

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

MINUTES

April 8, 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 March 11, 2021, MTS Board of Directors meeting. Board Member Salas seconded the motion, and the vote was 13 to 0 in favor with Board Member Gastil and Board Member Weber absent.

3. Public Comment

There were no Public Comments.

CONSENT ITEMS

6. Trolley Extension Major Service Changes

Action would 1) Receive the Mid-Coast Trolley major service changes Title VI service equity analysis; and 2) Approve the major service change recommendations as outlined below, for implementation upon completion of the Mid-Coast Trolley extension project (projected in November 2021).

7. San Diego and Arizona Eastern (SD&AE) Railway Company Quarterly Reports and Ratification of Actions Taken by the SD&AE Board of Directors at its Meeting on February 25, 2021

Action would receive the San Diego and Imperial Valley Railroad (SD&IV), Pacific Southwest Railway Museum Association (Museum), and Desert Line quarterly reports for information

8. Federal Transit Administration (FTA) Section 5310 Grant Application

Action would adopt Resolution No. 21-3 certifying that there are no private, nonprofit organizations readily available to provide the same complementary paratransit service in MTS's service area, a prerequisite to receiving FTA Section 5310 funding.

9. Fiscal Year (FY) 2019-2020 & 2020-2021 Low Carbon Transit Operations Program (LCTOP) Funding

Action would adopt Resolution No. 21-4 in order to: 1) Agree to comply with all conditions and requirements set forth in the Certification and Assurances Document, and applicable statutes, regulations, and guidelines for all LCTOP funded transit projects; and 2) Authorize the Chief Executive Officer (CEO), or designated representative, to execute all required documents of the LCTOP and any amendments thereto with the California Department of Transportation; and 3) Authorize the allocation of \$6,003,201 in FY 2019-2020 LCTOP funding and \$3,446,991 in FY 2020-2021 LCTOP for a Battery Electric Bus (BEB) Procurement project (a total of \$5,126,370 is funded in the FY 2022 Capital Improvement Program (CIP)), which will reduce

greenhouse gas emissions and improve mobility with a priority on serving Disadvantaged Communities (DAC); and 4) Certify that at least 50% of the total LCTOP funds received will be spent on projects or services that will benefit DAC identified in Section 39711 of the Health and Safety Code.

10. Supply Power Truck Ground Contact for Light Rail Vehicles (LRV) – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1563.0-21, with Siemens Mobility, Inc. to provide Power Truck Ground Contacts (PTGC) for Light Rail Vehicles (LRV) for five (5) years effective May 1, 2021 at a cost of \$1,004,661.00.
11. Furnish and Deliver a Ballast Regulator – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1568.0-21, with Knox Kershaw, Inc. to furnish and deliver a Ballast Regulator at a cost of \$399,597.47.
12. Uniforms and Shop Material Rentals – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2419.0-21 with Prudential Overall Supply, for uniforms, shop towels and mat rentals, totaling \$783,884.36 for five (5) years effective July 1, 2021.
13. Number Not Used
14. Kearny Mesa Division (KMD) Tire Storage Shelter Construction – Contract Award
Action authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWB328.0-21, with GEM Industrial Electric, Inc., a Small Business (SB), for procuring and installing a KMD Tire Storage shelter in the amount of \$195,360.00.
15. Arinc / Rockwell Collins (ARINC) Integration of Middletown And Beech Street Double Crossover Projects
Action would authorize the Chief Executive Officer (CEO) to execute Addendum 17, Scope of Work 100 to the Memorandum of Understanding (MOU) between the San Diego Association of Governments (SANDAG) and MTS for the ARINC Integration of the Middletown and Beech Street Double Crossover projects in the amount of \$370,000.00.
16. Copley Park Division (CDP) Asphalt Depression Repairs – Work Order Agreement
Action would authorize the Chief Executive Officer (CEO) to execute Work Order MTSJOC275-20 under Job Order Contract (JOC) to MTS Doc No. PWG275.0-19 (in substantially the same format as Attachment A) with ABC Construction Co., Inc. (ABC), in the amount of \$149,992.73 for repairs to depressed and cracked asphalt at the Copley Park Division (CPD).
17. Mecatran, Sarl (MECATRAN) Urbiplan - Alert Software License Maintenance & Professional Service Support - Purchase Order
Action would 1) Ratify previous Sole Source Purchase Order (PO) 4500025385 award of \$96,750.00 with Mecatran, previously issued under Chief Executive Officer (CEO) authority; and 2) Authorize the CEO to execute an amendment to the PO with Mecatran to add General Transit Feed Specifications (GTFS) Urbiplan Feed Manager licenses for two (2) years in the amount of \$4,590.00 for a revised total PO value of \$101,340.00.

18. Grantville Trolley Station – Amendment to Grantville Trolley Family Housing, L.P., Disposition And Development Agreement (DDA)
Action would authorize the Chief Executive Officer (CEO) to execute an amendment to the DDA with Grantville Trolley Family Housing, LP to substitute a new Exhibit I (Material Terms of Ground Lease) in substantially the same format as Attachment A.

PUBLIC COMMENTS

Michael Horgan – Provided a verbal statement to the Board during the meeting. Horgan voiced support for agenda item number six, particularly for the beneficial changes to the Mid-Coast bus network and additional Blue Line service that would serve the community.

BOARD COMMENTS – CONSENT ITEMS

Board Member Bush requested to pull agenda item 9 for clarification.

Action on Recommended Consent Items, excluding No.9

Chair Fletcher moved to approve Consent Agenda Item Nos. 6 to 8 and 10 to 18, excluding number 9. Board Member Salas seconded the motion, and the vote was 13 to 0 in favor with Board Member Gastil and Board Member Weber absent.

COMMENTS – CONSENT ITEM 9

Mike Thompson, MTS Director of Financial Planning and Analysis, clarified that consent item 9 funds the annual Low Carbon Transit Operations Program (LCTOP). MTS is required to notify the state of the allocation use. This year, there was a \$3.4 million allocation, along with carryover from the previous year's \$6 million allocation. The joint \$9 million of funding will be used for the battery electric bus fleet replacement program.

Board Member Bush supported the allocation of funds for this fiscal year. He noted the funding was allocated for disadvantaged community programs and sought to understand the agency's plan to diversify projects for future fiscal allocations.

Mr. Thompson clarified the funding must be used for projects that assist in the reduction of greenhouse gas emissions within disadvantage communities. Generally, these funds have been allocated towards the battery electric bus program.

Board Member Bush encouraged MTS to explore additional options to diversify the funding through other projects.

Action on Recommended Consent Item

Board Member Bush moved to approve Consent Agenda Item No. 9. Chair Fletcher seconded the motion, and the vote was 13 to 0 in favor with Board Member Gastil and Board Member Weber absent.

CLOSED SESSION

24. None.

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS/FINANCE WORKSHOP ITEMS

30. Fiscal Year (FY) 2021 Operating Budget Midyear Amendment (Mike Thompson)

Mr. Thompson presented on the Fiscal Year (FY) 2021 operating budget midyear amendment. He provided details on the operating budget overview; revenue assumptions; sales tax revenues; State Transit Assistance (STA); passenger levels; passenger fare revenue; other operating revenues; revenue summary; expense assumptions; service levels; personnel; outside services; expense summary; and consolidated revenues less expenses.

Chair Fletcher commented on the revenue assumptions and is hopeful those funding projections will remain positive. He noted concerns related to the recovery of transit ridership. Additional clarity on these projections will be evaluated in the summer and fall of this year. Chair Fletcher asked about ridership recovery and the projections of other transit agencies.

Sharon Cooney, MTS Chief Executive Officer, stated that the industry is seeing a steady increase in ridership, which correlates to the reopening of states. She noted that MTS serves an approximate 70% transit dependent customer base in normal years. Riders use the system to access appointments, commuting, tourism, school, and other essential needs. She stated that ridership should slowly begin to recover to pre-COVID levels over the next few years as normal activities resume. Ms. Cooney stated that the Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan (ARP) funding is providing the financial assistance to allow for ridership recovery.

Chair Fletcher noted the importance of monitoring ridership stabilization in order for staff to program federal funding accordingly. He stated that while there is still uncertainty, MTS can rely on its federal funding to continue providing service. Chair Fletcher also noted that another challenge in lowered system ridership creates challenges in service assessments.

Board Member Sandke agreed with Chair Fletcher's articulation of the challenges and obstacles. He commented on low ridership numbers and increased operating expense figures.

Board Member Goble commented on the funding from CARES Act and ARP. He acknowledged this funding could allow MTS to recover with no impacts to its services, if ridership stabilizes. He asked staff if MTS had received its ARP funding.

Mr. Thompson noted that details of the allocations would be covered in the next presentation. The final ARP allocation amounts have not been established, but the agency projects to receive \$130 – \$140 million.

Action Taken

Chair Fletcher moved to enact Resolution No. 21-1 amending the FY 2021 operating budget for MTS, SDTC, SDTI, MTS Contract Services, and the Coronado Ferry. Board Member Sandke seconded the motion, and the vote was 15 to 0 in favor.

31. Fiscal Year (FY) 2022 Operating Budget (Mike Thompson)

Mr. Thompson presented on the FY 2022 proposed operating budget. He discussed the budget development process; revenue assumptions; sales tax revenues; Federal Transit Administration (FTA); other subsidy revenue; passenger fare revenue; revenue summary; service levels; expense assumptions; personnel; purchased transportation; outside services; energy; expense

summary; consolidated revenues less expenses; stimulus funding; and budget development next steps.

PUBLIC COMMENTS

Carolina Martinez – Representing Environmental Health Coalition made a verbal statement to the Board during the meeting. Martinez asked for the ARP funding to be utilized to accelerate the Innovative Clean Transit rule. She noted that doing so would improve transit services for environmental justice communities.

BOARD COMMENTS

Board Member Moreno stated that ridership as a metric is missing from the budget as well as a proposal to increase ridership throughout the fiscal year. She encouraged the Board to utilize federal funding to stimulate ridership. She commented that significantly lower ridership could lead to service reductions, which would lead to additional ridership loss. Board Member Moreno suggested including ridership as a metric in the operating budget, along with proposals by staff to improve ridership.

Chair Fletcher noted that ridership was increasing monthly pre-COVID. He stated that during the pandemic, riding transit was discouraged except for essential trips. He supports new and innovative ideas to encourage increased ridership.

Board Member Bush asked about the ARP obligatory clause noted in the presentation.

Mr. Thompson clarified that MTS is required to obligate all APR funds by September 2024.

PUBLIC COMMENTS

Cris Sotomayor – Representing Mid-City CAN made a verbal statement to the Board during the meeting. They acknowledged the importance to improve transit services for environmental justice communities as well as the inclusion of youth opportunity passes.

BOARD MEMBER COMMENTS

Board Member Galvez commented on the dramatic escalation of energy costs. She noted interest in energy investments throughout the system.

Board Member Elo-Rivera stated that Board Members have the ability to encourage ridership in their jurisdictions through policy and incentives, rather than encouraging driving as their primary mode of transportation.

Board Member Montgomery Steppe stated that youth opportunity passes should be considered as an investment to increase ridership.

Action Taken

Board Member Moreno moved to receive the report. Chair Fletcher seconded the motion, and the vote was 15 to 0 in favor.

32. Fiscal Year (FY) 2022 Capital Improvement Program (Mike Thompson)

Ms. Cooney introduced the item by outlining the development of the Capital Improvement Program (CIP). She cited Board Policy 65, "Transit Asset Management Policy", and Board

Policy 42, “Transit Service Evaluation and Adjustment”. Ms. Cooney discussed MTS’s commitment to an equitable distribution of capital funds through the CIP Title VI requirements and an analysis of the disadvantaged communities that historically may have been underinvested.

Mr. Thompson continued the presentation and discussed the proposed fiscal year 2022 funding levels; development of the CIP; project highlights for bus revenue vehicles, rail revenue vehicles, facility and construction projects, rail infrastructure projects, other equipment and installation projects; unconstrained project list; and the five year forecast.

PUBLIC COMMENTS

Toshi Ishihara – provided a verbal statement to the Board during the meeting. He thanked staff for keeping the system active, especially for transit dependent riders during the pandemic. He encouraged the Board to purchase zero electric buses and to prioritize deployment in Asian communities.

BOARD MEMBER COMMENTS

Board Member Bush voiced support for the San Ysidro Intermodal Transit Center. He highlighted the benefits to the South Bay region and National City as this would support transit riders from the Border.

Board Member Sandke noted it is important to transition the fleet to zero emission and support the deployment of these vehicles in disadvantaged communities. However, there are challenges that still need to be addressed related to the deployment of zero emission vehicles including range limitations and infrastructure and vehicle costs.

Board Member Aguirre asked staff about community engagement processes beyond the ballot measure outreach to receive feedback on projects that would be a priority in the CIP.

Ms. Cooney noted there was no specific CIP outreach; however, there are initiatives in place for community involvement for future programs. She explained the listening tour the agency would be taking to gauge feedback. The results would inform the recommendation of the projects to be presented to the Board.

Board Member Montgomery Steppe supported the item and noted the importance of intentionality with community projects and government funding.

Board Member Elo-Rivera asked how the agency would maximize opportunities in the federal infrastructure bill.

Julia Tuer, Manager of Government Affairs, listed the various proposals being submitted for community project funding requests.

Board Member Elo-Rivera asked if the agency is providing information to its congressional delegates in order to maximize funding in the infrastructure bill.

Ms. Tuer replied that the agency is communicating with its congressional delegation during this transportation and infrastructure bill process to maximize potential funding.

Action Taken

Board Member Bush moved to: 1) Approve the fiscal year 2022 Capital Improvement Program (CIP) with the estimated federal and nonfederal funding levels. As the federal appropriation figures are finalized and/or other project funding sources become available, allow the Chief Executive Officer (CEO) to identify and adjust projects for the adjusted funding levels. 2) Recommend that the San Diego Association of Governments (SANDAG) Board of Directors approve the submittal of Federal Section 5307, 5337 and 5339 applications for the MTS fiscal year 2022 CIP; 3) Recommend that the SANDAG Board of Directors approve amendment number 1 of the 2021 Regional Transportation Improvement Program (RTIP) in accordance with the fiscal year 2022 CIP recommendations. Board Member Sandke seconded the motion, and the vote was 15 to 0 in favor.

REPORT ITEMS

45. Zero Emission Bus (ZEB) Pilot Performance and Transition Plan Update (Mike Wygant & Kyle Whatley)

Michael Wygant, MTS Chief Operating Officer – Transit Services, and Kyle Whatley, Zero Emission Project Specialist, provided a presentation on the ZEB pilot performance and transition plan. They discussed the policy history; MTS timeline; ZEB pilot program performance report; monthly fleet efficiency; average efficiency by route; efficiencies vs. temperatures; CNG vs. BEB monthly mileage; CNG vs. BEB fuel and maintenance; mean distance between failures; ZEB deployment in DAC routes; charging infrastructure; funding; transition costs; upcoming milestones; procurement timeline; and 25% early adoption pathway.

PUBLIC COMMENTS

Carolina Martinez – Representing Environmental Health Coalition (EHC) made a verbal statement to the Board during the meeting. Martinez hoped the allotted federal funding would be used to accelerate the zero-emission bus transition plan. She asked staff for an update on the transition plan.

Gretchen Newsom – Representing IBEW 569 made a verbal statement to the Board during the meeting. Newsom voiced support and alignment with partners at EHC and asked for an update on how the agency pursues state and federal funding for ZEB purchases.

BOARD MEMBER COMMENTS

Board Member Moreno commended the agency for prioritizing the deployment of ZEB buses in the South Bay.

Board Member Whitburn asked about ZEB customer and driver feedback.

Mr. Wygant noted that there has been positive feedback and interest in when the buses will launch in different communities. He stated that the drivers have also provided positive feedback on the ZEBs.

Board Member Elo-Rivera asked if the charging structures would only be utilized at night. And if so, could the agency rent out the chargers to other large-scale vehicles and bring in extra revenue.

Mr. Wygant noted the overhead charging station was unique to MTS buses and would not be able to accommodate other vehicle charging.

Board Member Elo-Rivera encouraged staff to keep in mind infrastructure that could produce a revenue stream while serving the agency.

Board Member Bush thanked the Board for approving the long-term plan to transition to a full zero emission fleet by 2040. He asked for both the fiscal and hidden costs of health and environmental factors to be considered. He noted the current administration's goals with electrified vehicles and hopes additional funding will be allocated to discourage the purchase of CNG buses.

Board Member Sandke noted property and infrastructure obstacles that limit the agency from moving forward on this project faster. He noted that the phasing out process would take time. Board Member Sandke also asked whether the agency would need less maintenance staff with an electrified fleet.

Mr. Wygant clarified the buses would still require the same level of preventative maintenance.

Board Member Sandke noted a more renewable and potentially less costly power source could allow for more cost effectiveness.

Board Member Aguirre agreed with the acceleration of the deployment and acknowledged the critical importance of the project, especially when measured to health and wellness in the community.

Action Taken

No action taken. Informational item only.

46. Fiscal Year (FY) 2021 Mid-Year Performance Monitoring Report (Denis Desmond)

The Board waived the staff report for this item.

Action Taken

No action taken. Informational item only.

OTHER ITEMS

60. Chair Report

Chair Fletcher announced that tomorrow, April 9, 2021, would be the groundbreaking event at the Grantville transit oriented development site, which was approved by the Board in 2019. He also reminded the Board of the Eat, Shop, Play news conference scheduled for Tuesday, April 13, 2021, which would take place at Chicano Park in Barrio Logan. He also announced a transition into limited capacity, in person meetings. He acknowledged the option for remote participation for both members of the public and Board Members.

61. Chief Executive Officer's Report

There was no Chief Executive Officer's Report.

62. Board Member Communications

There were no Board Member communications.

63. Additional Public Comments on Items Not on the Agenda

Michelle Krug – Provided a verbal public statement to the Board during the meeting. Krug asked the Board to consider more scheduling coordination with North County Transit District (NCTD) and the Coaster. She noted challenges to acquiring scheduling assistance as the various offices open at different times.

64. Next Meeting Date

The next regularly scheduled Board meeting is May 6, 2021.

65. Adjournment

Chair Fletcher adjourned the meeting in honor of late Senator James Mills, whose accomplishments created a legacy of transit in San Diego.

Chair Fletcher adjourned the meeting at 11:58 am.

/S/ Nathan Fletcher

Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

/S/ Dalia Gonzalez

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): April 08, 2021 CALL TO ORDER (TIME): 9:00 am
 RECESS: _____ RECONVENE: _____
 CLOSED SESSION: _____ RECONVENE: _____
 PUBLIC HEARING: _____ RECONVENE: _____
 ORDINANCES ADOPTED: _____ ADJOURN: 11:58am

BOARD MEMBER		(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
FLETCHER	<input checked="" type="checkbox"/>	(Vargas) <input type="checkbox"/>	9:00am	11:58am
SOTELO-SOLIS	<input type="checkbox"/>	(Bush) <input checked="" type="checkbox"/>	9:00am	11:58am
AGUIRRE	<input checked="" type="checkbox"/>	(Leyba-Gonzalez) <input type="checkbox"/>	9:00am	11:58am
ELO-RIVERA	<input checked="" type="checkbox"/>	(LaCava) <input type="checkbox"/>	9:00am	11:58am
FRANK	<input checked="" type="checkbox"/>	(Mullin) <input type="checkbox"/>	9:00am	11:58am
GALVEZ	<input checked="" type="checkbox"/>	(Cardenas) <input type="checkbox"/>	9:00am	11:58am
GASTIL	<input checked="" type="checkbox"/>	(Mendoza) <input type="checkbox"/>	9:07am	11:58am
GLORIA	<input type="checkbox"/>	(Whitburn) <input checked="" type="checkbox"/>	9:00am	11:58am
GOBLE	<input checked="" type="checkbox"/>	(Ortiz) <input type="checkbox"/>	9:00am	11:58am
HALL	<input checked="" type="checkbox"/>	(McNelis) <input type="checkbox"/>	9:00am	11:58am
MONTGOMERY STEPPE	<input checked="" type="checkbox"/>	(Von Wilpert) <input type="checkbox"/>	9:00am	11:58am
MORENO	<input checked="" type="checkbox"/>	(Campillo) <input type="checkbox"/>	9:00am	11:58am
SALAS	<input checked="" type="checkbox"/>	(Cardenas) <input type="checkbox"/>	9:00am	11:58am
SANDKE	<input checked="" type="checkbox"/>	(Bailey) <input type="checkbox"/>	9:00am	11:58am
WEBER	<input checked="" type="checkbox"/>	(Arapostathis) <input type="checkbox"/>	9:09am	11:43pm

SIGNED BY THE CLERK OF THE BOARD:

/S/ Dalia Gonzalez