

MINUTES

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

April 14, 2022

[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.

2. Approval of Minutes

Chair Fletcher moved to approve the minutes of the March 10, 2022, MTS Board of Directors meeting. Board Member Salas seconded the motion, and the vote was 12 to 0 in favor with Board Member Gastil, Board Member Montgomery Steppe and Board Member Whitburn absent.

3. Public Comment

Agnew Henry – Provided a written statement to the Board prior to the meeting. The written comment is provided in the [final meeting packet](#).

Alex Wong – Provided a verbal statement to the Board during the meeting. Wong congratulated the region on choosing a San Diego people mover and asked that Blue and Green line frequencies be increased.

Katheryn Rhodes – Provided a verbal statement to the Board during the meeting. Rhodes supported the connection to the airport. Rhodes cited a grandfathered clause through the State Lands Commission which allows airport revenue to pay for transportation in the region.

CONSENT ITEMS:

6. Authorization of Remote Teleconferenced Meetings

Action would authorize remote teleconferenced meetings for any public meetings held by MTS, including all Brown Act committees, for the next thirty (30) days pursuant to Assembly Bill (AB) 361 and make the following findings: 1) The MTS Board has considered the current circumstances of the COVID-19 pandemic and its impact in San Diego County; and 2) State or local officials continue to recommend measures to promote social distancing. On September 23, 2021, County of San Diego Public Health Officer, Wilma J. Wooten, M.D., M.P.H., issued a recommendation supporting the use of teleconferencing for attendance at public meetings as “a social distancing measure that may help control transmission of the SARS-CoV-2 virus.”

7. Purchase Eighty-Seven (87) 3 Position Bike Rack Systems – Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0740.0-22, with Midwest Bus Corporation, for the purchase of eighty-seven (87) three-position bus bike rack systems in the amount of \$111,459.83.

8. Trolley On-Board Video Surveillance System (OBVSS) Preventative Maintenance, Repairs and All Related Support Services – Sole Source Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1603.0-22, a Sole Source contract, with Seon Design USA Corporation (“Seon”), to provide Trolley OBVSS preventative maintenance and all related support services in the amount of \$434,735.49, effective May 1, 2022, for two (2) base years and two (2) option years.
9. On-Call Communication and Low Voltage Wiring Services – Contract Amendment
Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 1 to MTS Doc. No. PWG339.1-22 with Communication Wiring Specialist, Inc. (CWS), a Small Business (SB), to add additional funds of \$149,040.00 for support materials.
10. Spare Network Devices for Mid-Coast Trolley – Purchase Order (PO) Award
Action would authorize the Chief Executive Officer (CEO) to authorize a PO to AT&T Corp for the provision of CISCO Network Equipment Spares for the Mid-Coast Trolley in the amount of \$183,471.78.
11. Iris Rapid Route & Stations Infrastructure Construction – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWB342.0.0-22, with Palm Engineering Construction Company Inc., for the Iris Rapid Route and Stations Infrastructure Construction in the amount of \$4,379,251.40 plus 10% contingency.
12. Light Rail Vehicle (LRV) Brake Overhauls – Sole Source Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1601.0-22, a Sole Source contract, with Knorr Brake Company (Knorr) to provide LRV brake overhaul services in the amount of \$6,674,370.00 for five (5) years effective May 1, 2022 to April 30, 2027.
13. Design Services for The Green Line Imperial Terminal (IMT) Double Track Project – Work Order Amendment
Action would authorize the Chief Executive Officer (CEO) to execute Work Order Amendment WOA1949-AE-31.06 under MTS Doc. No. G1949.0-17 with Jacobs Engineering Group, Inc. (Jacobs) in the amount of \$191,646.65 for bid support, and design support during construction (DSDC) services for the Bayside Terminal Double Track project.
14. MS4 Phase II Municipal Permit- Work Order Amendment
Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 3 to Work Order 13.02 to MTS Doc. No. G1492.0-13, with WSP, in the amount of \$105,350.00 to extend the as-needed MS4 Phase II compliance services for one (1) additional year.
15. 40-Foot Low-Floor Electric Bus – Chargepoint CPE 250 Charger 3-Year Extended Warranty Contract Amendment
Action would authorize the Chief Executive Officer (CEO) to 1) Ratify Amendment 5 to MTS Doc. No. B0688.0-18 in the amount of \$223.15, and 2) Execute Amendment No. 6 to MTS Doc. No. B0688.0-18 with New Flyer of America Inc. (New Flyer), in the amount of \$133,200.00 for a Chargepoint CPE 250 Charger 3-year warranty extension.

16. Purchase Of 18 Class E Propane Powered Medium Duty Minibuses - Contract Award
Action would 1) Authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0744.0-22, with Creative Bus Sales (CBS) for the purchase of up to eighteen (18) propane powered Class E Minibuses in the amount of \$4,465,915.38; and 2) Approve the transfer of \$2.6 million from project 1001110101 - FY20 ADA Bus Procurement to project 1001111601 – FY22 Minibus Replacement to support the procurement of these Minibuses.
17. Proposed Revision to Mts Board Policy No. 48 “Transit Service Discrimination Complaints Procedures”
Action would approve the proposed revisions to MTS Board Policy No. 48 “Transit Service Discrimination Complaint Procedures”.
18. California Department of Transportation (Caltrans) Program of Projects for Federal Fiscal Year (FFY) 2022 Federal Transit Administration (FTA) Intercity Bus Program 5311(F) - Competitive Funding
Action would approve Resolution No. 22-03, authorizing the use of and application for \$273,466 of FFY 2022 Section 5311 (f) – Competitive funding for operating assistance in non-urbanized areas.

Action on Recommended Consent Items

Chair Fletcher moved to approve Consent Agenda Item Nos. 6 to 18. Board Member Sandke seconded the motion, and the vote was 13 to 0 in favor with Board Member Gastil and Board Member Montgomery Steppe absent.

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS:

30. Fiscal Year (FY) 2023 Operating Budget Discussion (Mike Thompson)

Mike Thompson, MTS Director of Financial Planning and Analysis, presented on FY 2023 Operating Budget Discussion. He outlined the following items: budget development process, revenue assumptions for sales tax revenues, revenue assumptions - Federal Transit Administration (FTA), revenue assumptions - other subsidy revenue, passenger levels, passenger fare revenue, other operating revenue, revenue summary, service levels, expense assumptions personnel, expense assumptions - purchased transportation, outside services, energy, other, expenses summary, consolidated revenues less expenses, stimulus funding, budget development next steps and staff recommendation.

Chair Fletcher acknowledged the positive financial trends along with the structurally unbalanced budget with a significant deficit. He noted this as a challenge as the agency moves forward to build back ridership.

Board Member Moreno acknowledged a steady growth for ridership and passenger revenue is a prudent assumption. She reminded staff that there is a pending update to the Board on youth opportunity passes and stated it is the Budget Development Committee’s intention to incorporate funding for the program.

Board Member Elo-Rivera thanked staff for the presentation and asked about prospective corporate sponsors for naming rights on the trolley lines and specifically, the Sycuan Green line. Sharon Cooney, MTS Chief Executive Officer, believed that additional sponsors would be interested in the Green line and other MTS assets. Board Member Elo-Rivera asked if the agency had a future sponsor to be incorporated in the budget. Ms. Cooney noted that there are no anticipated naming rights deals at this time.

Board Member Elo-Rivera acknowledged that every opportunity for revenue would help the agency tend to the structural deficit. He thanked Board Member Moreno for facilitating the operating budget and youth opportunity passes.

Board Member Sandke was excited about the projections and acknowledged revenue based on inflation-based sales tax; he hoped it was temporary inflation and that sales tax numbers can normalize. He commended the agency for the current climate compared to when he first joined the Board. He encouraged the Board to be mindful of the revenue percentage created by riders and encouraged the revenue burden to be put on other sources of income. He continued to express concerns with fringe benefit costs.

Board Member Shu was concerned about adding security staff as opposed to exploring alternative ideas. He suggested naming trolley lines after MTS programs in an effort to promote the program. Ms. Cooney acknowledged the feedback and clarified that staff is looking to conceptualize the administrative part of the program before efforts are pushed forward.

Board Member Shu listed several potential partners and encouraged the Board to think about ideas to increase revenue and ridership.

Board Member Goble asked if SDSU football season has been incorporated in the forecast. Mr. Thompson replied that the budget does not reflect such specificity.

Board Member Goble asked about the impact the Mid Coast trolley extension would have on ridership and revenue. He explained that seeing the data would allow the Board to showcase the value of the extension and template for future expansions. Mr. Thompson replied that data was available to incorporate in future presentations.

Board Member Goble lastly asked about the revenue generated by transit-oriented developments (TOD). Mr. Thompson noted that there is no projected additional TOD revenue in the FY 23 forecast. Board Member Goble asked if the agency did not have any projects to forecast. Karen Landers, MTS General Counsel, acknowledged that the TOD projects on MTS land are affordable housing projects that are subsidized by MTS and do not generally generate revenue. Board Member Goble asked if the projects should be considered an expense. Ms. Landers clarified that the land value does not generate revenue because of the nature of the affordable project. The agency will generally receive less than \$30,000 annually on these projects.

PUBLIC COMMENTS

Noah Harris – Provided a written statement to the Board prior to the meeting. The written comment is provided in the [final meeting packet](#).

Katheryn Rhodes – Provided a verbal statement to the Board during the meeting. She cited Governor Newsom's proposed three months of free transit. Rhodes asked for a Board Member

representative to ask the State Land Commission for a legal opinion whether the San Diego International airport is a grandfathered airport.

Alex Wong – Provided a verbal statement to the Board during the meeting. Wong acknowledged that revenue return rates are not high enough to support free transit programs like the youth opportunity pass. Wong suggested allocating funding to employing drivers in order to augment service rather than subsidize youth. Wong acknowledged that lack of service frequency created an obstacle to ridership.

Action Taken

Board Member Moreno moved to receive this report regarding FY 2023 operating budget development and provide guidance on budgetary issues: Steady growth Passenger Revenue assumption (\$70M target) as recommended by the Budget Development Committee. Chair Fletcher seconded the motion, and the vote was 14 to 0 in favor with Board Member Montgomery Steppe absent.

31. Fiscal Year (FY) 2023 Capital Improvement Program (CIP) (Mike Thompson)

Mr. Thompson presented on the FY 2023 CIP. He outlined the following information: development of the FY 2023 CIP: guiding principles, development of the FY 2023 CIP, FY 2023-27 CIP – unconstrained project list, proposed FY 2023, proposed fiscal year 2023, FY bus revenue vehicles, facility & construction projects, rail infrastructure projects, other equipment & installation projects, five-year forecast – SGR, major initiatives, five-year summary, takeaways and staff recommendation.

PUBLIC COMMENTS

Katheryn Rhodes – Provided a verbal statement to the Board during the meeting. Rhodes noted concern about fault lines at the SANDAG bus stop over facility and asked for comprehensive review of the site before moving forward. Rhodes also advocated for a full tideland reclamation as part of the transit to the airport study and listed the benefits of the project.

Mike Tenorio – Provided a verbal statement to the Board during the meeting. Tenorio expressed excitement for the Division 6 project. Tenorio asked if the division would employ contract service or in-house operators.

Alex Wong – Provided a verbal statement to the Board during the meeting. Wong asked for clarity on the project to the airport with SANDAG's recent project to the airport announcement. Wong asked if MTS would revise the CIP to reflect that the trolley to the airport would no longer be a viable option.

BOARD COMMENTS

Board Member Bush pointed out that restroom availability was missing from the CIP list and listed various reasons to include restroom projects. He asked staff for a timeline to update the agency's transit amenity policy. Ms. Cooney acknowledged that the 24th street bathroom facility built by the National City Adult School was currently closed. However, Board Member Bush could potentially assist in requesting the restroom to be reopened. She assured the Board that staff is looking to improve bathroom access along the system. Board Member Bush clarified that the facility he was referring to was on MTS property. Ms. Cooney replied that the facility is operated by the school which however it is on MTS property. Board Member Bush proposed

facilitating a conversation with the school. He asked when additional info would be available for an update to the Board with existing and potential bathroom availability. Ms. Cooney noted she could forward the presentation that was given to the Board to Board Member Bush. She also offered to use the Social Equity Listening Tour to identify locations that would benefit from restroom availability.

Board Member Shu supported Board Member Bush's request.

Board Member Aguirre supported Board Member Bush's request. She acknowledged that providing amenities was valuable and would also like public safety amenities, particularly women riders who ride the system after-hours.

Board Member Sandke acknowledged that public safety was a concern when providing bathroom amenities.

Action Taken

Board Member Bush moved to 1) Approve the fiscal year 2023 Capital Improvement Program (CIP) with the estimated federal and nonfederal funding levels (Attachments A and B). 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 2023 CIP (shown in Attachment A); 3) Recommend that the SANDAG Board of Directors approve amendment number 11 of the 2021 Regional Transportation Improvement Program (RTIP) in accordance with the fiscal year 2023 CIP recommendations. 4) provide an informational update report to the Board. Chair Fletcher seconded the motion, and the vote was 14 to 0 in favor with Board Member Montgomery Steppe absent.

REPORT ITEMS:

45. Zero Emission Bus (ZEB) Program and Transition Plan Update (Mike Wygant, Kyle Whatley, and Heather Furey)

Michael Wygant, MTS Chief Operations Officer – Bus, Kyle Whatley, MTS Zero Emission Vehicle (ZEV) and Sustainability Manager, Heather Furey, MTS Director of Capital Projects, presented on ZEB Program and Transition Plan Update. They presented on: policy history, MTS timeline, ZEB pilot program performance report, monthly fleet efficiency, average efficiency by route, efficiency vs. temperatures, Compressed Natural Gas (CNG) vs Battery Electric Bus (BEB) monthly mileage, efficiency summary, CNG vs BEB fuel and maintenance, availability, mean distance between failures, BEB pilot summary, ZEB deployment, construction at bus divisions, charging infrastructure renderings, South Bay maintenance facility, Imperial Ave. division, Kearny Mesa and East County, new all-ZEB division, funding, transition costs, upcoming milestones, upcoming ZEB procurement timeline, early adoption pathway and final summary.

Action Taken

No action taken. Informational item only.

46. Ridership Recovery Action Plan Update (Mark Olson)

Mark Olson, MTS Director of Marketing and Communications, presented on Ridership Recovery Action Plan Update. He provided details on: Ridership Update, November – March recap/results, and upcoming initiatives/promotions.

Board Member Shu asked about the 30% rider population who have not returned to the system. Mr. Olson described the percentage as choice riders, acknowledging that the agency is now competing against work from home schedules.

Ms. Cooney clarified that because that population is not riding our system, staff is unable to capture the data. Board Member Shu replied that other modes of transportation could be capturing the data. He was concerned riders were purchasing cars and hoped that information could allow the agency to capture or recover riders.

Action Taken

No action taken. Informational item only.

47. Grants Administration Report (Julia Tuer and Kena Teon)

The Board deferred the staff report for this item to the next meeting.

OTHER ITEMS:

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

There were no Board Member communications.

63. Additional Public Comments on Items Not on the Agenda

David Tasem – Provided a verbal statement to the Board during the meeting. Tasem asked for Board approval on a gas surcharge for Taxi vehicles to help subsidize gas expenses in order to stay competitive with other on demand services.

64. Next Meeting Date

The next regularly scheduled Board meeting is May 12, 2022.

CLOSED SESSION (ITEMS TAKEN OUT OF ORDER):

24. Closed Session Items

The Board convened to Closed Session at 11:39 a.m.

- a. CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54957.6

Agency: San Diego Trolley, Inc. ("SDTI")

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

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

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 approved a tentative agreement with the SMART union representing train operators, electro mechanics, service person and clerical staff at San Diego Trolley. The vote was unanimous with 9 members present (Chair Fletcher, Board Member Bush, Board Member Aguirre, Board Member Elo-Rivera, Board Member Gastil, Board Member Whitburn, Board Member Moreno, Board Member Sandke and Board Member Shu voting yes and Board Member Frank, Board Member Galvez, Board Member Goble, Board Member Hall, Board Member Montgomery Steppe and Board Member Salas absent.)

65. Adjournment

The meeting was adjourned at 11:45am.

/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

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS
ROLL CALL

MEETING OF (DATE):	April 14, 2022	CALL TO ORDER (TIME):	9:02am
RECESS:		RECONVENE:	
CLOSED SESSION:	11:39am	RECONVENE:	11:43am
PUBLIC HEARING:		RECONVENE:	
ORDINANCES ADOPTED:		ADJOURN:	11:45am

BOARD MEMBER		(Alternate)		PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
FLETCHER	<input checked="" type="checkbox"/>	(Vargas)	<input type="checkbox"/>	9:02 am	11:45am
SOTELO-SOLIS	<input type="checkbox"/>	(Bush)	<input checked="" type="checkbox"/>	9:02 am	11:45am
AGUIRRE	<input checked="" type="checkbox"/>	(Leyba-Gonzalez)	<input type="checkbox"/>	9:02 am	11:45am
ELO-RIVERA	<input checked="" type="checkbox"/>	(LaCava)	<input type="checkbox"/>	9:02 am	11:45am
FRANK	<input checked="" type="checkbox"/>	(Mullin)	<input type="checkbox"/>	9:02 am	11:03 am
GALVEZ	<input checked="" type="checkbox"/>	(Cardenas)	<input type="checkbox"/>	9:02 am	11:39 am
GASTIL	<input checked="" type="checkbox"/>	(Mendoza)	<input type="checkbox"/>	9:13 am	11:45am
GLORIA	<input type="checkbox"/>	(Whitburn)	<input checked="" type="checkbox"/>	9:07 am	11:45am
GOBLE	<input checked="" type="checkbox"/>	(Ortiz)	<input type="checkbox"/>	9:02 am	11:35 am
HALL	<input checked="" type="checkbox"/>	(McNelis)	<input type="checkbox"/>	9:02 am	11:29 am
MONTGOMERY STEPPE	<input type="checkbox"/>	(Von Wilpert)	<input type="checkbox"/>	-	-
MORENO	<input checked="" type="checkbox"/>	(Campillo)	<input type="checkbox"/>	9:02 am	11:45am
SALAS	<input checked="" type="checkbox"/>	(Cardenas)	<input type="checkbox"/>	9:02 am	11:09 am
SANDKE	<input checked="" type="checkbox"/>	(Donovan)	<input type="checkbox"/>	9:02 am	11:45am
SHU	<input checked="" type="checkbox"/>	(Arapostathis)	<input type="checkbox"/>	9:02 am	11:45am

SIGNED BY THE CLERK OF THE BOARD:

/S/ Dalia Gonzalez