614.65
4500016655	1/29/2018	TK Services Inc	B250-BUS REPAIR PARTS	1,184.00
4500016656	1/29/2018	R.S. Hughes Co Inc	B250-BUS REPAIR PARTS	83.36
4500016657	1/29/2018	R.S. Hughes Co Inc	G140-SHOP SUPPLIES	1,952.50
4500016658	1/29/2018	Waxie Sanitary Supply Inc	G180-JANITORIAL SUPPLIES	952.11
4500016659	1/29/2018	Global Power Group Inc	G180-JANITORIAL SUPPLIES	1,583.93
4500016660	1/29/2018	Matthias Moos	M120-OVRHEAD CATENARY SYS	810.28
4500016661	1/29/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	1,578.39
4500016662	1/29/2018	OneSource Distributors, LLC	M130-CROSSING MECHANISM	985.50
4500016663	1/29/2018	Citywide Auto Glass Inc	R120-RAIL/LRV CAR BODY	1,573.15
4500016664	1/29/2018	Transit Holdings Inc	B200-BUS PWR TRAIN EQUIP	2,328.02
4500016665	1/29/2018	Southern Counties Oil Co, LP	G170-LUBRICANTS	970.61
4500016666	1/29/2018	Zep Vehicle Care Inc	G180-JANITORIAL SUPPLIES	865.28
4500016667	1/29/2018	Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	1,886.49
4500016668	1/29/2018	Industrial Maintenance Supply LLC	G150-FASTENERS	59.12
4500016669	1/29/2018	Rush Truck Centers of California	B200-BUS PWR TRAIN EQUIP	1,191.73
4500016670	1/29/2018	Jeyco Products Inc	G130-SHOP TOOLS	533.17
4500016671	1/29/2018	Total Filtration Services Inc	R230-RAIL/LRV MECHANICAL	2,860.20
4500016672	1/29/2018	Simon Wong Engineering Inc	C140-CONSTRUCTION MGT SRV	95,123.83
4500016673	1/29/2018	Mcmaster-Carr Supply Co	F110-SHOP/BLDG MACHINERY	48.23
4500016674	1/29/2018	Chromate Industrial Corporation	G150-FASTENERS	1,580.84
4500016675	1/29/2018	Romaine Electric Corporation	B160-BUS ELECTRICAL	5,412.83
4500016676	1/29/2018	Schunk Carbon Technology LLC	R190-RAIL/LRV PANTOGRAPH	375.85
4500016677	1/29/2018	Aon Risk Consultants Inc	P370-RISK MANAGEMENT	38,750.00
4500016678	1/29/2018	Kaman Industrial Technologies	G130-SHOP TOOLS	2,499.48
4500016679	1/29/2018	Matheson Tri-Gas Inc	G140-SHOP SUPPLIES	18,320.30
4500016680	1/29/2018	Siemens Industry Inc	R160-RAIL/LRV ELECTRICAL	1,924.42
4500016681	1/29/2018	E&E Industries	F110-SHOP/BLDG MACHINERY	274.00
4500016682	1/29/2018	Annex Automotive and	F120-BUS/LRV PAINT BOOTHS	10,550.99
4500016683	1/29/2018	Cembre Inc	M170-IMPEDANCE BOND	939.58
4500016684	1/29/2018	Willy's Electronic Supply Co	G290-FARE REVENUE EQUIP	428.08
4500016685	1/29/2018	San Diego Plastics Inc	M180-STATION ELECTRICAL	669.51
4500016686	1/29/2018	Dimensional Silk Screen Inc	G110-BUS/TROLLEY SIGNAGE	15,128.10
4500016687	1/30/2018	R.S. Hughes Co Inc	B250-BUS REPAIR PARTS	2,105.31
4500016688	1/30/2018	CASEI	F110-SHOP/BLDG MACHINERY	402.54
4500016689	1/30/2018	Norman Industrial Materials	P120-BLDG/FACILITY REPRS	106.75
4500016690	1/30/2018	Cummins Pacific LLC	B250-BUS REPAIR PARTS	3,050.84
4500016691	1/30/2018	W.W. Grainger Inc	F110-SHOP/BLDG MACHINERY	68.83
4500016692	1/30/2018	Ferguson Enterprises	F110-SHOP/BLDG MACHINERY	107.27

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PO Number	PO Date	Name	Material Group	PO Value
4500016693	1/30/2018	Sherri Cameron	R120-RAIL/LRV CAR BODY	3,106.44
4500016694	1/30/2018	Southcoast Heating & Air	F110-SHOP/BLDG MACHINERY	318.00
4500016695	1/30/2018	Mcmaster-Carr Supply Co	F110-SHOP/BLDG MACHINERY	66.40
4500016696	1/30/2018	Cummins Pacific LLC	B250-BUS REPAIR PARTS	870.24
4500016697	1/30/2018	Genuine Parts Co	G170-LUBRICANTS	1,229.00
4500016698	1/30/2018	Kurt Morgan	G200-OFFICE SUPPLIES	2,843.73
4500016699	1/30/2018	Siemens Industry Inc	R160-RAIL/LRV ELECTRICAL	27,580.78
4500016700	1/30/2018	Don Oleson Inc	B200-BUS PWR TRAIN EQUIP	5,652.69
4500016701	1/30/2018	Cembre Inc	M120-OVRHEAD CATENARY SYS	2,646.82
4500016702	1/30/2018	Mcmaster-Carr Supply Co	R120-RAIL/LRV CAR BODY	186.52
4500016703	1/30/2018	Office Solutions	G200-OFFICE SUPPLIES	135.42
4500016704	1/30/2018	Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	2,418.11
4500016705	1/30/2018	West-Lite Supply Co Inc	M140-WAYSIDE SIGNALS	1,238.12
4500016706	1/30/2018	Kaman Industrial Technologies	R230-RAIL/LRV MECHANICAL	230.86
4500016707	1/30/2018	R.B. Hornberger Co Inc	G140-SHOP SUPPLIES	219.81
4500016708	1/30/2018	Professional Contractors Supplies	G160-PAINTS & CHEMICALS	719.58
4500016709	1/30/2018	Applied Industrial Technologies-CA	R220-RAIL/LRV TRUCKS	370.64
4500016710	1/30/2018	Gillig LLC	B140-BUS CHASSIS	2,038.15
4500016712	1/30/2018	ASPEN Refrigerants Inc	G140-SHOP SUPPLIES	820.25
4500016713	1/30/2018	HI-TEC Enterprises	R220-RAIL/LRV TRUCKS	65,555.10
4500016714	1/30/2018	Home Depot USA Inc	F110-SHOP/BLDG MACHINERY	491.57
4500016715	1/30/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	990.03
4500016716	1/30/2018	Staples Contract & Commercial Inc	G210-OFFICE FURNITURE	880.98
4500016718	1/30/2018	Shilpark Paint Corp.	G160-PAINTS & CHEMICALS	208.71
4500016719	1/30/2018	Home Depot USA Inc	G110-BUS/TROLLEY SIGNAGE	53.66
4500016720	1/30/2018	Robcar Corporation	F180-BUILDING MATERIALS	142.89
4500016721	1/30/2018	Golden State Supply LLC	G130-SHOP TOOLS	76.64
4500016722	1/30/2018	Home Depot USA Inc	G180-JANITORIAL SUPPLIES	748.55
4500016723	1/30/2018	Wesco Distribution Inc	G270-ELECTRICAL/LIGHTING	24.56
4500016724	1/30/2018	M Power Truck & Diesel Repair	P210-NON-REV VEH REPAIRS	60,378.70
4500016725	1/30/2018	ASPEN Refrigerants Inc	R170-RAIL/LRV HVAC	364.20
4500016726	1/30/2018	Steven Timme	G230-PRINTED MATERIALS	892.20
4500016727	1/30/2018	Sherwin Williams Company	F120-BUS/LRV PAINT BOOTHS	282.96
4500016728	1/30/2018	TK Services Inc	B200-BUS PWR TRAIN EQUIP	132.57
4500016729	1/30/2018	B Hepworth & Company Limited	R120-RAIL/LRV CAR BODY	5,254.69
4500016730	1/30/2018	Dimensional Silk Screen Inc	G110-BUS/TROLLEY SIGNAGE	18,586.88
4500016731	1/31/2018	CDW LLC	G200-OFFICE SUPPLIES	1,055.38
4500016732	1/31/2018	Transtechnik Corp USA	R160-RAIL/LRV ELECTRICAL	33,941.54
4500016733	1/31/2018	Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	2,108.43
4500016734	1/31/2018	Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	2,102.27
4500016735	1/31/2018	Ferguson Enterprises	F110-SHOP/BLDG MACHINERY	204.55
4500016736	1/31/2018	Transit Holdings Inc	B140-BUS CHASSIS	2,056.36
4500016738	1/31/2018	Rush Truck Centers of California	B110-BUS HVAC SYSTEMS	3,017.00
4500016739	1/31/2018	Mohawk Mfg & Supply Co	B140-BUS CHASSIS	1,556.12
4500016741	1/31/2018	Romaine Electric Corporation	B160-BUS ELECTRICAL	3,608.55
4500016742	1/31/2018	Soco Group Inc	B180-BUS DIESEL	7,891.43
4500016743	1/31/2018	Soco Group Inc	A120-AUTO/TRUCK GASOLINE	23,867.80
4500016744	1/31/2018	Mohawk Mfg & Supply Co	B200-BUS PWR TRAIN EQUIP	90.06
4500016745	1/31/2018	Transit Holdings Inc	B200-BUS PWR TRAIN EQUIP	2,482.56
4500016747	1/31/2018	GCCCD	P540-MAINTENANCE TRAINING	21,720.00
4500016748	1/31/2018	Industrial Maintenance Supply LLC	G150-FASTENERS	237.32
4500016749	1/31/2018	Jeyco Products Inc	G140-SHOP SUPPLIES	352.29
4500016750	1/31/2018	Rush Truck Centers of California	B200-BUS PWR TRAIN EQUIP	2,089.98
4500016751	1/31/2018	Cummins Pacific LLC	B250-BUS REPAIR PARTS	3,050.84
4500016752	2/1/2018	Prochem Specialty Products Inc	G180-JANITORIAL SUPPLIES	1,582.31
4500016753	2/1/2018	W.W. Grainger Inc	G190-SAFETY/MED SUPPLIES	126.84
4500016754	2/1/2018	R.S. Hughes Co Inc	G160-PAINTS & CHEMICALS	439.80
4500016755	2/1/2018	Industrial Maintenance Supply LLC	G150-FASTENERS	41.42
4500016756	2/1/2018	Mak Cleaners Inc	G120-SECURITY	790.90

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PO Number	PO Date	Name	Material Group	PO Value
4500016757	2/1/2018	US Mobile Wireless	R150-RAIL/LRV COMM EQUIP	3,395.86
4500016758	2/1/2018	Muncie Transit Supply	B160-BUS ELECTRICAL	2,442.37
4500016759	2/1/2018	Charter Industrial Supply Inc	B250-BUS REPAIR PARTS	653.99
4500016760	2/1/2018	Matthias Moos	M120-OVRHEAD CATENARY SYS	2,790.73
4500016761	2/1/2018	Cembre Inc	G130-SHOP TOOLS	2,908.18
4500016762	2/1/2018	M Power Truck & Diesel Repair	P210-NON-REV VEH REPAIRS	590.00
4500016763	2/1/2018	United Rentals (NA), Inc.	P160-EQUIPMENT RENTALS	2,985.53
4500016764	2/1/2018	Pape Material Handling	P210-NON-REV VEH REPAIRS	1,038.75
4500016765	2/1/2018	Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	2,737.07
4500016766	2/1/2018	Carlson & Beauloye Machine Shop	G130-SHOP TOOLS	2,350.00
4500016767	2/1/2018	DSPM Inc	P280-GENERAL SVC AGRMNTS	3,443.00
4500016768	2/1/2018	Cummins Pacific LLC	P190-REV VEHICLE REPAIRS	578.29
4500016769	2/1/2018	Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	2,133.09
4500016770	2/1/2018	Rush Truck Centers of California	B200-BUS PWR TRAIN EQUIP	358.53
4500016771	2/1/2018	Western Pump Inc	F110-SHOP/BLDG MACHINERY	53.88
4500016772	2/1/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	990.03
4500016773	2/1/2018	Southcoast Heating & Air	F110-SHOP/BLDG MACHINERY	291.50
4500016774	2/1/2018	Muncie Transit Supply	B110-BUS HVAC SYSTEMS	1,854.71
4500016775	2/1/2018	F-1 Marketing Group	B130-BUS BODY	50,394.75
4500016776	2/1/2018	Cellco Partnership	I130-IT CAPITAL HARDWARE	23,712.96
4500016777	2/1/2018	Neleco Products Inc	G170-LUBRICANTS	931.12
4500016778	2/1/2018	Beck Electric Supply	M110-SUB STATION	2,515.23
4500016779	2/1/2018	New Pig Corporation	R230-RAIL/LRV MECHANICAL	3,734.19
4500016780	2/1/2018	Recaro North America Inc	R200-RAIL/LRV SEATING	1,929.63
4500016781	2/1/2018	Transit Holdings Inc	B140-BUS CHASSIS	3,087.62
4500016782	2/1/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	990.03
4500016783	2/1/2018	Siemens Industry Inc	R120-RAIL/LRV CAR BODY	2,456.70
4500016784	2/1/2018	HI-TEC Enterprises	R140-RAIL/LRV DOORS/RAMP	237.05
4500016785	2/1/2018	Staples Contract & Commercial Inc	G200-OFFICE SUPPLIES	204.71
4500016786	2/1/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	1,108.83
4500016787	2/1/2018	Dunn-Edwards Corporation	F110-SHOP/BLDG MACHINERY	179.95
4500016788	2/1/2018	Airgas Inc	G190-SAFETY/MED SUPPLIES	4,742.57
4500016789	2/1/2018	E&E Industries	F110-SHOP/BLDG MACHINERY	662.93
4500016790	2/1/2018	Cubic Transportation Systems	G290-FARE REVENUE EQUIP	56,109.27
4500016791	2/1/2018	OneSource Distributors, LLC	R220-RAIL/LRV TRUCKS	709.02
4500016792	2/1/2018	Flyers Energy LLC	R230-RAIL/LRV MECHANICAL	6,937.72
4500016793	2/1/2018	The Carpenter Group Inc	M120-OVRHEAD CATENARY SYS	604.48
4500016794	2/1/2018	ABC Construction Co., Inc.	C130-CONSTRUCTION SVCS	5,007.03
4500016795	2/1/2018	Steven Timme	G230-PRINTED MATERIALS	1,560.83
4500016796	2/1/2018	New Technical Solutions, Inc.	I110-INFORMATION TECH	2,037.56
4500016797	2/2/2018	CDW LLC	I110-INFORMATION TECH	2,873.29
4500016798	2/2/2018	Steven Timme	G110-BUS/TROLLEY SIGNAGE	194.56
4500016799	2/2/2018	RR Donnelley and Sons Co	G230-PRINTED MATERIALS	1,817.85
4500016800	2/2/2018	CDW LLC	I110-INFORMATION TECH	581.44
4500016801	2/2/2018	F-1 Marketing Group	G230-PRINTED MATERIALS	528.22
4500016802	2/2/2018	Vern Rose Inc	G140-SHOP SUPPLIES	1,106.69
4500016803	2/2/2018	Daniels Tire Service	P120-BLDG/FACILITY REPRS	517.72
4500016804	2/2/2018	Verdugo Testing Co Inc	P130-EQUIP MAINT REPR SVC	297.94
4500016805	2/2/2018	P & R Paper Supply Company Inc	G180-JANITORIAL SUPPLIES	644.35
4500016806	2/2/2018	Airgas Inc	G140-SHOP SUPPLIES	84.72
4500016807	2/2/2018	OneSource Distributors, LLC	M140-WAYSIDE SIGNALS	121.36
4500016808	2/2/2018	Reid and Clark Screen Arts Co	R120-RAIL/LRV CAR BODY	437.16
4500016809	2/2/2018	Charter Industrial Supply Inc	B160-BUS ELECTRICAL	2,300.24
4500016810	2/2/2018	San Diego Friction Products, Inc.	B140-BUS CHASSIS	2,224.13
4500016811	2/2/2018	CED, Inc.	F110-SHOP/BLDG MACHINERY	214.96
4500016812	2/2/2018	Transit Holdings Inc	B250-BUS REPAIR PARTS	191.49
4500016813	2/2/2018	FinishMaster Inc	F120-BUS/LRV PAINT BOOTHS	3,585.14
4500016814	2/2/2018	Annex Automotive and	F120-BUS/LRV PAINT BOOTHS	2,151.01
4500016815	2/2/2018	Knorr Brake Company	R160-RAIL/LRV ELECTRICAL	2,363.77

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PO Number	PO Date	Name	Material Group	PO Value
4500016816	2/2/2018	Golden Star Technology Inc	I110-INFORMATION TECH	30,689.84
4500016817	2/2/2018	Coast United Advertising	P310-ADVERTISING SERVICES	1,850.00
4500016818	2/2/2018	Entercom San Diego LLC	P310-ADVERTISING SERVICES	68,255.00
4500016819	2/5/2018	Business Printing Company, Inc.	G200-OFFICE SUPPLIES	334.21
4500016820	2/5/2018	Id Services Inc	G200-OFFICE SUPPLIES	3,584.03
4500016821	2/5/2018	Soco Group Inc	A120-AUTO/TRUCK GASOLINE	3,785.32
4500016822	2/5/2018	Supreme Oil Company	A120-AUTO/TRUCK GASOLINE	2,102.27
4500016823	2/5/2018	Don Oleson Inc	B200-BUS PWR TRAIN EQUIP	2,302.00
4500016824	2/5/2018	Charter Industrial Supply Inc	B120-BUS MECHANICAL PARTS	183.28
4500016825	2/5/2018	Transit Holdings Inc	B130-BUS BODY	8,012.61
4500016826	2/5/2018	Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	36,797.15
4500016827	2/5/2018	TK Services Inc	R170-RAIL/LRV HVAC	21,316.70
4500016828	2/5/2018	Gillig LLC	B160-BUS ELECTRICAL	3,893.81
4500016829	2/5/2018	Smart Car Care Products Inc	R240-RAIL/LRV REPR PARTS	371.57
4500016830	2/5/2018	Willy's Electronic Supply Co	M110-SUB STATION	84.17
4500016831	2/5/2018	Total Filtration Services Inc	M110-SUB STATION	1,901.92
4500016832	2/5/2018	Ismael Frausto	R130-RAIL/LRV COUPLER	577.00
4500016833	2/5/2018	Chromate Industrial Corporation	G150-FASTENERS	546.68
4500016834	2/5/2018	Matthias Moos	M120-OVRHEAD CATENARY SYS	2,521.36
4500016835	2/5/2018	Transit Holdings Inc	B200-BUS PWR TRAIN EQUIP	2,077.88
4500016837	2/5/2018	Meltwater News US, Inc.	G260-MEDIA	10,000.00
4500016838	2/6/2018	Office Solutions	G200-OFFICE SUPPLIES	101.81
4500016839	2/6/2018	W.W. Grainger Inc	F110-SHOP/BLDG MACHINERY	175.09
4500016840	2/6/2018	W.W. Grainger Inc	G170-LUBRICANTS	587.33
4500016841	2/6/2018	Western-Cullen-Hayes Inc	M130-CROSSING MECHANISM	620.64
4500016842	2/6/2018	Controlled Motion Solutions Inc	R220-RAIL/LRV TRUCKS	569.86
4500016843	2/6/2018	Siemens Industry Inc	R220-RAIL/LRV TRUCKS	11,588.78
4500016844	2/6/2018	M.A.W.G, Inc.	R160-RAIL/LRV ELECTRICAL	17,798.18
4500016845	2/6/2018	Home Depot USA Inc	G140-SHOP SUPPLIES	793.61
4500016846	2/6/2018	Industrial Maintenance Supply LLC	G150-FASTENERS	247.12
4500016847	2/6/2018	Cubic Transportation Systems	B190-BUS FARE EQUIP	2,424.38
4500016849	2/6/2018	The Gordian Group, Inc.	M200-YARD FACILITIES	15,155.58
4500016850	2/6/2018	Cummins Pacific LLC	B200-BUS PWR TRAIN EQUIP	1,779.03
4500016851	2/6/2018	Team One Repair Inc	G290-FARE REVENUE EQUIP	116.58
4500016852	2/6/2018	Asbury Environmental Services	B200-BUS PWR TRAIN EQUIP	1,777.88
4500016853	2/6/2018	Rush Truck Centers of California	B200-BUS PWR TRAIN EQUIP	2,260.61