

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

MINUTES

June 13, 2019

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

1. Roll Call

Chair Gomez called the Board meeting to order at 9:05 a.m. A roll call sheet listing Board member attendance is attached.

3. Public Comments (TAKEN OUT OF ORDER)

Martha Welch – Ms. Welch commented about issues she has concerning the differences between MTS bus drivers and Transdev drivers. She said that there needs to be more bus benches and restrooms for the public.

Jean Costa – Ms. Costa commented on behalf of San Diego 350. She stated that they support SANDAG's new Executive Director and his vision. She said that they also support the Elevate SD 2020 effort to make improvements to the San Diego region. Ms. Costa commented that she appreciates the community meetings in relation to Elevate SD 2020 in order for the public to provide comments and recommendations for public transit improvements.

Peter Zschiesche – Mr. Zschiesche commented on behalf of the Employee Rights Center. He stated that they are upset that MTS agreed to a pilot program with Lyft and did not go through the normal process of Request for Proposals or offer the option to the taxi industry. Mr. Zschiesche stated that MTS should help the taxi industry as the administrator. He commented that the taxi industry is already suffering because of companies such as Uber and Lyft.

Mikail Hussein – Mr. Hussein commented on behalf of the United Taxi Workers of San Diego. He stated that the taxi industry is highly regulated by MTS and are required to pay fees and fines to MTS. Mr. Hussein stated that the taxi industry is suffering due to competition from Uber and Lyft. He asked MTS not to participate in the pilot program with Lyft.

2. Approval of Minutes

Ms. Salas moved to approve the minutes of the May 9, 2019, MTS Board of Directors meeting. Mr. Sandke seconded the motion, and the vote was 14 to 0 in favor with Mr. Arambula absent.

CONSENT ITEMS

6. Taxicab Contracts Renewal

Action would: (1) approve the "Tenth Amendment to Agreement for Administration of Taxicab and Other For-Hire Vehicle Regulations Between San Diego Metropolitan Transit System and City of San Diego"; and (2) approve a five-year extension of existing agreements for Taxicab

Administration with the cities of Chula Vista, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, and Santee.

7. Proposed Revisions to Policy No. 22, “Rules of Procedure for the San Diego Metropolitan Transit System (MTS) Board of Directors”
Action would approve the proposed revisions to MTS Policy No. 22, “Rules of Procedure for the San Diego Metropolitan Transit System (MTS) Board of Directors.”
8. California Department of Transportation Program of Projects for Federal Transit Administration Section 5311(f) Funding, Fiscal Year 2019
Action would approve Resolution No. 19-4 authorizing the use of, and application for, \$300,000 of Federal Transit Administration (FTA) Section 5311(f) funds for operating assistance in non-urbanized areas.
9. Amendment to Codified San Diego Metropolitan Transit System (MTS) Fare Ordinance No. 4
Action would approve the revisions to MTS Fare Ordinance No.4 to comply with the San Diego Association of Governments (SANDAG) recently adopted Regional Comprehensive Fare Ordinance revisions generated by the Fare Study.
10. Fiscal Year 2020 Transportation Development Act (TDA) Claim
Action would adopt Resolution Nos. 19-5, 19-6, and 19-7 approving fiscal year (FY) 2020 TDA Article 4.0, 4.5, and 8.0 claims allocating \$100,576,245 in TDA revenues for MTS.
11. Insurance Brokerage and Consulting Services Contract
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2231.0-19 in the amount of \$839,475.00 to Alliant Insurance Services, Inc. for insurance brokerage and consulting services effective July 1, 2019.
12. On-Call Job Order Contracting (JOC) General Civil Construction Services – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG275.0-19 with ABC Construction Co., Inc. (ABC) for on-call civil construction services, in the amount of \$5,000,000.00, for three (3) years beginning on July 1, 2019 and ending on June 30, 2022.
13. Sole Source Award for Motorola APX4500 Radios for the Regional Transit Management System (RTMS) and Radio Upgrade Project
Action would authorize the Chief Executive Officer (CEO) to execute a Purchase Order (PO) with Motorola Solutions, Inc. (Motorola), in the amount of \$608,762.50, on a sole source basis, for the purchase of 360 APX4500 radios.
14. Cisco SMARTNET Maintenance Support – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc No. G2247.0-19 with AT&T Corp. in the amount of \$246,612.32 for the provision of Cisco SMARTNET Maintenance Support for three (3) years.
15. Supply of Non-Revenue Vehicle Fuel (Diesel and Unleaded) – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2290.0-19 with SC Commercial, LLC, for the provision of non-revenue vehicle fuel (diesel and unleaded) in the amount of \$13,273,280.00 for 5 years.

16. On-Call Job Order Contracting (JOC) Railroad Construction Services – Herzog Contracting Corp. – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG269.0-19 with Herzog Contracting Corp. (Herzog) for on-call railroad construction services, in the amount of \$3,000,000.00, for three (3) years beginning on July 1, 2019 and ending on June 30, 2022.
17. On-Call Job Order Contracting (JOC) General Building and Facilities Construction Services – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG274.0-19 with PUB Construction, Inc. (PUB) for on-call building and facilities construction services, in the amount of \$4,000,000.00, for three (3) years beginning on July 1, 2019 and ending on June 30, 2022.
18. Revenue Vehicle Fleet Seat Upholstery Replacement and Repair Services
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2250.0-19 with Sardo Bus & Coach Upholstery in the amount of \$553,204.30 for the provision of Bus and Rail Vehicle Seat Upholstery Replacement and Repair Services.
19. Trapeze Software License and Maintenance Support Renewal – Sole Source Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2253.0-19 with Trapeze Software Group, Inc. (Trapeze) in amount of \$2,908,551.00 for the renewal of software licensing and maintenance support for a five (5) year base period and five (5) one-year options exercisable under the CEO's discretion.
20. Vehicle Paint Supply – Sole Source Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2199.0-19 with Annex Warehouse Co. Inc. (Annex), for the provision of vehicle paint in the amount of \$269,108.23.
21. Davra Networks, RuBAN Software and Support Contract Amendment – Trolley Real Time Project
Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 2 to MTS Doc. No. G2071.0-18 with Davra Networks (Davra), increasing the contract value in the amount of \$336,000.00, bringing the contract total to \$761,800.00.
22. Conduent Transportation Solutions, Inc. for Regional Transit Management System (RTMS) Hardware and Software Upgrades – Sole Source Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2260.0-19 in amount of \$6,542,899.06 with Conduent Transportation Solutions, Inc. (Conduent) for the purchase of hardware and software upgrade services for the Regional Transit Management System (RTMS) and Radio Site Upgrade project; and an option to install mobile data routers on the bus fleet exercisable under the CEO's discretion.
23. Task Order Contract Approval to Perform Community Outreach and Operating Plan Development for the South Bay Feeder Bus Service
Action would authorize the Chief Executive Officer (CEO) to execute Work Order WOA1950-AE-38 to MTS Doc. No. G1950.0-17 with Kimley-Horn and Associates, Inc. (KHA) in the

amount of \$225,723.33 to perform community outreach and operating plan development for the South Bay feeder bus service.

24. Task Order Contract Approval to Evaluate Trolley Connection to San Diego International Airport
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. WOA1951-AE-42 to MTS Doc. No. G1951.0-17 with Mott MacDonald in the amount of \$119,758.16 to evaluate trolley connection to the San Diego International Airport.
25. 40-Foot Low-Floor Electric Bus and Additional Depot Chargers – Contract Amendment
Action would authorize the Chief Executive Officer (CEO) to ratify Amendments 1 through 3 and execute Amendment No. 4 to MTS Doc. No. B0688.0-18 with New Flyer of America Inc. (New Flyer) in the amount of \$386,852.50, for diagnostics, tools and Personal Protective Equipment (PPE) as well as the purchase of three (3) additional depot chargers not covered under the original contract amount. The original board approval amount of \$5,978,456.97 will increase to a not to exceed amount of \$6,220,948.08.
26. Printed Circuit Boards (PCBs) and Electronic Components – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1476.0-19, a Sole Source agreement, with Siemens Mobility Inc. (Siemens) in the amount of \$1,157,285.97 for continued services providing PCBs and Electronic Components for a 2-year period from July 1, 2019 to June 30, 2021.
27. Vendor Managed Inventory (VMI) Program for Trolley Maintenance Spare Parts – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Document Number L1507.0-19 with Siemens Mobility Inc. (Siemens) for the supply of certain maintenance spare parts under a vendor managed inventory (VMI) framework for an amount not to exceed \$7,500,000.00.
28. Taxicab Advisory Committee Permit Holder Member Election Results
Action would approve appointing new members to the Taxicab Advisory Committee as stated in the results of the Taxicab Advisory Committee member election.
29. Taxicab Advisory Committee Lease Driver Member Election Results
Action would approve appointing new members to the Taxicab Advisory Committee as stated in the results of the Taxicab Advisory Committee member election.
30. Light Rail Vehicle (LRV) Maintenance Scaffolding and Catenary Warning System Design – Task Order Contract Amendment
Action would authorize the Chief Executive Officer (CEO) to ratify Work Order No. WOA1946-AE-28 to MTS Doc. No. G1946.0-17, and execute Amendment No. 2 with Global Signals Group, Inc. (GSG) in the amount of \$16,909.87, bringing the total work order amount to \$108,382.87, to provide additional design services for the LRV Maintenance Scaffolding and Catenary Warning System Design.

BOARD COMMENTS – CONSENT ITEMS

Ms. Aguirre requested for consent item 23 to be pulled for further discussion.

Chair Gomez stated that she will also pull consent item 24 for further discussion.

Action on Recommended Consent Items, excluding Consent Items 23 and 24

Ms. Moreno moved to approve Consent Agenda Item Nos. 6 – 30, excluding consent items 23 and 24. Ms. Montgomery seconded the motion, and the vote was 14 to 0 in favor with Mr. Arambula absent. The vote for consent item number 9 was 13 to 1 in favor with Ms. Moreno voting no and Mr. Arambula absent.

DISCUSSION – CONSENT ITEM NUMBER 23

Sharon Cooney, Chief of Staff, provided a brief background on this consent item. She stated that the item discusses the South Bay Feeder Bus Service that is part of an overall program of projects that MTS submitted under an application for the State of California Transit and Intercity Rail Capital Program (TIRCP). This service will help to increase access to rail service in San Diego. Ms. Cooney stated that MTS has seen a robust market of riders between Otay Mesa and the UC San Diego Blue Line Trolley. She noted that this service will leverage state funds to increase bus and transit service in that area. This specific item authorizes Kimley-Horn and Associates to conduct community outreach and develop an operating plan for this bus service. Ms. Cooney stated that this process will help to identify appropriate routing, stations, and amenities along the bus route.

Ms. Aguirre asked if there are time constraints within the scope of work for this project. Ms. Cooney replied that there are time constraints associated with the grant requirements that MTS will be required to adhere. Ms. Aguirre asked about the project timeline. Ms. Cooney replied that full construction must be completed by 2023. Ms. Aguirre asked if Kimley-Horn and Associates indicated why they decided not to issue sub-contractors for this work. Sam Elmer, Manager of Procurement, replied that MTS did not receive any information as to why Kimley-Horn did not sub-contract out work. Ms. Aguirre commented that she would like to learn more about Kimley-Horn's capabilities to conduct effective community outreach in these particular communities. She requested that Kimley-Horn provide a presentation at the next Board meeting detailing their community outreach strategies.

Ms. Moreno agreed with Ms. Aguirre's comments and recommendation to have Kimley-Horn present their community outreach plan at the next Board meeting.

Action on Recommended Consent Item Number 23

Ms. Aguirre moved to authorize the Chief Executive Officer (CEO) to execute Work Order WOA1950-AE-38 to MTS Doc. No. G1950.0-17 with Kimley-Horn and Associates, Inc. (KHA) in the amount of \$225,723.33 to perform community outreach and operating plan development for the South Bay feeder bus service. Ms. Moreno seconded the motion, and the vote was 14 to 0 in favor with Mr. Arambula absent.

DISCUSSION – CONSENT ITEM NUMBER 24

Paul Jablonski, Chief Executive Officer, provided an update on this agenda item. He noted that the San Diego Association of Governments (SANDAG) has agreed to fund this project and

reimburse MTS for the cost of the contract. Mr. Jablonski stated that the scope of work will be under the SANDAG Airport Transit Alternatives Analysis Study. MTS and SANDAG will jointly manage this specific project that is being approved today.

Action on Recommended Consent Item Number 24

Chair Gomez moved to authorize the Chief Executive Officer (CEO) to execute Work Order No. WOA1951-AE-42 to MTS Doc. No. G1951.0-17 with Mott MacDonald in the amount of \$119,758.16 to evaluate trolley connection to the San Diego International Airport. Mr. Hall seconded the motion and the vote was 14 to 0 in favor with Mr. Arambula absent.

NOTICED PUBLIC HEARINGS

32. None.

DISCUSSION ITEMS

33. Approval of Disposition and Development Agreements for Transit Oriented Development Projects at Grantville Trolley Station; Memorandum of Understanding with City of San Diego Regarding Alvarado Creek Revitalization Project (Sharon Cooney) (TAKEN BEFORE CLOSED SESSION)

Sharon Cooney, Chief of Staff, provided a presentation on the approval of disposition and development agreements for Transit Oriented Development Projects at the Grantville Trolley Station. She introduced Tim Allison, Manager of Real Estate Assets, and Paul Marra, with Keyser Marston. Ms. Cooney reviewed previous actions and direction by the Board in relation to this item. She provided renderings of the proposed development and discussed the details of the developers' proposals. Ms. Cooney discussed the prevailing wage option for construction and the local hire goal. She reviewed the implementation of the Alvarado Creek Revitalization Plan and presented maps of the Alvarado Creek in comparison to the Grantville Trolley Station. Ms. Cooney reviewed the City's request to MTS in relation to the implementation of the Alvarado Creek Revitalization Plan. Lastly, she reviewed the June 6, 2019 MTS Executive Committee recommendation for the Alvarado Creek Revitalization Plan, and the staff recommendation for this item.

PUBLIC COMMENTS

Scott Sherman – Councilmember Sherman provided a presentation related to the Grantville Trolley site and Alvarado Creek. He reviewed the details of the Alvarado Creek Revitalization Study. Councilmember Sherman noted that the creek has severe flooding problems every year, which is why they have been working on a plan to revitalize the creek. He presented pictures of the site area and the flood impact zones. Councilmember Sherman stated that he is advocating for the MTS Board to approve funding their portion of the Alvarado Creek revitalization in connection with the Grantville Trolley housing development. The Councilmember's PowerPoint presentation is included in the final meeting packet for official record.

Barrett Tetlow – This speaker gave their time to Councilmember Sherman.

Liz Saidkhanian – This speaker gave their time to Councilmember Sherman.

Jay Wilson – Mr. Wilson stated that he supports the MTS Grantville Development and the willingness to help resolve the issue of the Alvarado Creek flooding issues. He stated that he has seen repeated flood damage in this area for years. Mr. Wilson commented that additional housing units will not be built unless these updates are made to the Alvarado Creek.

Daniel Smith – Mr. Smith provided pictures of the Grantville and Mission Gorge areas that are affected by the flooding from the Alvarado Creek. He stated that the City and the private property owners have spent millions of dollars over thirty years trying to fix the Alvarado Creek issues. Mr. Smith said that MTS has not spent money to provide updates to their property to update the creek.

Brian Caster – Mr. Caster stated that he would like to see MTS make improvements to their portion of the Alvarado Creek. He said that without these improvements the other property owners will not be able to further develop the land and build additional housing. Mr. Caster urged MTS to make the improvements to the Alvarado Creek.

Carol Kim – Ms. Kim commented on behalf of the San Diego Building Trades Council. She stated that they are disappointed that the Greystar portion of the contract is being proposed without a prevailing wage requirement. Ms. Kim commented that not requiring prevailing wage could result in workers being paid subpar wages and benefits. She stated that public agencies should support and require prevailing wage, skilled and trained workforces, local hire, and project labor agreements on all of their projects.

Doug Hicks – Mr. Hicks commented on behalf of Southwest Carpenters. He stated that he likes the project except for the portion that does not require prevailing wages to workers. Mr. Hicks recommended for MTS to look at implementing a policy change and requiring all of their projects to require prevailing wage.

David Smith – Mr. Smith commented on behalf of the Navajo Community Planning Group. He stated that they are in support of the housing development at the Grantville Trolley Station. He commented that they do have concerns that MTS will not carry out their fair share of the improvements to the Alvarado Creek. Mr. Smith urged the Board to work with the City on this issue and the Memorandum of Understanding.

T. R. Caster – Mr. Caster commented that he has been a private property owner in the Grantville area for many years and has put in the money and work to update the Alvarado Creek at his property. He stated that the remaining updates to the creek need to be completed by the City and MTS to ensure the flooding issues are resolved and other developments can be built throughout the area.

Wes Ahrens – Mr. Ahrens stated that he represents two properties surrounding the Alvarado Creek. He commented that he supports the project by utilizing prevailing wage labor. Mr. Ahrens stated that he has concerns with the amenities and safety of the Alvarado Creek and Grantville area for the new housing developments.

Alina Tan – Ms. Tan commented on behalf of Coldwell Banker Commercial. She stated that they represented the Ahrens and Blood family private properties at the Alvarado Creek and Grantville site. Ms. Tan presented various images of potential developments at the site if the creek

improvements were done fully and correctly. She stated that they are trying to enhance this area for the community by building new developments at this location, but will only be able to do so with improvements to the Alvarado Creek.

Gretchen Newsom – Ms. Newsom commented on behalf of IBEW 569. She stated that they are advocating for project labor agreements, prevailing wage, and skilled and trained workforce provisions within this contract and all future developments built on public land. Ms. Newsom commented that these provisions should become an MTS requirement before any new projects are proposed going forward.

Robert Weichell – Mr. Weichell stated that the Alvarado Creek flooding issues need to be resolved and urged the MTS Board to help before the flooding problems continue.

Noli Zosa – Mr. Zosa commented on behalf of the Linda Vista Planning Group. He commented about the housing crisis in the region and that the Grantville site could be a model for other potential development sites. Mr. Zosa stated that there needs to be improvements to the Alvarado Creek in order to fully develop the Grantville property to its maximum capacity.

Kelvin Barrios – Mr. Barrios commented on behalf of Laborers Local 89. He stated that they have issues with the lack of prevailing wage provisions for the Greystar portion of the contract. Mr. Barrios commented that this is an MTS policy issue that needs to be addressed. He stated that these provisions should be included in a policy for all future development projects going forward.

Robert Mirando – Mr. Mirando commented on behalf of Ironworkers Local 229. He stated that this project is not just about creating new housing for the community, but also providing a living wage to the workers who will build the development. Mr. Mirando asked the Board to reconsider the lack of a prevailing wage provision in the contract.

BOARD DISCUSSION

Ms. Moreno commented that access to the Grantville Trolley Station from Alvarado Creek is currently very difficult. She stated that MTS should ensure that the maximum number of units are developed at this property. Ms. Moreno provided copies of an alternative motion for this item, which was also included in the final Board packet.

Ms. Landers stated that there would be a non-material change in the ground lease agreement with Affirmed Housing. She explained that the change would update the language to correct terminology to describe the affordable housing requirements. Ms. Landers noted that the current language included incorrect terminology. She provided the Board copies of the amended language, which was also included in the final Board packet.

Mr. McClellan commented about the development and the number of floors and units being proposed at the site. He stated that we should try to build as many floors and units as possible that are allowed at the location. Mr. McClellan also said that a public-private agreement should be arranged to finish making improvements to the Alvarado Creek to resolve the ongoing flooding issues.

Mr. Hall stated that he would second the motion made by Ms. Moreno. He commented that he would like to ensure these Alvarado Creek updates are done to ensure the best development is built at the Grantville property.

Mr. Ward commented about the feasibility of building the housing development with additional floors. He asked what the economic impact would be. Paul Marra, with Keyser Marston, replied that their study concluded that there isn't any further premium in the market rent that sufficiently offsets the higher construction costs. Mr. Ward asked how the feasibility calculation is conducted in this development when profitability isn't a factor. Mr. Marra replied that it depends on the agreement between the agency and the developers and what is most feasible for each party. Mr. Ward stated that he would like to ensure that prevailing wage is utilized for these types of projects. He stated that this project can help the lower socioeconomic population by providing more affordable housing options in the community. Mr. Ward stated that he supports MTS's plan to help with the Alvarado Creek Revitalization Plan.

Ms. Salas commented that she doesn't understand why building more floors would result in less revenue. She stated that the increased density should provide additional revenue. Ms. Salas also stated that the pedestrian bridges over Alvarado Creek will help with trolley ridership and provide a public benefit.

Chair Gomez commented that she agrees with the opinions of the Board Members in relation to density. Chair Gomez stated that she is excited that 38% of the units are affordable units. She also noted that the development is taking advantage of the new parking reductions, which is another positive aspect of the project. Chair Gomez commented that there is commitment from MTS to be a fair contributor to the revitalization of Alvarado Creek. Chair Gomez stated that she would like to bring back Policy 18 to the Board next month to include prevailing wage and skilled and trained workforce labor for these projects going forward.

Ms. Montgomery asked about the status of other Transit Oriented Development (TOD) projects that are currently in process. Mr. Allison stated that there is a proposed TOD project at Palm Avenue and another project in Chula Vista at E Street. He stated that the Palm Avenue project has been approved by the Executive Committee to enter into an exclusive negotiating agreement and the E Street project is out for Request for Qualifications (RFQ)/Request for Proposals (RFP) and will be brought back to the Board. Ms. Montgomery asked if section 3 in the motion would fulfill the Alvarado Creek plan. Ms. Landers replied that section 3 of the motion includes the preliminary steps to addressing the cleanup of the Alvarado Creek. She stated that the details related to the expanded Alvarado Creek project are addressed under section 4 of the motion, which will also include MTS and the City of San Diego determining its fair share obligations and allocations of the project.

Mr. Fletcher asked for clarification on the motion as it relates to the ground lease amendment. Jimmy Silverwood, with Affirmed Housing, provided additional clarification on the amendment to the ground lease. He clarified that they have also included a middle-income component for this project. Mr. Silverwood stated that this project will still be a low-income housing tax credit deal, but they have also structured it with a middle-income financing portion, which is the CalHFA reference in the amendment. Mr. Fletcher commented that it is important to have the most housing density close to transit stations. He asked if MTS has gone out to other developers to see if we could obtain higher housing densities at this property location. Ms. Cooney replied that Greystar provided MTS an unsolicited proposal and Affirmed Housing also came in with another

proposal. She stated that this property had remained open and available to all developers. Ms. Cooney noted that MTS was getting a lot of interest in the property, but no other proposals were submitted. Mr. Fletcher asked how long the RFQ/RFP process would take for this type of project. Mr. Allison replied that it generally takes approximately eight months to one year.

Ms. Aguirre commented that she agrees with the other Board Members regarding building higher density developments. She stated that she supports the Chair's recommendation to bring back Policy 18 to update the prevailing wage, and skilled and trained workforce requirements going forward.

Ms. Weber commented that she wants to ensure that the Board is aware of the bigger visions and opportunities for future consideration on these types of projects. Ms. Weber also commented that she is a big supporter of prevailing wage, and skilled and trained workforce labor.

Action Taken

Ms. Moreno made an amended motion to include the amendments provided by MTS Legal Counsel related to the Affirmed Ground Lease document and to also approve the following motion: (1) Execute a Disposition and Development Agreement with Grantville Trolley Family Housing, L.P. (an affiliate of Affirmed Housing Group, Inc.) (Affirmed) in substantially the same format as Attachment B, including the finalization and execution of a 99-Year Ground Lease with the material terms identified on Page B-44. (2) Execute a Disposition and Development Agreement with Grantville Trolley, L.P., (an affiliate of Greystar Real Estate Partners, LLC) (Greystar) in substantially the same format as Attachment C, including the finalization and execution of a 99-Year Ground Lease with the material terms identified on Pages C-46 to C-47. (3) To create an Alvarado Creek Maintenance Project for MTS to (a) inspect the portions of Alvarado Creek within MTS's real property ownership and remove trash and loose debris on a regular basis; and (b) obtain necessary permits and take action to dredge to remove accumulated sediment and vegetation from the portions of Alvarado Creek within MTS's real property ownership that reduce the conveyance capacity. Individual approvals to be processed according to the authority granted in Board Policy No. 41. (4) To negotiate and bring back for MTS Board approval a Memorandum of Understanding (MOU) with the City of San Diego to identify a process for implementation of the proposed Grantville Trolley Station / Alvarado Creek Revitalization Project, including the following MTS efforts: (a) Identify a lead and project sponsor, a permitting and environmental clearance schedule, a construction phasing plan, a funding plan and mechanism, and a process for determining MTS's fair share of implementing the Grantville Trolley Station / Alvarado Creek Revitalization Study costs and responsibilities between other Reach 2 property owners; (b) Address MTS Alvarado Creek Maintenance Project plans referenced in Recommendation No. 3 above; and (c) Document MTS's intent to accommodate the Alvarado Creek Enhancement Project as currently planned on MTS-owned property on Reach 2, including allowing the construction of a realigned and widened channel, south of the existing channel in Reach 2 and adding/grading for low-lying area as Floodable Green Space, south of the realigned channel to enhance hydraulic function, and providing for construction of up to three pedestrian/bicycle bridges in Reach 2 to increase connections to the Grantville Trolley Station. Mr. Hall seconded the motion, and the vote was 12 to 2 in favor with Mr. Fletcher and Mr. McClellan voting no, and Mr. Arambula absent.

34. Low-Floor Light Rail Vehicle (LRV) Procurement – Contract Award (Wayne Terry) (TAKEN BEFORE CLOSED SESSION)

Wayne Terry, Chief Operating Officer – Rail, provided a presentation on the LRV procurement contract award. He reviewed the LRV fleet history and noted that this new procurement would provide low-floor service system-wide. Sam Elmer, Manager of Procurement, discussed the procurement solicitation process; proposed vehicle; total estimated cost; and fair and reasonable price determination. Larry Marinesi, Chief Financial Officer, reviewed the project funding plan. Lastly, Mr. Terry reviewed the staff recommendation and asked for questions and comments from the Board.

Ms. Galvez asked how fast the vehicles can travel and if they could be accommodated with high-speed rail. Mr. Terry replied that these vehicles are governed at 55 miles per hour.

Action Taken

Chair Gomez moved to authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1449.0-18 with Siemens Mobility Inc., (“Siemens”), for the purchase of 25 Low-Floor LRVs under the base order, and up to 22 Low-Floor LRVs under the options order, for a total not to exceed 47 LRVs, in the amount of \$219,098,482.30. Mr. Sandke seconded the motion, and the vote was 12 to 0 in favor with Mr. Arambula, Mr. Fletcher and Mr. Hall absent.

REPORT ITEMS

45. Zero Emission Bus Pilot Program Update (Mike Wygant) (TAKEN BEFORE CLOSED SESSION)

This item was deferred to the next Board meeting.

Action Taken

No action taken. Informational item only.

46. Semiannual Uniform Report of Disadvantaged Business Enterprise (DBE) Awards and Payments (Samantha Leslie) (TAKEN BEFORE CLOSED SESSION)

Samantha Leslie, Staff Attorney, provided a report on the semiannual uniform report of DBE awards and payments. She reviewed the DBE overall triennial goal for Federal Fiscal Year (FFY) 2019 – 2021. Ms. Leslie also discussed the DBE semiannual report and achievements for October 1, 2018 – March 30, 2019.

Ms. Montgomery asked about the process MTS utilizes for reaching out to potential DBE firms. Sam Elmer, Manager of Procurement, replied that MTS maintains its own database of DBE firms that we obtain from attending outreach events. He noted that MTS also has an online bidding platform, which allows all registered DBE firms to bid on projects. Ms. Montgomery asked if MTS has any building capacity and technical assistance for smaller businesses and DBE firms. Ms. Leslie replied that MTS forwards those firms to business organizations in San Diego that provide that specific type of assistance. Ms. Montgomery requested staff to schedule a briefing with her office to further discuss the details and process of DBE utilization at MTS.

Action Taken

No action taken. Informational item only.

47. Operations Budget Status Report for April 2019 (Mike Thompson) (TAKEN BEFORE CLOSED SESSION)

Mike Thompson, Director of Financial Planning and Analysis, provided an operations budget status report for April 2019. Mr. Thompson reviewed the total operating revenues, total operating expenses, and total operating variance. Lastly, he discussed on-going concerns including regional sales tax receipts, State Transit Assistance formula funds, passenger levels, and energy prices.

Action Taken

No action taken. Informational item only.

59. Elevate SD 2020 Update (TAKEN BEFORE CLOSED SESSION)

Mr. Jablonski provided a brief update on Elevate SD 2020. He stated that the second Community Advisory Committee meeting will take place later in the month. He noted that there have been several community public forums with other public forums scheduled going forward. Mr. Jablonski also stated that there are consistent daily and weekly meetings be held with constituents and business leaders.

60. Chair Report (TAKEN BEFORE CLOSED SESSION)

There was no Chair report.

61. Chief Executive Officer's Report (TAKEN BEFORE CLOSED SESSION)

There was no Chief Executive Officer's report.

62. Board Member Communications (TAKEN BEFORE CLOSED SESSION)

Ms. Rios noted that there would be a workshop today at 1:00pm in the Board Room during the MTS Accessible Services Advisory Committee meeting regarding Elevate SD 2020.

Ms. Aguirre commented that she would be hosting a community forum that evening in Imperial Beach to cover public transit topics. She stated that forum would take place at Bikeway Village in Imperial Beach from 6:00pm – 8:00pm.

63. Additional Public Comments on Items Not on the Agenda (TAKEN BEFORE CLOSED SESSION)

Kamran Hamidi – Mr. Hamidi commented about taxi industry issues. He stated that the taxi industry has suffered from the competition of Uber and Lyft. Mr. Hamidi noted that the Airport will be considering lifting the caps on taxis at an upcoming meeting on July 1. He asked MTS to

coordinate with the Airport before that meeting takes place to help better facilitate the process.
Mr. Hamidi thanked MTS for their work with the taxi industry.

CLOSED SESSION

31. Closed Session Items

The Board convened to Closed Session at 11:30 a.m.

- a. CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to California Government Code Section 54956.9(d)(1)
San Diego Metropolitan Transit System v. Grand Central West LLC and related cross-
complaints (San Diego Superior Court Case No. 37-2014-00044014-CU-OR-CTL)

The Board reconvened to Open Session at 11:42 a.m.

Oral Report of Final Actions Taken in Closed Session

Karen Landers, General Counsel, reported the following:

- a. The Board received a report.

64. Next Meeting Date

The next regularly scheduled Board meeting is July 25, 2019.

65. Adjournment

Chair Gomez adjourned the meeting at 11:42 a.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): June 13, 2019

CALL TO ORDER (TIME): 9:05 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 11:30 a.m.

RECONVENE: 11:42 a.m.

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: 1

ADJOURN: 11:42 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
AGUIRRE	<input checked="" type="checkbox"/> (Spriggs) <input type="checkbox"/>	9:00 a.m.	11:42 a.m.
ARAMBULA	<input type="checkbox"/> (Mendoza) <input type="checkbox"/>		
ARAPOSTATHIS	<input type="checkbox"/> (Weber) <input checked="" type="checkbox"/>	9:00 a.m.	11:42 a.m.
FAULCONER	<input type="checkbox"/> (Moreno) <input checked="" type="checkbox"/>	9:00 a.m.	11:42 a.m.
FLETCHER	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:00 a.m.	11:08 a.m.
FRANK	<input checked="" type="checkbox"/> (Mullin) <input type="checkbox"/>	9:00 a.m.	11:42 a.m.
GALVEZ	<input checked="" type="checkbox"/> (Diaz) <input type="checkbox"/>	9:00 a.m.	11:42 a.m.
GOMEZ	<input checked="" type="checkbox"/> (Campbell) <input type="checkbox"/>	9:00 a.m.	11:42 a.m.
HALL	<input checked="" type="checkbox"/> (McNelis) <input type="checkbox"/>	9:00 a.m.	11:05 a.m.
MCCLELLAN	<input checked="" type="checkbox"/> (Goble) <input type="checkbox"/>	9:00 a.m.	11:42 a.m.
MONTGOMERY	<input checked="" type="checkbox"/> (Bry) <input type="checkbox"/>	9:00 a.m.	11:42 a.m.
RIOS	<input checked="" type="checkbox"/> (Sotelo-Solis) <input type="checkbox"/>	9:00 a.m.	11:42 a.m.
SALAS	<input checked="" type="checkbox"/> (Diaz) <input type="checkbox"/>	9:00 a.m.	11:42 a.m.
SANDKE	<input checked="" type="checkbox"/> (Donovan) <input type="checkbox"/>	9:00 a.m.	11:42 a.m.
WARD	<input checked="" type="checkbox"/> (Kersey) <input type="checkbox"/>	9:00 a.m.	11:30 a.m.

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

CONFIRMED BY THE GENERAL COUNSEL: *Pauler*