

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

MINUTES

January 21, 2021

[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 9:00 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 December 10, 2020, MTS Board of Directors meeting. Board Member Sandke seconded the motion, and the vote was 11 to 0 in favor with Board Member Gastil, Board Member Salas, Vice Chair Sotelo-Solis and Board Member Weber absent.

3. Public Comment

There were no Public Comments.

4. Elect Vice Chair, Chair Pro Tem, and Committee Appointments (Sharon Cooney)

Board Member Montgomery Steppe requested Board Member Elo-Rivera be added to the Public Security Committee.

Chair Fletcher made a motion to approve the recommended slate of appointments, including the addition of Board Member Elo-Rivera to the Public Security Committee.

Action on Recommended Consent Items

Chair Fletcher moved to elect Alejandra Sotelo-Solis as Vice Chair and Mary Salas as Chair Pro Tem for 2021; and to approve the nominating slate proposed by the Ad Hoc Nominating Committee for the appointment of representatives to MTS Committees for 2021, with the addition of Sean Elo-Rivera to the Public Security Committee. Board Member Aguirre seconded the motion, and the vote was 13 to 0 in favor with Board Member Gastil and Board Member Weber absent.

CONSENT ITEMS

6. Application Xtender (AX) and Kofax Software Maintenance & Professional Service Support – Purchase Order

Action would: 1) Ratify previous Purchase Order (PO) 4500023458 award of \$94,928.89 with Wave TSG, LLC, a Small Business (SB), previously issued under Chief Executive Officer (CEO) authority; and 2) Authorize the CEO to execute an amendment to the PO with Wave TSG, LLC, a SB, to increase capacity by \$15,180.00 for a revised total PO value of \$110,108.89 for three (3) years.

7. Fare Media Retail Network – Contract Amendment
Action would authorize the Chief Executive Officer (CEO) to execute Amendment 1 to MTS Doc No. G2287.0-19, with Ready Credit Corporation (RCC), for the provision of retail-packaged fare media, at a not to exceed amount of \$537,476.25.
8. On-Call Homeless Encampment Cleanup Services - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG327.0-21, with Urban Corps of San Diego County (Urban Corps), for on-call homeless encampment cleanup services for a five-year period in the amount of \$337,906.80.
9. Systems, Applications, and Products (SAP) Qualtrics Survey & Data Collection Software and Cloud Services – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2445.0-21, with Carahsoft Technology Corp., for the procurement of SAP Qualtrics Cloud Services for three (3) years in the amount of \$174,989.47.
10. Supply of Oils and Lubricants – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute the following contracts, effective February 1, 2021 for five (5) years, totaling \$1,075,661.88: 1) MTS Doc. No. B0724.0-21, with AAA Oil, Inc., dba California Fuels and Lubricants, a Minority Owned Business Enterprise (MBE), for a total of \$512,909.78; 2) MTS Doc. No. B0725.0-21, with SC Commercial, LLC, dba SC Fuels, for a total of \$252,398.16; and 3) MTS Doc. No. G2449.0-21, with Jamison Professional Services dba Jamison Transportation Products, a Disadvantaged Business Enterprise (DBE), for a total of \$310,353.94.
11. ADA Paratransit Client Certification Services – Contract Amendment
Action would: 1) Ratify Amendment Nos. 1-3 with Medical Transportation Management (MTM), a Women Owned Business Enterprise (WBE), in the total amount of \$1,116,096.40; and 2) Approve Amendment No. 4 to MTS Doc. No. G1901.0-16 to authorize the Chief Executive Officer (CEO) to extend the contract for one (1) year with MTM for ADA Paratransit Client Certification Services, for a total of \$485,916.00.
12. Cradlepoint NetCloud Mobile Advanced Plan with Threat Management Services - Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. G2450.0-21, with AT&T Corporation, for NetCloud Mobile Advanced Services for five (5) years in the amount of \$330,000.00.
13. Mission Valley West Signal Upgrade – Construction Change Orders (CCO) Under a Job Order Contract (JOC) Work Order
Action would: 1) Ratify CCO MTSJOC7506-05.03 under MTS Doc No. PWL235.0-17, with HMS Constructions, Inc. (HMS), totaling \$91,595.59, for repair of the damaged fiber cable and the signal wirings in various signal cases; and 2) Authorize the Chief Executive Officer (CEO) to execute CCO MTSJOC7506-05.04 under MTS Doc No. PWL235.0-17, with HMS, in the amount of \$55,826.85 for additional signal engineer time to troubleshoot various vital and non-vital signaling issues to complete this project.
14. Semiannual Uniform Report of Disadvantaged Business Enterprise (DBE) Awards and Payments

15. San Diego Gas & Electric (SDG&E) License Agreement – Fez Street Traction Power Substation
Action would authorize the Chief Executive Officer (CEO) to execute a license agreement with SDG&E allowing for the construction, maintenance, and operation of a traction powered substation (TPSS) serving the Mid-Coast Light Rail Project.
16. Security Services – Contract Extension
Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 7 to MTS Doc. No. G1828.0-15, with Allied Universal dba Transit Systems Security, with Allied Universal dba Transit Systems Security, extending the contract to December 31, 2021, in the amount of \$5,332,564.00 for the provision of security services.

BOARD MEMBER COMMENTS

Board Member Montgomery Steppe requested item 16 be pulled for further clarification.

Action on Recommended Consent Items, Excluding Consent Item No. 16

Chair Fletcher moved to approve Consent Agenda Item Nos. 6 to 15. Vice Chair Sotelo-Solis seconded the motion, and the vote was 13 to 0 in favor with Board Member Gastil and Board Member Weber absent.

COMMENTS – CONSENT ITEM 16

Sharon Cooney, MTS Chief Executive Officer, clarified this item would allow a six-month extension to the existing Security contract. She explained the postponement would give the new Director of Transit Security & Passenger Safety, Al Stiehler, an opportunity to be included in the selection process. The extension would also allow MTS staff to visit the sites where the bidders had existing contracts with other agencies. Unfortunately, with the rise in cases of COVID-19, the field assessment was postponed to ensure the safety of MTS staff. Ms. Cooney noted that the site visits remain a desirable aspect of the selection process to ensure a competitive award.

PUBLIC COMMENTS – CONSENT ITEM 16

David Roger – an active rider provided a verbal comment to the Board during the meeting. Roger expressed concerns with the parameters of armed enforcement when checking fare, but not enforcing riders to wear masks on transit.

BOARD COMMENTS – CONSENT ITEM 16

Board Member Montgomery Steppe asked where staff would be conducting site visits and what the timeline would be for the visits. She was concerned the inability to assess the sites due to travel restrictions would cause another extension to the existing contract.

Sam Elmer, MTS Manager of Procurement, clarified two of the administrative offices were local, one was in San Diego County and another in Los Angeles County. Staff expected to propose a new contract to the Board in June or July of 2021 for the approval of a new contract. This would allow an adequate transition period for both the contractor and staff.

Board Member Montgomery Steppe was satisfied with the response and asked staff to update the Public Security Committee of this progress.

Board Member Sandke responded to the public comment for consent item 16. He cited the weekly reports the Board receives as evidence of the wide array of transit activity that varies

from infractions to felonies. He explained that security presence on transit is important and extends beyond fare enforcement.

Action on Consent Item Number 16

Board Member Montgomery Steppe moved to approve Consent Agenda Item No. 16. Board Member Sandke seconded the motion, and the vote was 15 to 0 in favor.

NOTICED PUBLIC HEARINGS (ITEM TAKEN PRIOR TO CLOSED SESSION)

25. None.

DISCUSSION ITEMS (ITEM TAKEN PRIOR TO CLOSED SESSION)

30. None.

REPORT ITEMS (ITEMS TAKEN PRIOR TO CLOSED SESSION)

45. PRONTO Fare Collection System Implementation and Fare Study Update (Israel Maldonado and Rob Schupp)

Rob Schupp, MTS Director of Marketing and Communication, and Israel Maldonado, MTS Fare Systems Administrator, presented on the PRONTO fare collection system implementation and fare study update. They discussed the differences between the Compass and PRONTO systems, PRONTO features, rider benefits, an explanation of how the name and color were chosen, transition process, next steps and phasing, project costs, capital cost, operating cost, regional fare ordinance, fare adjustment scenarios, fare model projections, and fare study outreach.

Chair Fletcher explained the history of PRONTO and noted there was much excitement for the project, especially the new fare capping system. Chair Fletcher clarified that today's presentation is for informational purposes and feedback. He noted SANDAG has the statutory authority to make regional fare changes. Chair Fletcher clarified that the SANDAG's Board will not endorse a decision without considering advisory recommendations by the MTS Board. Chair Fletcher clarified that while fare capping is a benefit to all riders, it would bring a decrease in revenue. The Board will need to weigh budgetary tradeoffs, especially as it considers youth and senior fare reductions.

Ms. Cooney added that the agency is in the process of public outreach efforts to receive input from the community about proposed fare changes. The agency is aware of the expense, but fare capping will benefit frequent and low-income riders. While there are costs associated to fare capping, staff believes there are solutions to balancing the budget that the community will support. Ms. Cooney highlighted the benefits of community input as another resource for innovative ideas. Once the agency has captured the community's narrative, staff will return with a final recommendation. She also acknowledged the possibility of an incremental fare change over a period of time.

PUBLIC COMMENTS

Carolina Martinez – with Environmental Health Coalition provided a verbal comment to the Board during the meeting. Martinez expressed excitement for the launch of the new fare system however, was concerned about increases to fares during the pandemic. The rise in fares may deter riders from using public transportation. Martinez supported scenario 3 while understanding

the expenses of the new system implementation and was in support of a phased fare increase over time. Martinez noted that the delay would not only benefit riders but also allow the agency to see what revenue would look like once the economy stabilized. Martinez asked the Board to halt fare increases at the moment, as doing so would impact many communities in the region.

BOARD COMMENTS

Vice Chair Sotelo-Solis asked if costs could be offset with Coronavirus Aid, Relief, and Economic Security (CARES) Act funding in tandem with reduced fares. She asked staff if this option was viable.

Ms. Cooney noted the subsequent agenda item would address the agencies' subsidy revenue as well as CARES Act funding. Staff would be analyzing the cost benefit with promotional fares, especially as the pandemic subsidies and the agency promotes ridership. She noted this suggestion can be considered, and the Budget Development Committee will meet in the spring to discuss these matters. She reminded the Board that the agency has only received one allocation of federal aid during the pandemic.

Vice Chair Sotelo-Solis noted it was important to know the CARES Act funding could be an option used to offset costs. She also asked if the scenarios could show the greenhouse gas (GHG) emissions impacts.

Ms. Cooney clarified ridership impacts determined GHG levels and are thus correlated.

Vice Chair Sotelo-Solis cited Title VI of the Civil Rights Act and asked if this analysis was done for the fare increase. She asked if the fare model projections were part of the social equity analysis.

Mr. Maldonado clarified that a social equity analysis was created by the SANDAG consultant. He offered to have the consultant share the specifics of the analysis with the Board.

Chair Fletcher acknowledged the agency had a variety of options to consider while being cautious of the budgetary restraints and offsets. He acknowledged the CARES Act funding was used to stabilize the workforce and refrain from having layoffs or operational cuts in the agency, all while balancing the significant lowered ridership revenue stream due to COVID-19.

Board Member Galvez asked what the initial PRONTO card purchase would be and if there was flexibility to provide free cards.

Mr. Schupp replied that during the transition, the agency would distribute PRONTO cards at no cost and that once the program was active, the cards would retail at \$2.00.

Board Member Moreno commended the agency for the platform changes. She invited the community to engage in public comment on the matter. She referenced a letter she received from Circulate San Diego that suggests the agency offer free transfers on the system and supports their recommendation. She asked staff if the agency would consider implementing the change.

Ms. Cooney briefly discussed challenges and the history of free transfers.

Board Member Moreno explained that the change in policy could encourage choice ridership. She encouraged staff and the Board to provide free transfers within the system.

Chair Fletcher asked staff to present a report to the Board with a historical synopsis, along with the operational budgetary impacts of free transfers.

Board Member Elo-Rivera noted he liked the PRONTO system as it allows riders to pay as they go, especially if riders do not have enough money at the beginning of the month to pay for the monthly pass. He asked how the agency ensured impacted communities would participate in community engagement efforts and what languages beyond English and Spanish advertisements were promoted.

Mr. Schupp explained the agency advertised the meetings onboard the vehicles, as well as print and digital distribution and advertisement mediums. He also noted the information was distributed to community partners for promotion. Advertisements were conducted primarily in English and Spanish, with some Asian language printed advertisements and translation available in any language, upon request.

Board Member Elo-Rivera extended his office as an additional community engagement resource.

Board Member Sandke expressed concerns with making budgetary decisions using one-time funds as there could be long-term impacts. He recalled several scenarios when the last fare changes were made and that the revenue projections resulted in a ridership decrease. He was interested in scenarios where changes would build ridership, like scenario 1 and 2. He acknowledged that the ridership revenue the agency relies on would eventually need to be balanced through other modes in order to keep fares competitive and at a low cost.

Board Member Salas supported Board Member Moreno about revisiting free transfers on the system. She encouraged the Board to reassess and refer to other agencies as case studies for possible implementation to the system.

Board Member Montgomery Steppe agreed with revisiting free transfers in the system and is strongly against fare increases, especially during the current pandemic. She also asked about the Title VI Report. She noted the analysis and methodology of the report was dated and unhelpful, and asked for additional follow up on the report.

Board Member Aguirre expressed concern for possible fare increases and is in support of scenario 3. She looks forward to furthering her decision based on the Title VI Report to determine what the social impact may be. She is also excited to see the new fare collection system use fare capping.

Board Member Whitburn asked for additional information at a future time or meeting related to other transit systems incorporating a low-income fare-based system and whether MTS could implement something similar.

Action Taken

No action taken. Informational item only.

46. Subsidy Revenue Overview (Mike Thompson)

Mike Thompson, MTS Director of Financial Planning and Analysis, presented on the agency's subsidy revenue overview including: MTS subsidy revenues, local sales tax revenues, Federal Transit Administration (FTA) recurring funds, FTA non-recurring funds; other federal non-

recurring funds; other subsidy revenues; other recurring subsidy revenues; other competitive programs, competitive grant program results, and subsidy funding summary by year.

Chair Fletcher noted the agency has experienced deficits due to COVID-19. He acknowledged a substantial decline in ridership, but nonetheless, MTS has maintained consistency in service levels and employment because of the CARES Act funding. Chair Fletcher acknowledged the agency does not know when the situation will stabilize; however, the agency is still undergoing a structural deficit.

Board Member Moreno acknowledged President Biden's plan to allocate transportation funding in the upcoming stimulus funding proposal. She asked if MTS would allocate this funding similarly to the CARES Act. Board Member Moreno also asked if the agency had lobbyists that could advocate for the funds and if they had provided information about the package.

Mr. Thompson explained that details of the package have not yet been released. He clarified the agency does have state and federal lobbyists and have not received additional details about the package. Mr. Thompson continued that the agency is also part of the American Public Transportation Association which is actively advocating for additional funding.

Board Member Sandke asked about the grant results and how MTS compared to other agencies. He asked about the internal processes that would allow MTS to increase the number of grant projects awarded.

Mr. Thompson clarified the agency applies for any grant that a project could qualify for. He explained the collaboration the agency does with lobbyists and representatives in order to understand what the focus is for the fiscal year.

Board Member Sandke asked if the agency was in contact with cities such as Seattle and San Francisco that received federal and state funding for their waterway transportation system.

Mr. Thompson confirmed that the agency would look into this to pursue potential waterway transportation funding.

Action Taken

No action taken. Informational item only.

47. MTS Safety Performance Annual Review (David Bagley and Jared Garcia)

David Bagley, MTS Rail Safety System Manager, and Jared Garcia, MTS Bus Manager of Safety, provided a presentation on the annual MTS safety performance. They covered topics on State Safety Oversight (SSO), Public Transportation Agency Safety Plan (PTASP), Public Transportation Safety Certification Training Program (PTSCTP), rail accidents, rail incident history, state wide rail accidents, safety performance measures, emergency response training, Mid-Coast project organization construction phase, Mid-Coast corridor activities, 2020 internal safety & security audit, California Public Utilities Commission (CPUC) state safety oversight activities, FTA COVID-19 recovery listening session, bus target performance, bus safety events, bus preventable accident trend, and performance target coordination.

Action Taken

No action taken. Informational item only.

48. Operations Budget Status Report for November 2020 (Gordon Meyer)

Gordon Meyer, MTS Operating Budget Supervisor, presented on the operations budget status report for November 2020. He discussed topics on consolidated MTS operations, FTA CARES Act funding, total operating revenues, total operating expenses, and total operating activities.

Action Taken

No action taken. Informational item only.

OTHER ITEMS (ITEMS TAKEN PRIOR TO CLOSED SESSION)

60. Chair Report

Chair Fletcher invited Board Members and the public to view the State of MTS inaugural address, which will highlight topics such as zero emission buses, homeless outreach program, public safety reform efforts and other topics.

61. Chief Executive Officer's Report

Ms. Cooney welcomed incoming Board Members and expressed excitement on behalf of MTS staff to work with the Board. She also noted MTS is engaged with County officials regarding vaccine Super Stations and how MTS could help manage traffic and support people getting to their vaccine appointments by providing free rides for those individuals with vaccine appointments.

62. Board Member Communications

There were no Board Member communications.

63. Additional Public Comments on Items Not on the Agenda

David Roger – initially noted his interest in providing a public comment, but experienced technical difficulties and did not provide comment.

64. Next Meeting Date

The next regularly scheduled Board meeting is February 11, 2021.

CLOSED SESSION (ITEMS TAKEN OUT OF ORDER)

24. Closed Session Items

The Board convened to Closed Session at 10:58 a.m.

a. CLOSED SESSION – CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to California Government Code Section 54957.6

Agency: San Diego Transit Corporation ("SDTC")

Employee Organization: International Brotherhood of Electrical Workers, Local 465
(Representing SDTC Mechanics and Servicers)

Agency-Designated Representative: Jeffrey M. Stumbo, Chief Human Resources Officer
(EEO 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:

- a. The Board approved a tentative agreement with the IBEW 465 representing SDTC Mechanics and Servicers with 13 members in favor and Board Member Goble and Board Member Salas absent.

65. Adjournment

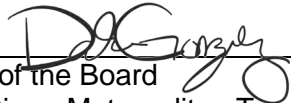
The meeting was adjourned at 11:16 am.



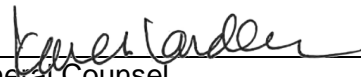
Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:



Clerk of the Board
San Diego Metropolitan Transit System



General Counsel
San Diego Metropolitan Transit System

Attachment: Roll Call Sheet

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS
ROLL CALL

MEETING OF (DATE): January 21, 2021 CALL TO ORDER (TIME): 9:00am
 RECESS: _____ RECONVENE: _____
 CLOSED SESSION: 10:58 am RECONVENE: 11:14 am
 PUBLIC HEARING: _____ RECONVENE: _____
 ORDINANCES ADOPTED: _____ ADJOURN: 11:16 am

BOARD MEMBER		(Alternate)		PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
AGUIRRE	<input checked="" type="checkbox"/>	(Leyba-Gonzalez)	<input type="checkbox"/>	9:00 am	11:14am
ELO-RIVERA	<input checked="" type="checkbox"/>	(LaCava)	<input type="checkbox"/>	9:00 am	11:14am
FLETCHER	<input checked="" type="checkbox"/>	(Vargas)	<input type="checkbox"/>	9:00 am	11:14am
FRANK	<input checked="" type="checkbox"/>	(Mullin)	<input type="checkbox"/>	9:00 am	11:14am
GALVEZ	<input checked="" type="checkbox"/>	(Cardenas)	<input type="checkbox"/>	9:01 am	11:14am
GASTIL	<input checked="" type="checkbox"/>	(Mendoza)	<input type="checkbox"/>	9:07 am	11:14am
GLORIA	<input type="checkbox"/>	(Whitburn)	<input checked="" type="checkbox"/>	9:00 am	11:14am
GOBLE	<input checked="" type="checkbox"/>	(Ortiz)	<input type="checkbox"/>	9:01 am	10:58 am
HALL	<input checked="" type="checkbox"/>	(McNelis)	<input type="checkbox"/>	9:00 am	11:14am
MONTGOMERY	<input checked="" type="checkbox"/>	(Von Wilpert)	<input type="checkbox"/>	9:00 am	11:14am
MORENO	<input checked="" type="checkbox"/>	(Campillo)	<input type="checkbox"/>	9:01 am	11:14am
SALAS	<input checked="" type="checkbox"/>	(Cardenas)	<input type="checkbox"/>	9:02 am	10:58 am
SANDKE	<input checked="" type="checkbox"/>	(Bailey)	<input type="checkbox"/>	9:00 am	11:14am
SOTELO-SOLIS	<input checked="" type="checkbox"/>	(Bush)	<input type="checkbox"/>	9:04 am	11:14am
WEBER	<input checked="" type="checkbox"/>	(Arapostathis)	<input type="checkbox"/>	9:07 am	11:14am

SIGNED BY THE CLERK OF THE BOARD:



CONFIRMED BY THE GENERAL COUNSEL:

