

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS

****ELEVATE SD 2020 BOARD WORKSHOP****

1255 Imperial Avenue, Suite 1000
San Diego, CA 92101

MINUTES

November 2, 2019

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

1. Roll Call

Chair Fletcher called the Board meeting to order at 9:03 a.m. A roll call sheet listing Board member attendance is attached.

2. Public Comments

Gretchen Newsom – Ms. Newsom commented on behalf of IBEW 569. She voiced support for the Purple Line project, and requested for MTS to work closely with SANDAG on this project. Ms. Newsom stated that they look forward to continuing working with MTS on advancing the Elevate SD 2020 ballot initiative.

Renee Chello – Ms. Chello commented on the public health issues on the buses. She stated that there are unsheltered riders that have severe odor or are carrying items that are dirty that could impact the health of other transit riders.

Toshi Ishihara – Mr. Ishihara voiced his support for Elevate SD 2020. He stated that he would like to see immediate improvements to the system and services. Mr. Ishihara commented that longer term investments are also important to improve climate change and improve the San Diego region.

Peter Warner – Mr. Warner recommended holding some of the public outreach events at indoor locations to avoid impactful weather conditions. He also asked if some of the public outreach events could be held in the north county jurisdiction.

Jack Shu – Mr. Shu commented about the different options that are available to fund transit besides issuing bond measures. He stated that now is not the time to put forward a sales tax measure, especially while the region is currently underway in developing a new regional transit plan.

Peter O'Connor – Mr. O'Connor commented on his support of adding more direct bus services on the highways between neighborhoods.

Denisse Lopez – Ms. Lopez stated that she would like to see the Youth Opportunity Pass included in the Elevate SD 2020 measure. She stated that the youth riders will benefit from this free fare pass and will continue to use transit in the future.

Murtaza Baxamusa – Mr. Baxamusa recommended three metrics to be used during the Elevate SD 2020 process. He stated that the goals and metrics should include mode shift, economic development, and money split for the projects and services that will be included in the measure.

Nicole Burgess – Ms. Burgess commented on the need for San Diego residents to get outside and active during their transportation. She asked for the Board to listen to the residents and their input as it relates to transportation. Ms. Burgess stated that safe routes to school is not captured in the data the consultants have provided.

Phil Baller – Mr. Baller encouraged the Board to advocate for increased frequency and later service in the evenings. He stated that having these extra options can help improve the lives of people, especially those that work late night shifts.

CHIEF EXECUTIVE OFFICER COMMENT

Paul Jablonski, Chief Executive Officer, provided an introduction prior to the meeting presentations. He reviewed the topics and items that would be discussed in the meeting. Mr. Jablonski noted that staff will be asking for the Board's input and feedback in developing the details of the proposed ballot measure. He stated that MTS looks forward to continuing the work on this process with the Board, stakeholders, and members of the public.

3. a. Results of Public Outreach to Date (Mark Olson)

Mark Olson, Manager of Public Relations, provided a presentation on the results of public outreach to date. He reviewed the details and results of the public participation plan; public engagement events to date; key themes observed; total value rankings at outreach events; total value rankings at community forums; total value rankings at the community advisory committee; total value rankings at working groups/workshops; and total value rankings combined from the outreach. Mr. Olson reviewed the results and feedback from the vision builder tool to date, and the early takeaways from the tool. Lastly, he discussed next steps and noted that staff will continue with public outreach and report back at the next Board Workshop.

PUBLIC COMMENTS

Oscar Medina – Mr. Medina commented on behalf of the Environmental Health Coalition. He requested for the public outreach events to be staffed with bilingual staff members, so that the non-English speaking public will be able to communicate.

Rosa Vidal – Ms. Vidal commented on behalf of Mid-City CAN. She stated that public outreach events should be staffed with bilingual staff members. She also commented on the inclusion of Youth Opportunity Passes in the Elevate SD 2020 program.

Jack Shu – Mr. Shu commented that there does not need to be a list of projects for the ballot measure. He recommended that there should be overlying criteria within the ballot measure that relates to speed, frequency, and reliability.

Vianney Ruvalcaba – Ms. Ruvalcaba commented on behalf of the City Heights Community Development Corporation. She stated that they sent a letter to MTS last October requesting for

specific projects to be included in this process. She noted that they are pleased to see many of those projects being discussed.

Nicole Burgess – Ms. Burgess commented about separating security and amenities in the measure. She stated that many people do not want more security, but they do want more amenities. Ms. Burgess commented on including Youth Opportunity Passes in the measure and also including more bike amenities.

BOARD COMMENTS

Vice Chair Rios inquired about the most popular and least popular responses in the vision builder tool as it relates to the Blue Line Express. She requested that a clearer definition and description of the Blue Line Express be incorporated into the public outreach process.

Mr. Sandke inquired about the military bases and public outreach. He also asked about the lower cost projects and why projects such as the ferries scored low. Mr. Olson replied that the military population is an important population to reach. He stated that staff will be holding public outreach at the bases throughout San Diego and should be receiving more information from that population in the next month. Sharon Cooney, Chief of Staff, commented about the ferry projects. She stated that many people feel that mode of transit is geared towards tourists and not residents. She noted that people may not understand that particular mode of transit at this point.

Ms. Weber commented on the lack of community outreach in the City of La Mesa. She requested for additional outreach to take place in La Mesa.

Ms. Salas stated that she would like to ensure that all data points are being considered that will drive an increase in transit use by the public.

Mr. Ward commented about including colleges and universities within the public outreach process. Mr. Olson stated that they have been included in this process and staff will continue including the colleges and universities in the public outreach process. Mr. Ward also recommended staff to try surveys on board transit vehicles to receive feedback from daily riders. Mr. Ward also asked for staff to look into ways to differentiate the responses from transit-dependent riders and choice riders.

Ms. Sotelo-Solis inquired about the hard costs from Free Ride Day. Mr. Jablonski commented that the loss of revenue was approximately \$150,000. Ms. Sotelo-Solis recommended considering the impact of holding a Free Ride Month and looking at the data and ridership numbers. She also requested for key transit destinations to be included in the next wave of public outreach.

b. Transit Network Planning and Project Evaluation Metrics (Denis Desmond)

Denis Desmond, Director of Planning, provided a presentation on transit network planning and project evaluation metrics. He reviewed the projects currently in metrics evaluation and system-wide proposals under consideration. Mr. Desmond reviewed the following projects and metrics: mobility-on-demand, mobility hubs, grade separations, youth opportunity passes/other fare

discounting, security, bus fleet electrification, and grant programs. He also discussed project evaluation metrics and conceptual project metrics.

PUBLIC COMMENT

Peter Warner – Mr. Warner commented that research should be done on implementing an I-5 freeway BRT route. He stated that he would like to see improved connections between San Diego and Orange County.

BOARD COMMENTS

Mr. Ward inquired if there was data about future housing planning in relation to the proposed transit projects. Mr. Desmond displayed a map of the San Diego region and discussed the potential future growth surrounding the transit destinations. Mr. Ward inquired if staff was looking at switching current bus routes to BRT routes. Mr. Desmond replied that they are looking at 18 different regular bus routes to potentially switch to rapid routes. Mr. Ward recommended looking into including street cars in the proposed projects. He also asked about security and would like staff to seek clarification on whether the public is interested in having more law enforcement or if they are trying to primarily address the homelessness issue.

Ms. Galvez stated that increasing press coverage on these potential projects could help increase the public understanding of the measure and what these investments would look like.

Vice Chair Rios stated that she supports the Youth Opportunity Passes. She asked about the security and amenities proposals being included under the same category in the survey tool. Ms. Cooney stated that each of the project categories in the vision builder have extensive descriptions. She noted that the security and amenities category is primarily focused more on security. During community outreach events, security and amenities are generally discussed separately in different manners.

Ms. Moreno stated that she believes the projects discussed do not incorporate enough of her council district or the South Bay. She commented that the San Ysidro Intermodal Transit Center should be included in these potential project discussions. Ms. Moreno stated that she supports the increased service frequencies and the Blue Line Express. She stated that grade separations should also be included in the final project list.

Ms. Frank commented that she is supportive of the mobility-on-demand concept for jurisdictions such as Poway for an alternative mode of transportation.

Ms. Salas asked for more details about the mobility-on-demand options and the purpose of this type of service. Ms. Cooney stated that this type of service would be put into place to help address first mile/last mile problems.

Ms. Montgomery commented about the metrics used and asked if they were aligned with the Transit Optimization Plan (TOP). Mr. Desmond stated that the main sources of the metrics were based on the guiding values of Elevate SD 2020. He noted that the TOP was different, because it looked at improving the current existing network. Ms. Montgomery commented that the security and amenities category should be split into two different categories in the online survey.

Ms. Gomez commented about mobility-on-demand and stated that they need to be mindful about the cost-benefit of utilizing those services. She also commented on the first mile/last mile options and asked to see more inclusion of bikes. Ms. Gomez stated that it is important to improve and expand the Blue Line services within the measure. She also discussed considering the inclusion of housing and job centers when we are researching projects. Ms. Cooney noted that the projects that were just discussed were more system-wide projects. She stated that the other capital projects will be discussed in the next presentation. Ms. Gomez echoed the comments regarding the security and amenities category. She also stated that this process is a balancing act and we should not be too prescriptive in the proposed projects.

Ms. Aguirre commented about security and stated that we need to evaluate how we implement and manage security in the future. She stated that she is supportive of looking into no cost transit passes for youth and possibly for the homeless population too. Ms. Aguirre agreed with the other Board Members regarding improving the Blue Line service and amenities.

Mr. Hall commented about how there will always be populations that don't see enough in the plan for them. He stated that the Board will have to make hard decisions that will benefit the entire region. Mr. Hall stated that he is focused on ensuring the SR-52 highway sees improvements in the future.

c. Guidelines for Implementing Elevate SD 2020 Projects (Heather Furey)

Heather Furey, Director of Capital Projects, provided a presentation on the guidelines for implementing Elevate SD 2020 projects. She discussed the projects with capital cost components; cost estimate methodology; schedule methodology; and capital cost and schedule phases. Ms. Furey discussed the following proposed projects: Purple Line Trolley; I-805 BRT; SR-52 BRT; I-5 BRT; SR-56 BRT; UCSD to Sorrento Valley Skyway; and Ferry Projects. She noted that there were additional project estimates that would be provided at a later meeting. Ms. Furey also discussed project sequencing and procurement policies.

PUBLIC COMMENT

Jennifer Williamson & Ray Major – Ray Major and Jennifer Williamson commented on behalf of SANDAG. Mr. Major stated that SANDAG is supportive of the Elevate SD 2020 plan. He commented that the Purple Line alignment that was discussed in the presentation is inconsistent with SANDAG's analysis of the line. Mr. Major stated that SANDAG is committed to working with MTS to ensure that the two plans are aligned. Ms. Williamson also stated that SANDAG's Five Big Moves is looking at grade separations for the Purple Line. Ms. Williamson stated that SANDAG has undertaken the Airport Subcommittee and has identified four potential projects for transit to the airport. She noted that the four projects are still under analysis. Ms. Williamson requested for the Board to evaluate all four of those projects, rather than only the trolley to the airport option.

Ms. Cooney commented that staff is including potential alignments for the Purple Line in order to determine a cost estimate. She stated that at the project level, there can always be adjustments to the final alignment of the Purple Line. Mr. Jablonski stated that the Purple Line is being included in the potential list of projects in order to keep that project open as a possibility. He noted that the language in the measure should also be flexible enough to hand the project over to SANDAG.

BOARD COMMENTS

Ms. Galvez inquired about the trip duration lengths. Ms. Furey replied that she does not have that information today, but would look into those numbers and report back.

Mr. Hall inquired about the differences between the ferry routes. Mr. Desmond replied that some of the ferry options would be open to the public and the other ferry routes would be used only for military personnel.

Ms. Gomez stated that she would like to see coordination with SANDAG regarding these projects. She commented on the potential conflict between the I-5 BRT and the Blue Line Express. Mr. Furey stated that the concept of the I-5 BRT is not to replace the idea of the Blue Line Express, but rather to include additional options for consideration.

Ms. Salas commented on the Blue Line Express and stated that she would like to see a financial analysis and ridership analysis of the project. Ms. Salas also commented on the proposed ferry projects. She stated that we should look into the possibility of the military assisting with paying for the ferry service as they would be a direct beneficiary of the project.

Vice Chair Rios stated that she supports increased investments in the Blue Line such as the Blue Line Express service. She stated that we should compare the benefits of the proposed projects and make determinations on the projects that would have the most impact.

Ms. Sotelo-Solis inquired about ridership estimates regarding the proposed ferry projects. Ms. Furey replied that the consultant should have those estimates by the next workshop. Ms. Sotelo-Solis asked about the public outreach with the Port of San Diego and asked if these projects are included in the Port Master Plan. Mr. Jablonski replied that staff will confirm if the ferry projects are included in the Port Master Plan. Ms. Sotelo-Solis commented about the important benefits of these projects such as lowering GHGs. She also asked about the details and logistics of the proposed Blue Line Express project. Staff noted that they would provide a presentation on the Blue Line at the next regularly scheduled Board meeting.

Ms. Aguirre also requested for staff to look into increased weekend service on the Blue Line.

4. a. Financing Plan for the Draft Expenditure Plan (Larry Marinesi)

Larry Marinesi, Chief Financial Officer, provided a presentation on the financing plan for the draft expenditure plan. He discussed the forecasted revenue inputs; matching assumptions; program costs for capital projects; program costs for operations; model development; selection/timing of projects; and project delivery/financing. Peter Shellenberger, with PFM, discussed leveraging concepts; restrictions on leveraging; leveraging options; liquidity and reserves; and ratings. Mr. Marinesi continued the presentation and discussed key decision points for the Board. He stated that the items shaded in green on slide 15 in the presentation are the assumptions staff and consultants have been using to help build the finance model. Mr. Marinesi stated that staff is looking for feedback from the Board to see if there is interest in changing any of these preferences. Lastly, Mr. Marinesi reviewed the next steps going forward.

Chair Fletcher commented on the idea of planning for a 40-year tax versus a perpetual tax. He stated that he would like staff to look at both the 40-year tax option and the perpetual tax option until the Board can make a final decision on which path to move forward with. Chair Fletcher noted that the Board will be better equipped to make that decision after additional focus group sessions and public polling.

Ms. Salas commented on her experience with passing sales taxes in the City of Chula Vista. She stated that she saw polling results drop off when the public was asked about a perpetual tax.

Ms. Moreno asked why there is a 40% matching assumption for major infrastructure projects and 20% for other capital projects. Mr. Marinesi replied that for the major project extensions, we can assume full funding grant agreements in federal dollars. He stated that for the other projects, we would not be looking at the same levels of matching funds compared to a full funding federal grant agreement. Mr. Jablonski also noted that we will look at each project individually to determine proposed matching assumptions. Ms. Moreno asked about the costing of different types of debt options. Mr. Shellenberger with PFM replied that they will look at different products such as short term, long term, and fixed. He noted that there will be different cost of issuances for each of those different types of products. Ms. Moreno recommended staff to include a counter cyclical component in the program due to potential future economic downturns.

Ms. Galvez asked if we didn't have money to invest in capital projects that those federal grants would not be available otherwise. Mr. Jablonski replied that we always work toward coming up with the match in order to get every grant dollar that we can possibly get. He noted that we have never given up anything that we didn't have the match for.

Ms. Gomez stated that there should be an aggressive approach at the beginning of the plan to start projects early, which would require borrowing. She also commented that she is interested in seeing the public responses regarding the limits and lengths of the sales tax.

b. Expenditure/Financing Plan Oversight and Flexibility (Sharon Cooney)

Sharon Cooney, Chief of Staff, provided a presentation on the expenditure/financing plan oversight and flexibility options. She discussed safeguards in transit measures and provided examples of various oversight and flexibility programs included in other approved ballot measures. Ms. Cooney also reviewed points that the Board will need to consider related to accountability, oversight and flexibility.

PUBLIC COMMENT

Peter Warner – Mr. Warner commented that public private partnership should be looked at for the implementation of the electric buses.

5. Next Steps (Paul Jablonski)

Mr. Jablonski discussed the next steps and the roadmap to April. He reviewed the milestones, meetings, events, and tasks that would take place over the next several months until March and April 2020. Mr. Jablonski noted at that time the Board will need to take official action on moving

forward with a ballot measure; launching the educational campaign, and begin drafting ballot language.

PUBLIC COMMENTS

Jack Shu – Mr. Shu commented that the region is not ready for the ballot measure at this time. He stated that if the Board decides to move forward, then the measure should include the most flexibility.

Andy Hall – Mr. Hall, City Manager of Imperial Beach, commented on the key issues that have been discussed at today's meeting. He stated that the decisions that are made at MTS are important and have regional impacts. Mr. Hall commented that it's important for MTS to find connections between the different cities and jurisdictions and how this sales tax will be able to help other entities.

6. Additional Public Comments Not on the Agenda

There were no additional public comments.

7. Next Meeting Date

The next Elevate SD 2020 Board Workshop will be scheduled in December 2019.

8. Adjournment

Chair Fletcher adjourned the meeting at 12:27 p.m.

/s/ Nathan Fletcher
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): November 2, 2019

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

RECESS: _____

RECONVENE: _____

CLOSED SESSION: _____

RECONVENE: _____

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 12:27 p.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
AGUIRRE	<input checked="" type="checkbox"/> (Spriggs) <input type="checkbox"/>	9:00 a.m.	12:27 p.m.
ARAMBULA	<input checked="" type="checkbox"/> (Mendoza) <input type="checkbox"/>	9:00 a.m.	12:27 p.m.
ARAPOSTATHIS	<input type="checkbox"/> (Weber) <input checked="" type="checkbox"/>	9:00 a.m.	12:15 p.m.
FAULCONER	<input type="checkbox"/> (Moreno) <input checked="" type="checkbox"/>	9:00 a.m.	12:04 p.m.
FLETCHER	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:00 a.m.	12:27 p.m.
FRANK	<input checked="" type="checkbox"/> (Mullin) <input type="checkbox"/>	9:00 a.m.	12:27 p.m.
GALVEZ	<input checked="" type="checkbox"/> (Diaz) <input type="checkbox"/>	9:00 a.m.	12:27 p.m.
GOMEZ	<input checked="" type="checkbox"/> (Campbell) <input type="checkbox"/>	9:00 a.m.	12:27 p.m.
HALL	<input checked="" type="checkbox"/> (McNelis) <input type="checkbox"/>	9:00 a.m.	12:27 p.m.
MCCLELLAN	<input type="checkbox"/> (Goble) <input type="checkbox"/>		
MONTGOMERY	<input checked="" type="checkbox"/> (Bry) <input type="checkbox"/>	9:00 a.m.	12:27 p.m.
RIOS	<input checked="" type="checkbox"/> (Sotelo-Solis) <input type="checkbox"/>	9:00 a.m.	12:27 p.m.
SALAS	<input checked="" type="checkbox"/> (Diaz) <input type="checkbox"/>	9:00 a.m.	12:27 p.m.
SANDKE	<input checked="" type="checkbox"/> (Donovan) <input type="checkbox"/>	9:00 a.m.	10:10 a.m.
WARD	<input checked="" type="checkbox"/> (Kersey) <input type="checkbox"/>	9:00 a.m.	12:27 p.m.

SIGNED BY THE CLERK OF THE BOARD:

Julia Teer

CONFIRMED BY THE GENERAL COUNSEL:

Kumar