

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

MINUTES

July 25, 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 9:03 a.m. A roll call sheet listing Board member attendance is attached.

2. Approval of Minutes

Ms. Moreno moved to approve the minutes of the June 13, 2019, MTS Board of Directors meeting. Ms. Montgomery seconded the motion, and the vote was 13 to 0 in favor with Mr. Arapostathis and Mr. Hall absent.

3. Public Comments

Martha Welch – Ms. Welch commented about the lack of bus benches throughout the system. She commented about union versus non-union transit employees. Ms. Welch stated that the Blue Line Trolley will sometimes run three old trolley vehicles instead of the new models.

Conner Boggan – Mr. Boggan commented about Youth Compass Cloud passes. He stated that youth transit fares are not available on Compass Cloud unless you go to the Transit Store for verification. Mr. Boggan requested for MTS to change this policy in order to make it easier for youth to access transit passes on their Compass Cloud phone application. He stated that more youth are likely to ride transit if it is easier to obtain a fare on their smart phones.

Lorraine Leighton – Ms. Leighton commented about issues with East County, South Bay and First Transit bus drivers. She stated that some of the drivers will not put the bus ramp down for her when she enters the bus. Ms. Leighton claims that some of the drivers say she is not disabled. She stated that these issues need to be resolved or she will take them to court.

CONSENT ITEMS

6. Fiscal Year 2019-2020 California Senate Bill (SB) 1 State of Good Repair (SGR) Funding
Action would approve Resolution No. 19-8, in order to authorize the use of, and application for, \$4,573,191 in fiscal year 2019-20 State of Good Repair funding to be used for the 60-foot NABI Bus Replacement Project.
7. Revisions to MTS Policy No. 26, "Disadvantaged Business Enterprise Program"
Action would approve revisions to MTS Policy No. 26, "Disadvantaged Business Enterprise Program".

8. Clarifier Waste Services – Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG277.0-19 with Asbury Environmental Services (“Asbury”), dba World Oil Environmental Services, for the provision of Clarifier Waste Services, for five years beginning November 10, 2019, for \$385,895.35.

9. Parking Lot Sweeping Services – Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. L1503.0-19, with San Diego Sweeping Service for the provision of parking lot sweeping services for a three (3) year base period and two (2) one-year optional terms exercisable at MTS’s sole discretion, for a total of five years. The total cost shall not exceed \$201,900 for the base and option years.

10. Creative / Marketing / Branding On Call Services – Contract Amendment

Action would authorize the Chief Executive Officer (CEO) to ratify Amendment No. 1 (\$99,000) and execute Amendment No. 2 to G2053.0-18 (in substantially the same format as Attachment A) with Civilian, Inc. (Civilian) in the amount of \$1,803,000. The amendment will allow for additional on-call service hours, to include advertising and media buying services, as well as exercise all option years (\$104,050.00). The original board approval amount of \$491,150.00 will increase to a not to exceed amount of \$2,006,050.

11. Increased Authorization for Legal Service Contracts to Pay the Projected Expenses in Fiscal Year 2020

Action would authorize the Chief Executive Officer (CEO) to execute amendments to the legal services contracts described herein, increasing the dollar amount of six (6) legal services contracts by \$675,000.00 to cover anticipated fiscal year 2020 (FY20) expenses.

12. Janitorial Services – Contract Amendment

Action would authorize the Chief Executive Officer (CEO) to ratify Amendments 1 through 8 and execute Amendment No. 9 to MTS Doc. No. G1931.0-16 with NMS Management Inc., a Disadvantaged Business Enterprise (DBE), in the amount of \$171,057.07, for janitorial services not covered under the original contract amount.

13. Amendment No. 1 to Moovel Agreement for Mobile Ticketing Services

Action would authorize the Chief Executive Officer (CEO) to execute an amendment to MTS Doc. No. G1818.0-15 with Moovel North America, LLC in the amount of \$217,500 to expand services to include “FareShare” for the remaining base term through March 31, 2020 and any option years (4/1/20 to 3/31/23) exercised thereafter.

14. Employee Benefits Broker/Consulting Services – Contract Award

Action would execute MTS Doc. No. G2233.0-19 in the amount of \$838,069.75 with Alliant Insurance Services, Inc. (Alliant) for the provision of employee benefits broker/consulting services for a three-year base period with 5 one-year option terms (for a total of 8 years); and exercise each option year at the CEO’s discretion.

15. Task Order Contract Approval to Develop Conceptual Designs for America Plaza Pedestrian Enhancements

Action would authorize the Chief Executive Officer (CEO) to execute Work Order WOA1951-AE-29 to MTS Doc. No. G1951.0-17 with Mott MacDonald in the amount of \$160,456.80 to develop a conceptual design for pedestrian enhancements to the America Plaza Trolley Station area.

BOARD COMMENTS – CONSENT ITEMS

Mr. Ward requested to pull consent item 10.

Ms. Moreno commented that she previously had questions on consent items 11 and 14, but staff answered her questions prior to the meeting. She appreciated the clarification provided to her by MTS staff and moved to approve the slate of consent items.

Action on Recommended Consent Items, excluding Consent Item 10

Ms. Moreno moved to approve Consent Agenda Item Nos. 6 – 15, excluding Consent Item 10. Mr. Sandke seconded the motion, and the vote was 14 to 0 in favor with Mr. Hall absent.

BOARD COMMENTS – CONSENT ITEM 10

Mr. Ward inquired about the scope of work for consent item number 10. He asked if the goals referenced in the scope of work have been defined for purposes of this contract. Rob Schupp, Director of Marketing and Communications, replied that we will have well defined goals for all of our projects. He stated that the goals have not been defined yet, but they will be as projects develop.

Mr. Sandke asked if it was okay to combine general marketing services and Elevate SD 2020 marketing services together under the same contract. Mr. Schupp replied that it is appropriate to have these items under the same contract. He noted that the underlying goal is to provide a strong message to the public about MTS and its services.

Action on Recommended Consent Item 10

Mr. Ward moved to approve Consent Item No. 10. Mr. Sandke seconded the motion, and the vote was 14 to 0 in favor with Mr. Hall absent.

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS (TAKEN BEFORE CLOSED SESSION)

30. Revisions to MTS Board Policy No. 18, “Joint Development Program” (Sharon Cooney)

Sharon Cooney, Chief of Staff, provided a presentation on the proposed revisions to MTS Board Policy No. 18, “Joint Development Program”. She reviewed the recent actions associated with Policy No. 18. The policy was revised in October 2018 to provide direction to staff on how to gain best use of MTS owned property. Then in June 2019, the Board Chair directed staff to return with two potential revisions: applying prevailing wage to private developments on MTS property; and requiring same use of skilled and trained labor as applies to MTS. Ms. Cooney noted that these proposed revisions are included in the updated draft policy today. She asked the Board for comments and questions.

PUBLIC COMMENTS

Mike Magallanes – Mr. Magallanes commented on behalf of the Southwest Regional Council of Carpenters. He stated that they are supportive of the new revisions to Policy No. 18.

Murtaza Baxamusa – Mr. Baxamusa commented on behalf of the San Diego Building Trades Family Housing. He stated that they are supportive of the changes to Policy No. 18.

Eric Christen – Mr. Christen commented on behalf of the Coalition for Fair Employment in Construction. He stated that they oppose the revisions being proposed to Policy No. 18. Mr. Christen stated that these changes are being pushed forward by labor interest groups and will favor project labor agreements.

Carol Kim – Ms. Kim commented on behalf of the San Diego Building Trades. She stated that they support the proposed amendments to Policy No. 18.

Gretchen Newsom – This speaker was not present.

Kelvin Barrios – Mr. Barrios commented on behalf of Laborers Local 89. He stated that they support the amendments to Policy No. 18.

Micah Mitrosky – Ms. Mitrosky commented on behalf of IBEW 569. She stated that they are in full support of the changes being proposed to Policy No. 18.

BOARD COMMENTS

Mr. McClellan commented that he would not be supporting the item today, because he believes the jobs should be awarded to the lowest possible bidder.

Ms. Frank stated that this new policy language incentivizes project labor agreements, which hinder fair competition and drive up costs. She stated that these costs are already inflated due to overregulation and prevailing wage. Ms. Frank commented that these changes are the first step in the potential future requirement of project labor agreements for all projects. She stated that she cannot support this action today.

Ms. Galvez stated that she believes that this policy amendment will help provide the highest quality construction for developments going forward.

Mr. Cox commented that he is in favor of having a skilled and trained workforce develop these projects, however he is also aware of non-union workers that are very well trained and skilled, but may not meet the definition required in this policy. He stated that he will be voting against the proposed amendments today, because the policy seems to be favoring the push towards project labor agreements.

Ms. Aguirre commented that she supports the proposed amendments to Policy No. 18.

Ms. Rios stated that she will also be supporting the proposed amendments to Policy No. 18.

Chair Gomez commented that she is supportive of the proposed amendments. She stated that it is important to have these requirements to provide prevailing wages to workers and require

skilled and trained workforces to work on these developments. Chair Gomez thanked staff for bringing this item forward for approval.

Action Taken

Ms. Aguirre moved to approve the proposed revisions to MTS Board Policy No. 18, “Joint Development Program”. Ms. Salas seconded the motion, and the vote was 10 to 4 in favor with Mr. Cox, Ms. Frank, Mr. McClellan and Mr. Sandke voting no, and Mr. Hall absent.

31. Security Contract Amendment (Manny Guaderrama)

Manny Guaderrama, MTS Chief of Police, provided a presentation on the proposed Security Contract Amendment. He reviewed the details of the current security contract with Allied Universal, as well as the previous amendments to the contract. Mr. Guaderrama discussed the current contract issues, which include keeping positions fully staffed and paying the armed officers competitive wages. He discussed the proposed amendment to the contract, which would increase the pay for armed officers and supervisors. Mr. Guaderrama noted that if Allied Universal does not adhere to the minimum staffing levels, they will pay MTS penalty fees. He also stated that the total estimated cost of this amendment would not exceed \$1,980,114. Mr. Guaderrama discussed the next steps to prepare for a new competitive Request for Proposals (RFP) for Security Services. He stated that the current contract will expire in June 2021, however the new RFP process will begin in early 2020.

PUBLIC COMMENTS

Jonathan Castillo & Steve Fiechter – Mr. Castillo and Mr. Fiechter commented on behalf of PATH. They discussed the pilot program underway with PATH and Los Angeles METRO. They stated that they are working with Los Angeles METRO to help provide services to the homeless population. Mr. Castillo noted that since 2013, they have connected more than 7,500 people to permanent housing. They stated that they would be happy to meet with MTS staff to discuss potential future partnerships in the San Diego region.

Emily Howe – Ms. Howe commented on behalf of Think Dignity. She stated that they have concerns about the security contract. Ms. Howe commented that they have concerns with security leadership and how resources are being allocated to security services. She stated that they have issues with the behavior of security officers towards the homeless population. Ms. Howe commented that extra funding should be used to help these populations rather than contributing to criminalization by issuing fare citations.

BOARD COMMENTS

Mr. Arapostathis commented that he wants to ensure that the officers hired are sufficiently trained in proper use-of-force and de-escalation trainings.

Ms. Aguirre asked about the cost of the PATH pilot program. Mr. Castillo and Mr. Fiechter responded that it would cost approximately \$1.2 million, based on the Los Angeles METRO program. They noted that all of the partnerships can be customized to the specific region and their needs.

Mr. Cox inquired if the PERT teams are accessible to MTS. Mr. Guaderrama replied that they will help when requested, but they also have a lot of issues they are dealing with outside of our area and don't always have enough resources. Mr. Cox stated that the County recently increased the number of PERT teams for the County, so that may be another positive resource for the region.

Ms. Montgomery stated that she would like to see MTS invest in homeless outreach in partnership with County and City services. She stated that she is interested in scheduling the Public Security Committee meeting as soon as possible. Ms. Montgomery stated that she appreciated the work of the security officers this past weekend during Comic Con. She commented that she observed security officers using respect and discretion with riders. Ms. Montgomery also stated that she would like to look at making amendments to MTS Board Policy No. 5.

Ms. Salas commented that she is supportive of the recommendation today. She stated that it is important to have well-paid security officers to ensure effective officers are retained long term. Ms. Salas stated that having a high quality security team will help attract new and choice riders on the system. She also recommended looking into utilizing state funds that MTS could access for homeless outreach programs.

Mr. Ward commented that he has concerns with utilizing a private security firm for our armed security officers. He stated that this lessens our accountability and ability to respond to issues on our system. Mr. Ward asked who the contracted security officers are accountable to when use of force is used. Mr. Guaderrama replied that they are accountable to both MTS and their own company. Mr. Guaderrama noted that MTS has the authority to remove any contracted security officer from the system that is not fit for the job. Mr. Ward stated that he has seen reports of the private security using aggressive behavior with MTS riders, particularly with homeless people and persons of color. He asked what the cost-benefit analysis is in relation to spending money to keep our revenue high with a low likelihood of additional compliance. Mr. Ward commented that it may be beneficial to use these resources towards enhancing outreach for homeless and low-income populations. He requested that PATH be given an invitation to come make a full presentation to the Board at a future meeting regarding its outreach services. Mr. Ward also requested for staff to look into amendments for Policy No. 5.

Ms. Salas requested staff to provide a list and report of security-related complaints they have received.

Chair Gomez asked about the process for the next RFP for this contract. Ms. Landers explained the RFP process and timeline. She noted that the scope of work would be released around May or June 2020 and that would be developed with the help of the Public Security Committee. Ms. Landers stated that the goal will be to have a new contract awarded by February 2021.

Ms. Aguirre commented that she is supportive of the idea of restructuring this contract. She stated that she would like to see improvements made to the security standards going forward.

Action Taken

Ms. Montgomery moved to authorize the Chief Executive Officer (CEO) to execute Amendment Number 6 to MTS Doc. No. G1828.0-15, with Allied/Universal dba Transit Systems Security, in

the amount of \$1,980,114 for the provision of security services. Ms. Salas seconded the motion, and the vote was 13 to 1 in favor with Mr. Ward voting no and Mr. Hall absent.

REPORT ITEMS (TAKEN BEFORE CLOSED SESSION)

45. Zero Emission Bus Pilot Program Update (Mike Wygant)

Mike Wygant, Chief Operating Officer – Transit Services, provided an update on the Zero Emission Bus (ZEB) Pilot Program. He discussed the details of the Innovative Clean Transit (ICT) Rule passed in December 2018 by the California Air Resources Board. He reviewed the history of the ZEB pilot program; Battery Electric Bus (BEB) procurement; charging infrastructure for Phase 1; charging infrastructure for Phase 2; ZEB pilot program training; and ZEB pilot program costs. Mr. Wygant discussed the Transit and Intercity Rail Capital Program (TIRCP) Route 925 Project in South Bay. He also reviewed next steps going forward in the program.

Steve Clermont, with Center for Transportation and the Environment (CTE), continued the presentation and provided an update on their progress with this pilot program. He reviewed their scope of work and progress related to the ZEB Pilot Program.

Ms. Galvez asked where the charging station would be on Route 925. Mr. Wygant replied that the location of the charging station has not been determined yet, but they know it will be at one of the transit stops on the route.

Action Taken

No action taken. Informational item only.

46. South Bay Feeder Bus Service Community Outreach Plan (Edgar Torres with Kimley-Horn)

Denis Desmond, Director of Planning, introduced Edgar Torres with Kimley-Horn. Mr. Torres provided a presentation on the South Bay Feeder Bus Service Community Outreach Plan. He reviewed the outreach approach; MetroQuest platform; public meetings and popup events; and community groups. Mr. Torres discussed the coordinated effort with MTS and the schedule going forward.

Ms. Aguirre thanked staff and Kimley-Horn for providing this presentation. She stated that her focus is on meaningful engagement. She asked about the flexibility in the strategies that they are going to use for the outreach and popup events. Mr. Torres replied that they are flexible in determining the popup event locations.

Ms. Moreno commented that it is very important to reach as many members of the public as possible for this outreach and recommended utilizing the Board Members for help in the outreach.

Chair Gomez thanked staff and Kimley-Horn for presenting on this item. She encouraged Kimley-Horn to utilize the recommendations that Board Members have provided today.

Ms. Rios commented that she agrees how important it is to hold these types of outreach events for communities and residents.

Action Taken

No action taken. Informational item only.

47. Operations Budget Status Report for May 2019 (Mike Thompson)

Mike Thompson, Director of Financial Planning and Analysis, provided a brief update on the operations budget status for May 2019. He noted that we are on plan through the first 11 months of the year against the amended budgets and we are expected to come in ahead of plan for the full year.

Action Taken

No action taken. Informational item only.

59. Elevate SD 2020 Update

Mr. Jablonski stated that since the last report staff has attended seven community events every weekend. He stated that the communities have been very responsive to our efforts. MTS has held 10 community forums with the next forum in Barrio Logan on July 30. Mr. Jablonski thanked the Board Members who have attended the forums. He stated that there are three more community events to attend in August and they will also be launching a survey tool online for the public to participate.

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 report.

62. Board Member Communications (TAKEN BEFORE CLOSED SESSION)

There were no Board Member Communications.

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

There were no additional public comments.

CLOSED SESSION – PUBLIC COMMENT

Mitchel Beauchamp – Mr. Beauchamp commented that he would like the Board to look at what is going on with the current contractor for the Desert Line. He stated that the Board should properly vet the contractors. He also recommended MTS selling the Desert Line. Mr. Beauchamp's full written comments were provided to the Board Members and are included in the final meeting packet.

CLOSED SESSION

24. Closed Session Items

The Board convened to Closed Session at 11:05 a.m.

- a. CLOSED SESSION – CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to California Government Code Section 54956.8
Property: The San Diego and Arizona Eastern Railway Company (SD&AE) Desert Line from approximate Mile Post 60 to approximate Mile Post 130 (Division to Plaster City) in San Diego and Imperial Counties
Agency Negotiators: Paul Jablonski, Chief Executive Officer; Karen Landers, General Counsel; and Tim Allison, Manager of Real Estate Assets
Negotiating Parties: Baja California Railroad, Inc. (BJRR)
Under Negotiation: Price and Terms of Payment under Desert Line Lease and Operating Agreement
CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Pursuant to California Government Code Section 54959.9(d)(4) (One potential case)

The Board reconvened to Open Session at 11:20 a.m.

Oral Report of Final Actions Taken in Closed Session

Karen Landers, General Counsel, reported the following:

- a. The Board received a report and gave instructions to negotiators.

64. Next Meeting Date

The next regularly scheduled Board meeting is August 22, 2019. (Clerk's note: this meeting is pending cancellation).

65. Adjournment

Chair Gomez adjourned the meeting at 11:21 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): July 25, 2019

CALL TO ORDER (TIME): 9:03 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 11:05 a.m.

RECONVENE: 11:20 a.m.

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 11:21 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
AGUIRRE	<input checked="" type="checkbox"/> (Spriggs) <input type="checkbox"/>	9:00 a.m.	11:21 a.m.
ARAMBULA	<input checked="" type="checkbox"/> (Mendoza) <input type="checkbox"/>	9:00 a.m.	11:21 a.m.
ARAPOSTATHIS	<input checked="" type="checkbox"/> (Weber) <input type="checkbox"/>	9:10 a.m.	11:21 a.m.
FAULCONER	<input type="checkbox"/> (Moreno) <input checked="" type="checkbox"/>	9:00 a.m.	11:10 a.m.
FLETCHER	<input type="checkbox"/> (Cox) <input checked="" type="checkbox"/>	9:00 a.m.	10:40 a.m.
FRANK	<input checked="" type="checkbox"/> (Mullin) <input type="checkbox"/>	9:00 a.m.	11:21 a.m.
GALVEZ	<input checked="" type="checkbox"/> (Diaz) <input type="checkbox"/>	9:00 a.m.	11:21 a.m.
GOMEZ	<input checked="" type="checkbox"/> (Campbell) <input type="checkbox"/>	9:00 a.m.	11:21 a.m.
HALL	<input type="checkbox"/> (McNelis) <input type="checkbox"/>		
MCCLELLAN	<input checked="" type="checkbox"/> (Goble) <input type="checkbox"/>	9:00 a.m.	11:21 a.m.
MONTGOMERY	<input checked="" type="checkbox"/> (Bry) <input type="checkbox"/>	9:00 a.m.	11:21 a.m.
RIOS	<input checked="" type="checkbox"/> (Sotelo-Solis) <input type="checkbox"/>	9:00 a.m.	11:21 a.m.
SALAS	<input checked="" type="checkbox"/> (Diaz) <input type="checkbox"/>	9:00 a.m.	11:21 a.m.
SANDKE	<input checked="" type="checkbox"/> (Donovan) <input type="checkbox"/>	9:00 a.m.	11:21 a.m.
WARD	<input checked="" type="checkbox"/> (Kersey) <input type="checkbox"/>	9:00 a.m.	11:21 a.m.

SIGNED BY THE CLERK OF THE BOARD:

Julia Tuer

CONFIRMED BY THE GENERAL COUNSEL:

Coner Coner