

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

MINUTES

May 14, 2020

[Clerk's note: Except where noted, public, staff and board member comments are paraphrased. Note that the meeting was conducted via webinar to comply with public health orders].

1. Roll Call

Chair Fletcher called the Board meeting to order at 9:02 a.m. A roll call sheet listing Board member attendance is attached.

SPECIAL CHAIR PRESENTATION

Chair Fletcher commented on the recent passing of Chief Executive Officer, Paul Jablonski. He issued a statement to honor and remember Mr. Jablonski and all of the incredible work he did not only for MTS, but for San Diego. Staff presented a video memorial of Mr. Jablonski and the great work he did for MTS.

2. Approval of Minutes

Mr. Sandke moved to approve the minutes of the April 16, 2020, MTS Board of Directors meeting. Ms. Galvez seconded the motion, and the vote was 14 to 0 in favor with Ms. Frank absent.

3. Public Comments

Jack Shu – Mr. Shu provided a written statement to the Board prior to the meeting. The full written statement is included in the final meeting packet and posted on the MTS website.

Toshi Ishihara – Mr. Ishihara provided a written statement to the Board prior to the meeting. Mr. Ishihara also read aloud his statement live during the meeting. The full written statement is included in the final meeting packet and posted on the MTS website.

Kiko Diaz – Mr. Diaz provided a written statement to the Board prior to the meeting. The full written statement is included in the final meeting packet and posted on the MTS website.

CONSENT ITEMS

6. Update to San Diego Metropolitan Transit System (MTS) Board Policy No. 30, "Investment Policy"
Action would approve and adopt the updated Board Policy No. 30, "Investment Policy".

7. Bus Tires for Contract Services – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0712.0-20 with Daniels Tire Service for the purchase of 192 tires for 45-foot Commuter Buses and 252 tires for 40-foot Standard Low Floor Buses in the amount of \$259,003.58.

8. Janitorial Services – Amendment Ratification
Action would approve ratification of Amendments 10 through 13 to MTS Doc. No. G1931.0-16 with NMS Management Inc., a Disadvantaged Business Enterprise (DBE), in the amount of \$143,083.74, for janitorial services.
9. Imperial Avenue Division (IAD) Annex Roof and HVAC Replacement – Award Work Order Under a Job Order Contract (JOC)
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. MTSJOC274-04, under MTS Doc. No. PWG274.0-19, with PUB Construction, Inc. (PUB), a Minority Owned Business Enterprise (MBE), for the provision of services, materials and equipment for the removal and replacement of the roof and heating ventilation/air conditioning (HVAC) units at the IAD Annex building for a total cost of \$212,532.00.
10. San Diego and Imperial Valley Railway (SDIV) Track Removal – Award Work Order Under a Job Order Contract (JOC)
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. MTSJOC269-07, under MTS Doc. No. PWG269.0-19, with Herzog Contracting Corp. (Herzog), for the provision of services, materials and equipment for the removal of the abandoned SDIV tracks on Washington Street, below the Pacific Highway Overpass, and repaving of the street with new asphalt concrete for a total cost of \$349,810.00.
11. Orange Line Trolley Stations Bench and Recycling/Trash Receptacle Replacements – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1535.0-20, with Victor Stanley, Inc., for Orange Line Trolley Stations Bench and Recycling/Trash Receptacle Replacements as detailed in the scope of work, in the amount of \$153,818.74, effective June 1, 2020.
12. Provision of Cradlepoint Vehicle Mobile Router – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. G2376.0-20, with Ergotech Controls Inc. DBA Industrial Networking Solutions, for the provision of the Cradlepoint IBR1700-1200M-B Vehicle Mobile Router including five (5) years NetCloud Mobile Essentials Plan in the amount of \$1,556,703.47.
13. Provision of Nine Hundred Two (902) Mobile Router Antennas – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute a Purchase Order to Wireless Investors, LLC for the provision of nine hundred two (902) Mobile Router Antennas in the amount of \$204,683.19.
14. Fidelity Information Systems, LLC Funding Increase Amendment – Contract Amendment
Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 2 to MTS Doc No. G1808.0-15 with Fidelity Information Services, LLC (FIS) in the amount of \$160,000 for additional license and transaction fees above the original estimated levels.
15. Investment Report – Quarter Ending March 31, 2020
16. Tenable Cybersecurity Software – Sole Source Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2385.0-20, with Tenable, Inc., in the amount of \$224,492.40 for the procurement of its Intrusion Prevention

System (IPS) Security Center and Internet of Things (IoT) software licensing and maintenance support for a three (3) year period.

17. Darktrace Cybersecurity Software – Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute an agreement with Darktrace, under MTS Doc. No. G2386.0-20, in the amount of \$486,000 for the procurement of its Intrusion Detection System (IDS) software licensing and maintenance support for five (5) years.

18. Consultant Services for Naming Rights – Contract Extension

Action would authorize the Chief Executive Officer (CEO) to extend the contract with the Superlative Group, MTS Doc. No. G1262.0-09, consistent with the draft Amendment No. 8 in the amount of \$90,000.

19. Regional Transit Management System (RTMS) Radio Tower at Mt. Soledad Signal Station, Naval Base Point Loma – Site Lease Amendment

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0513.5-09, with the Department of the Navy, to amend the lease of MTS's Mt. Soledad Signal Station site for the remaining years of the current lease extension to add equipment for the Mid-Coast Project.

Action on Recommended Consent Items

Chair Fletcher moved to approve Consent Agenda Item Nos. 6 – 19. Mr. Sandke seconded the motion, and the vote was 14 to 0 in favor with Ms. Frank absent.

NOTICED PUBLIC HEARINGS (TAKEN BEFORE CLOSED SESSION)

25. Proposed Fiscal Year (FY) 2021 Operating Budget (Mike Thompson)

Chair Fletcher provided comments regarding the upcoming FY 2021 operating budget presentation. He noted that this is a period of tremendous instability and uncertainty. Chair Fletcher stated that there are a number of unknown factors that can disrupt the operation and future of public transportation related to the current health crisis. He recommended that the Budget Development Committee plan to reconvene in early fall of this year to further discuss budget implications that are unknown at this time. Chair Fletcher stated that it will be important for staff and the Committee to address new budget information as it becomes available related to the pandemic.

Mike Thompson, Director of Financial Planning and Analysis, provided a presentation on the FY 2021 operating budget. He reviewed the process highlights of creating the FY 2021 operating budget, and discussed the COVID-19 impacts. Mr. Thompson provided information on the FY 2021 revenue summary, expenses summary, and consolidated revenues less expenses. Sharon Cooney, Interim Chief Executive Officer, continued the presentation and provided information related to current and near-future ridership and service level data. She also reviewed a proposal to provide employee appreciation bonuses as a thank you to all MTS employees for their service during the COVID-19 pandemic. Mr. Thompson continued the presentation and reviewed details related to the reserve balance, and five year budget projections. Lastly, he discussed the on-going concerns for FY 2021 and reviewed the staff recommendation.

PUBLIC COMMENTS

Helen Bourne – Ms. Bourne provided a written statement to the Board prior to the meeting. The full written statement is included in the final meeting packet and posted on the MTS website.

Anjleena Kour Shani – Ms. Shani provided a written statement to the Board prior to the meeting. The full written statement is included in the final meeting packet and posted on the MTS website.

Jack Shu – Mr. Shu provided a written statement to the Board prior to the meeting. The full written statement is included in the final meeting packet and posted on the MTS website.

Amanda Ruetten – Ms. Ruetten provided a written statement to the Board prior to the meeting. The full written statement is included in the final meeting packet and posted on the MTS website.

Noah Harris – Mr. Harris provided a written statement to the Board prior to the meeting. The full written statement is included in the final meeting packet and posted on the MTS website.

Lawrence Emerson – Mr. Emerson provided a written statement to the Board. The full written statement is included in the final meeting packet and posted on the MTS website.

Rosa Olascoaga – Ms. Olascoaga commented on behalf of Mid-City CAN. Ms. Olascoaga provided condolences to MTS on the passing of Mr. Jablonski. She commented on the need for youth opportunity passes. Ms. Olascoaga asked the MTS Board to begin thinking of ways to support riders long-term, and how to gain ridership recovery. She recommended for the Board to include youth opportunity passes in the operating budget in order to provide a needed benefit to youth and to also help gain ridership levels.

Linda Phu – Ms. Phu provided condolences to MTS on the passing of Mr. Jablonski. Ms. Phu advocated for MTS to include youth opportunity passes in the budget. She stated that the passes will provide many opportunities for the youth of San Diego.

Gretchen Newsom – Ms. Newsom commented on behalf of the IBEW 569. She provided condolences to MTS on the passing of Mr. Jablonski. Ms. Newsom commented on the need for more funding to be invested toward Zero Emission Buses (ZEBs), instead of providing additional funding toward Compressed Natural Gas (CNG) buses.

Kelvin Barrios – Mr. Barrios commented that he is in support of the others recommendations related to providing funding for youth opportunity passes. He stated that youth have been severely impacted during the COVID-19 crisis, and funding youth opportunity passes would provide new opportunities. Mr. Barrios also commented that he is in support of ensuring MTS continues to move forward with the ZEB program.

BOARD COMMENTS

Chair Fletcher provided comments related to youth opportunity passes. He noted that the youth opportunity pass was included as a priority in the Elevate SD 2020 program plan. Chair Fletcher stated that unfortunately we are in a much different situation and reality today. He noted that MTS is now looking at a major decline in the budget due to the COVID-19 impacts. Chair

Fletcher stated that he hopes we will be able to fund a proposal such as youth opportunity passes in the future, however now is not that time, due to the current economic impacts to the agency.

Ms. Gomez stated that budgets are volatile right now during the COVID-19 crisis. She agreed with Chair Fletcher's comments related to youth opportunity passes. Ms. Gomez stated that she would like to revisit youth opportunity passes in the future once budgets and funding become more stable. Ms. Gomez asked for staff to provide more information at future meetings related to possibly adding more bus service and trolley service to accommodate safe social distancing practices on transit vehicles. Ms. Gomez asked about the employee appreciation bonus and asked which staff would be included in receiving the bonus. Ms. Cooney replied that the bonus would be provided to all MTS employees, including the contractors that work for MTS. Ms. Gomez stated that she would like to have a future conversation related to the purchase of ZEBs and CNG buses. She noted that there is a mandate with the California Air Resources Board (CARB) for acquiring ZEBs, which MTS will need to address in order to fulfill the mandate. Ms. Cooney noted that staff will be presenting the results of the ZEB Pilot Program at the June Board of Directors meeting for further discussion.

Vice Chair Sotelo-Solis commended staff on the work that has been done during these difficult times. She asked staff to provide not only next steps related to ZEBs at the next meeting, but also to include public feedback related to ZEBs and the CARB mandate. Vice Chair Sotelo-Solis asked about the CARES funding and whether MTS can enhance restrooms and hand washing stations with that funding. Ms. Cooney stated that staff, in addition to the MTS ZEB consultant, will provide information related to the ZEB Pilot in June, and will include public feedback related to the pilot. She also noted that CARB has provided a method for transit agencies to request an extension to the mandate given the COVID-19 impacts agencies are facing. This will allow MTS more time to obtain additional public feedback. Ms. Cooney commented that MTS now has hand washing stations at all trolley stations and major transit bus stations, thanks to the County of San Diego. Vice Chair Sotelo-Solis also stated that she supports the employee appreciation bonus recommendation.

Ms. Montgomery thanked staff for powering through this difficult time and the loss of Mr. Jablonski. She also thanked staff for putting forth the employee appreciation bonus. Ms. Montgomery agrees that MTS needs to be cautious in how funding is used during this time. She agreed MTS should not be investing in large funding requirements, such as youth opportunity passes during the current economic hardships. She noted that there are ways MTS can help youth going forward, and is hopeful that MTS can look to options for assisting youth in the future. Ms. Montgomery asked staff about the increase in funding listed in the budget related to the security services contract. Mr. Thompson replied that the increase is directly tied to the current security contract and normal contract wage increases for the next year.

Ms. Salas provided her condolences to MTS on Mr. Jablonski's passing. She stated that she agrees with Ms. Montgomery's statements related to youth opportunity passes. Ms. Salas commented on the employee appreciation bonus. She stated that she would like to see an increased bonus given to the employees that are on the front lines. Ms. Salas commented that some employees have higher-risk jobs and are more exposed than others and should receive a higher bonus to reflect that.

Mr. Sandke commented about the service levels experienced during the public health crisis and the uncertainty that lies ahead related to ridership. He stated that he supports adjusting service

levels, as necessary, for social distancing purposes. He noted that the Board will need to be prepared to monitor the decline in farebox recovery ratios when there are less riders and more service. Mr. Sandke commented about the employee appreciation bonus and agrees with the staff recommendation put forward. Mr. Sandke also commented about the purchase of ZEBs and noted that it is important to learn from the pilot before moving forward on purchasing large amounts of ZEBs.

Ms. Aguirre thanked staff for their diligence during these difficult times and the passing of Mr. Jablonski. She stated that she supports the employee appreciation bonus recommendation. Ms. Aguirre stated that she would like to explore other sources of funding going forward to possibly provide additional pay or hazard pay for front line employees. She thanked the public for reaching out in regards to the youth opportunity passes. Ms. Aguirre reiterated her support for providing youth opportunity passes, but at this time, agrees MTS should not move forward with the passes, due to the economic situation. Ms. Aguirre stated that she would like to revisit youth opportunity passes in the future.

Ms. Moreno commented that she appreciates the work MTS staff has done on the current budget. She also thanked the public for their input. Ms. Moreno stated that she believes now is the time for providing youth opportunity passes in order to gain ridership levels. Ms. Moreno urged the Board to include youth opportunity passes in the budget.

Vice Chair Sotelo-Solis asked about the Coronavirus Aid, Relief, and Economic Security (CARES) Act funding opportunities for increasing ridership levels. Ms. Cooney commented that at this time we are not trying to induce ridership of the general public, due to the stay-at-home order. She said the main focus now is to ensure we have service for essential trips. Ms. Cooney commented that staff is working on various initiatives to increase ridership to meet demands in the future.

Ms. Galvez provided her condolences to MTS on the passing of Mr. Jablonski. Ms. Galvez thanked Chair Fletcher and Ms. Cooney for their leadership and perseverance during this difficult time.

Mr. Ward thanked staff for their work, especially during this difficult time. He commented that he is in support of the staff appreciation bonus, and noted that he would like to have future discussions related to the possibility of hazard pay for front line employees. Mr. Ward asked staff about ridership levels and how MTS will address increased ridership levels in terms of social distancing guidelines. Ms. Cooney replied that staff is working through plans to determine the best and safest way to provide service to riders while maintaining social distance. She noted that staff will continue to monitor and manage the ridership loads onboard vehicles and will continue to ensure riders are wearing masks. Mr. Ward asked how this will impact work hours for MTS employees. Ms. Cooney replied that when service levels were reduced, MTS maintained the full pay for operators, even if they worked reduced hours. She stated that we will be able to roll the employees back to normal service levels and hours once regular service levels are reinstituted. Mr. Ward asked about the increase in funding to the security contract for FY 2021. Mr. Thompson stated that the increase is directly tied to the current contract and normal contract wage increases for the next year. Mr. Ward also commented on the purchase of CNG buses and the opportunity for MTS to purchase ZEBs. He stated that he looks forward to having more discussions related to ZEB purchases at future meetings.

Action Taken

Ms. Gomez moved to: (1) Hold a public hearing, receive testimony, and review and comment on the Fiscal Year (FY) 2021 budget information presented in this report; and (2) Enact Resolution No. 20-8 adopting the FY 2021 operating budget for MTS and approving the operating budgets for San Diego Transit Corporation (SDTC), San Diego Trolley, Inc. (SDTI), MTS Contract Services and the Coronado Ferry. Chair Fletcher seconded the motion, and the vote was 15 to 0 in favor.

DISCUSSION ITEMS (TAKEN BEFORE CLOSED SESSION)

30. None.

REPORT ITEMS (TAKEN BEFORE CLOSED SESSION)

45. Operations Budget Status Report for March 2020 (Gordon Meyer)

The Board waived the staff report for this item.

Action Taken

No action taken. Informational item only.

OTHER ITEMS (TAKEN BEFORE CLOSED SESSION)

60. Chair Report

Chair Fletcher commented that MTS will host a special memorial service honoring Paul Jablonski on Friday, May 15th. There will be a procession of 40 MTS buses from Balboa Park to the 12th and Imperial Transit Center to pay tribute to Mr. Jablonski and the incredible work he did for MTS. The procession and tribute will be streamed live on the MTS Facebook page. Chair Fletcher encouraged the Board to share this information with others.

61. Chief Executive Officer's Report

Ms. Cooney thanked everyone for all their work during this difficult week and for the incredible support that MTS has received.

62. Board Member Communications

There were no Board Member communications.

63. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

CLOSED SESSION – PUBLIC COMMENTS – ITEM 24a

Nate Fairman & Cesar Buenaventura – Mr. Fairman and Mr. Buenaventura provided a written statement to the Board prior to the meeting. The full written statement is included in the final meeting packet and posted on the MTS website.

CLOSED SESSION (TAKEN OUT OF ORDER)

24. Closed Session Items

The Board convened to Closed Session at 10:27 a.m.

- a. CLOSED SESSION – CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54957.6
Agency: San Diego Transit Corporation (SDTC)
Agency-Designated Representative: Jeff Stumbo, Chief Human Resources Officer
Employee Organization: International Brotherhood of Electrical Workers, Local 465 (Representing SDTC Mechanics and Services)
- b. CLOSED SESSION – APPOINTMENT OF PUBLIC EMPLOYEE (Interim Chief Executive Officer) Pursuant to California Government Code Section 54957(b)

The Board reconvened to Open Session at 11:43 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.
- b. The Board, by a unanimous 15 to 0 vote, appointed Sharon Cooney as the MTS Chief Executive Officer.

64. Next Meeting Date

The next regularly scheduled Board meeting is June 18, 2020.

65. Adjournment

Chair Fletcher adjourned the meeting at 12:00 p.m.

/s/ Nathan Fletcher
Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

/s/ Julia Tuer for COB
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): May 14, 2020

CALL TO ORDER (TIME): 9:02 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 10:27 a.m.

RECONVENE: 11:43 a.m.

PUBLIC HEARING: 9:38 a.m.

RECONVENE: 10:23 a.m.

ORDINANCES ADOPTED: _____

ADJOURN: 12:00 p.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
AGUIRRE	<input checked="" type="checkbox"/> (Spriggs) <input type="checkbox"/>	9:00 a.m.	11:43 a.m.
ARAMBULA	<input checked="" type="checkbox"/> (Mendoza) <input type="checkbox"/>	9:00 a.m.	11:43 a.m.
FAULCONER	<input type="checkbox"/> (Moreno) <input checked="" type="checkbox"/>	9:00 a.m.	11:43 a.m.
FLETCHER	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:00 a.m.	11:43 a.m.
FRANK	<input checked="" type="checkbox"/> (Mullin) <input type="checkbox"/>	9:48 a.m.	11:43 a.m.
GALVEZ	<input checked="" type="checkbox"/> (Diaz) <input type="checkbox"/>	9:00 a.m.	11:43 a.m.
GOMEZ	<input checked="" type="checkbox"/> (Campbell) <input type="checkbox"/>	9:00 a.m.	11:43 a.m.
HALL	<input checked="" type="checkbox"/> (McNelis) <input type="checkbox"/>	9:00 a.m.	11:43 a.m.
MCCLELLAN	<input checked="" type="checkbox"/> (Goble) <input type="checkbox"/>	9:00 a.m.	11:43 a.m.
MONTGOMERY	<input checked="" type="checkbox"/> (Bry) <input type="checkbox"/>	9:00 a.m.	11:43 a.m.
SALAS	<input checked="" type="checkbox"/> (Diaz) <input type="checkbox"/>	9:00 a.m.	11:43 a.m.
SANDKE	<input checked="" type="checkbox"/> (Donovan) <input type="checkbox"/>	9:00 a.m.	11:43 a.m.
SOTELO-SOLIS	<input checked="" type="checkbox"/> (Quintero) <input type="checkbox"/>	9:00 a.m.	11:43 a.m.
WARD	<input checked="" type="checkbox"/> (Kersey) <input type="checkbox"/>	9:00 a.m.	11:43 a.m.
WEBER	<input checked="" type="checkbox"/> (Arapostathis) <input type="checkbox"/>	9:00 a.m.	11:43 a.m.

SIGNED BY THE CLERK OF THE BOARD:



CONFIRMED BY THE GENERAL COUNSEL:

