

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

MINUTES

November 12, 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 9:03 a.m. A roll call sheet listing Board member attendance is attached.

2. Approval of Minutes

Chair Fletcher moved to approve the minutes of the October 15, 2020 MTS Board of Directors meeting. Board Member Montgomery seconded the motion, and the vote was 12 to 0 in favor with Board Member Arambula, Board Member Gomez and Board Member McClellan absent.

3. Public Comment

Anabel Arauz – Representing IBEW Local 465 submitted a written and verbal statement to the Board both during and prior the meeting. The full written statement is included in the final meeting packet and posted on the MTS website.

4. Appointment of Ad Hoc Nominating Committee for Recommending Appointments to MTS Committees for 2021 (Sharon Cooney)

This action would appoint an Ad Hoc Nominating Committee to make recommendations to the Board with respect to the appointment of the Vice Chair, Chair Pro-Tem as well as MTS and non-MTS committees for 2021.

PUBLIC COMMENTS

Michelle Krug – Provided a verbal statement to the Board during the meeting. She discouraged a nominating committee and encouraged impromptu nominations. Krug was concerned that incoming elected officials would not be able to participate with the current structure.

Action Taken

Board Member Salas moved to appoint Chair Fletcher, Vice Chair Sotelo-Solis, Board Member Aguirre and Board Member Sandke to the Ad Hoc Nominating Committee to make recommendations to the Board with respect to the appointment of the Vice Chair, Chair Pro-Tem as well as MTS and non-MTS committees for 2021. Board Member Moreno seconded the motion, and the vote was 12 to 0 in favor with Board Member Arambula, Board Member Gomez and Board Member McClellan absent.

CONSENT ITEMS

6. Federal Transit Administration (FTA) Section 5310 Grant Application, and Transnet Senior Mini-Grant Application, Apportioned Through San Diego Association of Governments (SANDAG)
Action would 1) Adopt Resolution No. 20-20 agreeing to comply with all terms and conditions of A) the FTA Section 5310 Enhanced Mobility for Seniors and Individuals with Disabilities

Program as set forth by the FTA and SANDAG; B) the TransNet Senior Mini Grant Program as set forth by TransNet and SANDAG; 2) Authorize the Chief Executive Officer (CEO) to submit the following applications and execute any grant agreements awarded by SANDAG: A) \$600,000 in Federal Fiscal Year (FY) 2022 FTA Section 5310 Enhanced Mobility for Seniors and Individuals with Disabilities Program funding for Americans with Disabilities Act (ADA) Paratransit vehicle replacements; B) \$61,200 in the FY 2021 TransNet Senior Mini Grant funding for the MTS Access Travel Training Program. C) \$61,200 in the FY 2022 TransNet Senior Mini Grant funding for the MTS Access Travel Training Program; 3) Authorize the commitment of up to \$150,000 in local matching funds to fully fund the purchase of seven (7) ADA Paratransit vehicles if awarded. 4) Authorize the commitment of up to \$30,600 in local matching funds to fully fund the MTS Access Travel Training Program.

7. Provision of Network Equipment for the Interstate 15 (I-15) Bus Rapid Transit (BRT) Stations - Purchase Order
Action would authorize the Chief Executive Officer (CEO) to execute a Purchase Order to NetXperts Inc., a Small Business (SB), for the provision of Network Equipment for the I-15 BRT Stations in the amount of \$133,742.60.
8. Beech Street Construction Management Services – Work Order Amendment
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. WOA2017-CM06 under MTS Doc. No. G2017.0-17 with CH2M Hill, Inc. not to exceed \$185,775.60 for the Beech Street Double Crossover Construction Management (CM) Services.
9. Investment Report – Quarter Ending September 30, 2020
10. Replacement of Damaged Conduit at 43rd Street – Award Work Order Under a Job Order Contract (JOC)
Action would authorize the Chief Executive Officer (CEO) to execute Work Order MTSJOC275-16 to MTS Doc. No. PWG275.0-19 with ABC Construction, Inc. (ABC) for trenching and replacing the damaged conduits at 43rd Street in the amount of \$169,138.09 plus the payment of applicable JOC administrative fees of \$2,976.83, for a total cost of \$172,114.92.
11. Fare Validator Infrastructure Construction Management Services – Work Order
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. WOA2019-CM06 under MTS Doc. No. G2019.0-17 with Kleinfelder – Simon Wong not exceed \$236,485.52 for the Fare Validator Infrastructure Construction Management (CM) Services.
12. Provision of Hewlett-Packard Enterprise (HPE) Configure to Order (CTO) Servers and Support for Closed-Circuit Television (CCTV) Network Video Recorders (NVR) for the Mid-Coast Trolley Extension Project– Purchase Order
Action would authorize the Chief Executive Officer (CEO) to execute a Purchase Order to Nth Generation Computing Inc. for the provision of HPE CTO Servers and ongoing support services for CCTV NVR for the Mid-Coast Trolley Extension Project in the amount of \$201,439.15 .
13. Revisions to San Diego Metropolitan Transit System (MTS) Ordinance No. 11
Action would 1) Adopt the proposed amendments to MTS Ordinance No. 11, “An Ordinance Providing for the Licensing and the Regulating of Transportation Services Within the City and County by the Adoption of a Uniform Paratransit Ordinance,” and 2) Upon adoption of the

proposed amendments, grant the Chief Executive Officer (CEO) the discretion to enforce MTS Ordinance No. 11 in its amended form.

14. Provision of Media Converters for Next Generation (NextGen) Fare Collection System - Purchase Order
Action would authorize the Chief Executive Officer (CEO) to execute a Purchase Order to Graybar Electric Co. Inc. for the provision of Media Network Converter for the NextGen Fare Collection System in the amount of \$118,069.85.
15. Janitorial Services – Contract Amendment
Action would 1) Ratify Amendment 17 to MTS Doc. No. G1931.0-16 with NMS Management Inc. (NMS), a Disadvantaged Business Enterprise (DBE), in the amount of \$472.34; and 2) Approve Amendment 18 to MTS Doc. No. G1931.0-16 (in substantially the same format as Attachment B) with NMS, for janitorial services, for a total of \$187,782.00.
16. Digital Signage (DS) and Variable Message Sign (VMS) Maintenance and As-Needed Repairs - Contract Award
Action would authorize the Chief Executive Officer (CEO) to: 1) Execute MTS Doc. No. PWG318.0-20 (in substantially the same format as Attachment A), with Brault, Inc., dba Electro Specialty Systems (ESS), for the provision of DS and VMS maintenance and as-needed repair services for a period of five (5) years in the amount of \$803,346.25; and 2) Exercise two (2) optional one-year extensions in the amount of \$359,534.53 for a total contract value of \$1,162,880.78, at the CEO's discretion.
17. San Diego Metropolitan Transit System (MTS) Intranet & Internet Website: Maintenance, Support and Development- Sole Source Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2424.0-21 with The Steer Group, for Intranet & Internet Website Maintenance, Support and Development for three (3) years in the amount of \$148,160.00.
18. Blue Line Right of Way Fence Improvements – Award Work Order Under a Job Order Contract (JOC)
Action would authorize the Chief Executive Officer (CEO) to execute Work Order MTSJOC275-13 to MTS Doc. No. PWG275.0-19 with ABC Construction Company, Inc. (ABC) for the replacement of a portion of the chain link fence along the Blue Line right-of-way in the amount of \$189,597.05 plus the payment of applicable JOC administrative fees of \$3,336.91, for a total cost of \$192,933.96.
19. Design Services for the Green Line Imperial Avenue Main Terminal (IMT) Double Track Project – Work Order Amendment
Action would; 1) Ratify Work Order WOA1949-AE-31.01 under MTS Doc No. G1949.0-17 with Jacobs Engineering Group, Inc. (Jacobs) totaling \$269.46, for hourly rate increases for various classifications; 2) Ratify Work Order WOA1949-AE-31.03 under MTS Doc No. G1949.0-17 with Jacobs totaling \$20,142.01, to exercise the alternative design; 3) Ratify Work Order WOA1949-AE-31.04 under MTS Doc No. G1949.0-17 (Attachment C) with Jacobs totaling \$79,474.41, for additional Project Management, design, and bid support; and 4) Authorize the Chief Executive Officer (CEO) to execute Work Order WOA1949-AE-31.05 under MTS Doc. No. G1949.0-17 (in substantially the same format as Attachment D) with Jacobs in the amount of \$275,915.56 for

design support during construction (DSDC) services for the Bayside Terminal Double Track project.

COMMENTS – CONSENT ITEMS

Board Member Ward commented on consent item 13. He noted that this item concerns the taxicab ordinance and stated that City Council has also heard and approved the companion item to this document. Board Member Ward thanked MTS staff for their work in the amendments to this ordinance to help the taxicab industry.

Vice Chair Sotelo-Solis expressed her appreciation to MTS for carrying out the Ride to Vote day on election day.

Action on Recommended Consent Items

Board Member Ward moved to approve Consent Agenda Item Nos. 6 to 19. Board Member Sandke seconded the motion, and the vote was 12 to 0 in favor with Board Member Arambula, Board Member Gomez and Board Member McClellan absent.

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS (TAKEN PRIOR TO CLOSED SESSION)

30. Fiscal Year 2020 Comprehensive Annual Financial Report (Erin Dunn And Larry Marinesi; Ken Pun of The Pun Group)

Erin Dunn, MTS Controller, introduced Ken Pun, Managing Partner with the Pun Group. Mr. Pun presented on the Fiscal Year (FY) 2020 Comprehensive Annual Financial Report (CAFR). He outlined management and auditors' responsibilities, approach to the audit, overview of the financial statements, key pension and Other Postemployment Benefits Plan (OPEB) information, audit results and Governmental Accounting Standards Board (GASB) upcoming standards and key research projects.

Board Member Sandke noted the pension liability went down over the year. He asked Mr. Pun if there were any COVID-19 related fiscal recommendations as the federal CARES Act funding diminishes. Mr. Pun recommends for all of the agencies he represents to go through cash flow analyses more frequently. He noted that as of June 2020, the financial statement is healthy and the CARES Act funding helped to minimize the losses.

Mr. Marinesi noted that MTS is projecting to use approximately 80 million dollars in CARES Act funding in the next fiscal year. This funding will provide fiscal stability over the next couple fiscal years.

Chair Fletcher asked a series of questions related to the audit process. He directed the following questions to the auditor: during the audit, were you given access to any employee you needed to talk to for the purposes of preparing the audit? Mr. Pun responded yes. He asked: did you ever ask for access to an employee that you felt necessary to complete your audit and were denied access to that employee? Mr. Pun responded no. He asked: were you given full access to any documents including ledgers, financial statements, and financial documents for the purpose of conducting the audit? Mr. Pun responded yes. He asked: did you ever ask for any documents, ledgers, or financial documents from staff or executives that were refused to be

provided to you? Mr. Pun responded no. He asked: did you find any financial practices being used by staff or executives to not be consistent with the best practices of accounting? Mr. Pun responded no. He asked: is it your opinion that this audit and MTS's financial record keeping deserves an unmodified opinion? Mr. Pun responded yes. He asked: what is the alternative to an unmodified opinion? Mr. Pun responded there would be either qualifications, adverse opinions, or disclaimers of opinions. He asked: how many years has your company been conducting financial audits for MTS? Mr. Pun responded approximately 16 to 17 years. Lastly, he asked: have you ever found an MTS audit that you did not ultimately conclude that it would be an unmodified opinion? Mr. Pun responded no.

Action Taken

Chair Fletcher moved to receive the report. Board Member Sandke seconded the motion, and the vote was 14 to 0 in favor with Board Member Arambula absent.

31. 2021 State and Federal Legislative Program (Julia Tuer)

Julia Tuer, MTS Manager of Government Affairs, provided a presentation on the 2021 State and Federal Legislative Program. She discussed the draft state legislative priorities, draft federal legislative priorities, draft legislative proposals, and staff recommendation for the legislative program.

As it relates to proposed changes to allow MTS to regulate taxicabs in the entire County of San Diego area, Board Member Sandke referenced the taxi bill received pushback from the Coronado taxi operator, because of the requirement to enter into a joint powers authority with other cities. He noted a state exemption was created and Coronado taxi drivers were not required to participate in the program. Board Member Sandke asked if that exemption would still be applicable if the proposal included in the program was passed. Samantha Leslie, MTS Staff Attorney – Regulatory Compliance, confirmed the proposed enabling legislation changes would not impact the City of Coronado. The City of Coronado could continue to regulate the Coronado taxi cab company. This change would allow other cities within the county to choose to work with MTS to regulate its taxicab services.

Board Member Sandke acknowledged the categories for priorities, and commented that climate action goals should have its own category along with a statement that prioritizes this goal. Board Member Sandke referenced a presentation related to the Port's Master Plan update and the optimization of the San Diego Bay. He commented that there are no state or federal legislative prioritizations to use the bay as a mode of transportation. He asked to gauge Board Member Salas and Vice Chair Sotelo-Solis what their thoughts were on this mode of transportation especially as the Chula Vista Bayfront Project and National City Pepper Park may enhance the area's modes of transportation. He also addressed City of San Diego representatives and asked for their thoughts related to implementing a Ferry Port for Point Loma Navy base riders. Board Member Sandke asked for a discussion to include in the legislative program to support optimization of transportation in the San Diego Bay.

Sharon Cooney, Chief Executive Officer, commented that if the Board would like to pursue this recommendation, the agency could seek federal funding for this initiative.

Board Member Salas commented that the City of Chula Vista has long been interested in ferry service and would welcome a report from MTS staff and the incorporation of the proposal in the legislative package to assess the feasibility of the project.

Vice Chair Sotelo-Solis supported the ferry service idea with a particular interest in the funding available for the project.

Board Member Gomez mentioned she would like to see a statement included in the program for transit agencies to receive reduced electrical rates for implementing a fully zero emission fleet. She also mentioned she would like to continue pursuing legislative efforts to fund a transportation pathway to the airport.

Board Member Montgomery stated she would like to see an emphasis on equity, social justice, addressing homelessness, and funding youth opportunity passes. She would also like to see safety infrastructure at bus stops that help suppress crime and create safety mechanisms for passengers.

Board Member Ward commended the equity and social justice goals. He voiced support for funding projects that will help with transit oriented developments and homelessness resources. Board Member Ward stated that he looks forward to supporting transit legislative priorities in the State Assembly.

Board Member Weber commented she would like to see additional transit safety infrastructure funded. She also noted she would like to see specific goals beyond public engagement and outreach to define equity and social justice. Board Member Weber stated she would like to see environmental and climate action goals included as a priority for the agency.

Action Taken

Chair Fletcher moved to approve the 2021 State and Federal Legislative Program with the following additions to the program: (1) Include climate change and addressing issues of climate change as a priority for MTS. Support any federal, state, local, or other government efforts that may help address issues of climate change. Seek legislative opportunities for funding and policies that increase the opportunity for transit to play a lead role in addressing issues of climate change; (2) Seek federal, state, local, or other government agency funding or policies that would facilitate better utilization of the San Diego waterfronts, particularly the San Diego Bay, as a viable transportation option; (3) Seek federal, state, local, or other government agency funding to help implement Youth Opportunity Passes in San Diego; (4) Seek opportunities for funding or policies to help improve MTS infrastructure as a means to increase the safety of transit riders; and (5) Monitor and support legislation at the federal and state level that would help ensure reliable electricity rates for transit agencies. Vice Chair Sotelo-Solis seconded the motion, and the vote was 14 to 0 in favor with Board Member Arambula absent.

32. Declaration of Surplus Property Site (Karen Landers)

Karen Landers, MTS General Counsel, presented on the declaration of surplus property site located at 9805 Prospect Avenue and 8547 Cuyamaca Street in Santee. She outlined the site proposal; 7-11 request to negotiate sale; surplus property declaration; and staff's recommendation.

Action Taken

Chair Fletcher moved to approve the declaration of property located at 9805 Prospect Avenue and 8547 Cuyamaca Street in Santee, California as "surplus land" for purposes of Government Code sections 54220, et seq. Board Member Hall seconded the motion, and the vote was 14 to 0 in favor with Board Member Arambula absent.

REPORT ITEMS (TAKEN PRIOR TO CLOSED SESSION)

45. Women's Safety and Public Transportation (Angelica Rocha, Circulate SD)

Angelica Rocha, Planner with Circulate San Diego, presented on Women's Safety and Public Transportation. She outlined women's safety research; factors influencing women's perception on safety; study funding; methodology; women's walk audit series; online survey results; recommendations; and next steps.

Board Member Montgomery acknowledged the various neighborhoods included in the study and noted the southeastern San Diego region was not part of the study. She stated she would be happy to help coordinate outreach in the southeastern region to be included in future studies. She asked if there was a breakdown of data responses based on specific neighborhoods. Ms. Rocha responded that data was available, but not incorporated in this presentation. Board Member Montgomery noted that acquiring data is a great way of taking a holistic approach to public safety and differentiating that data between crimes such as fare evasion. She noted these types of approaches are important in order to find solutions that do not criminalize people.

Vice Chair Sotelo-Solis noted she was interested in exploring 24-hour access to transit services. She invited Circulate San Diego to coordinate with her office to have data collected from the communities in National City.

Board Member Gomez asked staff if MTS has a public station design manual. Ms. Cooney responded there is a design manual for rail and bus related facilities for private developments. She noted that capital improvement projects require coordination with the respective cities in order to determine how much funding is available for bus stop improvements. Board Member Gomez requested for the design manual to be re-evaluated to incorporate more safety and accessibility features.

Action Taken

No action taken. Informational item only.

46. Operations Budget Status Report for September 2020 (Gordon Meyer)

Gordon Meyer, MTS Operating Budget Supervisor, presented on the operations budget status report for September 2020. He outlined the Federal Transit Administration (FTA) CARES Act funding; passenger fare revenue; total operating revenue; total operating expenses; total operating activities; subsidy revenue updates; and fiscal year 2021 preliminary projections.

Board Member Gomez asked if there was a deadline for the CARES Act funds to be used. Mr. Marinesi stated that there is no end date to use the funds. He noted that of the 220 million dollars, MTS projects to use that money until fiscal year 2024, and will be looking at a structural deficit of 30 to 40 million dollars at that time.

Action Taken

No action taken. Informational item only.

OTHER ITEMS (TAKEN PRIOR TO CLOSED SESSION)

60. Chair Report

There was no Chair report.

61. Chief Executive Officer's Report

There was no Chief Executive Officer's Report.

62. Board Member Communications

Chair Fletcher noted that today would be the last day serving on the MTS Board of Directors for Board Member McClellan, Board Member Ward and Board Member Gomez. He thanked them for their service and leadership while serving on the Board.

Board Member Gomez thanked the agency and the Board for the time spent as a member and stated she would continue to remain an advocate for public transit.

63. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

64. Next Meeting Date

The next regularly scheduled Board meeting is December 10, 2020.

CLOSED SESSION (TAKEN OUT OF ORDER)

24. Closed Session Items

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

CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS Pursuant to California Government Code Section 54957.6

Agencies: San Diego Transit Corporation ("SDTC"), San Diego Trolley, Inc. (SDTI)

Employee Organization: International Association of Sheet Metal, Air, Rail, and Transportation Workers (SMART)

Employee Organization: Transit Enforcement Officers Association (TEOA)

Employee Organization: International brotherhood of electrical workers, local 465 ("IBEW"), representing flaggers

Agency- Designated Representative: Jeff Stumbo, Chief Human Resources Officer

The Board reconvened to Open Session at 11:14 a.m.

Oral Report of Final Actions Taken in Closed Session

Karen Landers, General Counsel, reported the following:

The Board took two actions. The first action related to SMART, where the Board ratified a tentative agreement with a unanimous vote with members Arambula, Moreno, Frank and Hall absent. The second action related to IBEW, where the Board gave instructions to negotiators.

65. Adjournment

The meeting was adjourned at 11:19 a.m.



Chairperson
San Diego Metropolitan Transit System


Filed by:



Clerk of the Board
San Diego Metropolitan Transit System

Attachment: Roll Call Sheet

Approved as to form:



General Counsel
San Diego Metropolitan Transit System

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS
ROLL CALL

MEETING OF (DATE):	<u>November 12, 2020</u>	CALL TO ORDER (TIME):	<u>9:03 am</u>
RECESS:		RECONVENE:	
CLOSED SESSION:	<u>10:55 am</u>	RECONVENE:	<u>11:03 am</u>
PUBLIC HEARING:		RECONVENE:	
ORDINANCES ADOPTED:	<u>1</u>	ADJOURN:	<u>11:04 am</u>

BOARD MEMBER		(Alternate)		PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
AGUIRRE	<input checked="" type="checkbox"/>	(Spriggs)	<input type="checkbox"/>	9:03 am	11:03 am
ARAMBULA	<input type="checkbox"/>	(Mendoza)	<input type="checkbox"/>	-	-
FAULCONER	<input type="checkbox"/>	(Moreno)	<input checked="" type="checkbox"/>	9:04 am	10:55 am
FLETCHER	<input checked="" type="checkbox"/>	(Cox)	<input type="checkbox"/>	9:03 am	11:03 am
FRANK	<input checked="" type="checkbox"/>	(Mullin)	<input type="checkbox"/>	9:03 am	10:45 am
GALVEZ	<input checked="" type="checkbox"/>	(Diaz)	<input type="checkbox"/>	9:03 am	11:03 am
GOMEZ	<input checked="" type="checkbox"/>	(Campbell)	<input type="checkbox"/>	9:14 am	11:03 am
HALL	<input checked="" type="checkbox"/>	(McNelis)	<input type="checkbox"/>	9:03 am	10:55 am
MCCLELLAN	<input checked="" type="checkbox"/>	(Goble)	<input type="checkbox"/>	9:16 am	11:03 am
MONTGOMERY	<input checked="" type="checkbox"/>	(Bry)	<input type="checkbox"/>	9:03 am	11:03 am
SALAS	<input checked="" type="checkbox"/>	(Diaz)	<input type="checkbox"/>	9:03 am	11:03 am
SANDKE	<input checked="" type="checkbox"/>	(Donovan)	<input type="checkbox"/>	9:03 am	11:03 am
SOTELO-SOLIS	<input checked="" type="checkbox"/>	(Quintero)	<input type="checkbox"/>	9:04 am	11:03 am
WARD	<input checked="" type="checkbox"/>	(Kersey)	<input type="checkbox"/>	9:03 am	11:03 am
WEBER	<input checked="" type="checkbox"/>	(Arapostathis)	<input type="checkbox"/>	9:03 am	11:03 am

SIGNED BY THE CLERK OF THE BOARD:

CONFIRMED BY THE GENERAL COUNSEL:

