

MINUTES

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

July 21, 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 9:00 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 June 16, 2022, MTS Board of Directors meeting. Board Member Shu seconded the motion, and the vote was 11 to 0 in favor with Board Member Aguirre, Board Member Whitburn, Board Member Hall and Board Member Salas absent.

3. Public Comment

Sammy Gabriel – Made a verbal statement to the Board during the meeting. Gabriel explained the process to submit a jitney application length and asked the Board to assist with the processing timeline.

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. Amendment to Chief Executive Officer Employment Agreement

Action would approve an amendment to the Executive Employment Agreement (EEA) between MTS and Sharon Cooney to provide a base salary increase and a merit bonus.

8. Adoption of Amended 2022 Conflict of Interest Code

Action would 1) Adopt Resolution No. 22-06 amending the MTS Conflict of Interest Code pursuant to the Political Reform Act of 1974; 2) Adopt the amended 2022 MTS Conflict of Interest Code; and 3) Forward the amended 2022 MTS Conflict of Interest Code to the County of San Diego (the designated code-reviewing body).

9. Legal Services – Contract Amendments to Increase Funds for Projected Expenses in Fiscal Year 2023

Action would authorize the Chief Executive Officer (CEO) to execute amendments to the legal services contracts described herein increasing the dollar amounts of fifteen (15) legal services contracts by \$1,865,000.00 to cover anticipated Fiscal Year 2023 (FY 23) expenses.

10. Skid Steer Purchase & Delivery – Contract Award
Action would authorize the Chief Executive Officer (CEO) to: 1) Execute MTS Doc. No. L1620.0-22 with Miramar Bobcat, LLC, at \$159,056.41, for the purchase and delivery of a skid steer; and 2) Exercise the option to purchase the equipment options within the CEO's discretion.
11. Pyramid Building Initial Cleanup and Repairs – Work Order
Action would authorize the Chief Executive Officer (CEO) to execute Work Order MTSJOC324-17 to MTS Doc. No. PWG324.0-21 with ABC General Contractor, Inc. (ABCGC) in the amount of \$179,476.83, for the rehabilitation of the Pyramid Building.
12. Davra Networks Ruban Software Reporting and Analytics, Server Migration and System Enhancements – Contract Amendment
Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 4 to MTS Doc. No. G2071.0-18 (in substantially the same format as Attachment A), with Davra Networks, increasing the contract value in the amount of \$666,400.00, bringing the contract total to \$2,216,400.00 (Attachment B) and based on the changes to the scope, extend the agreement from December 1, 2022 through December 31, 2023.
13. Security Services Uniforms – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2608.0-22 to Ace Uniforms, LLC dba Ace Uniforms, a Small Business (SB), for Security Services Uniforms for a five (5) year term in the amount of \$416,449.44.
14. Imperial Avenue Division (IAD) Zero Emission Bus (ZEB) Overhead Charging Phase I – Work Order
Action would authorize the Chief Executive Officer (CEO) to execute Work Order Amendment WOA353-AE-01 under MTS Doc No. PWL353.0-22 with Dokken Engineering, Inc. (Dokken) in the amount of \$335,731.23 to provide engineering design services for Phase 1 of the IAD electric bus charging infrastructure project.
15. Vehicle Paint Supply – Sole Source Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2610.0-22 with Annex Warehouse Co. Inc. (Annex), for the provision of vehicle paint in the amount of \$202,743.48 for a period of two (2) years.
16. AT&T CALNET – Add Cloud-Hosted Interactive Voice Response (IVR) Five9 – Contract Amendment
Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 1 to MTS Doc. No. G2510.0-22, with AT&T Corp., increasing the contract value in the amount of \$1,052,132.19, bringing the contract total to \$4,136,927.19 with no changes to the term of the agreement.
17. Vector Environmental Health and Safety (EHS) Management Software – Sole Source Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2647.0-23 with RedVector.com LLC (RedVector), in the amount of \$155,145 for 5-years of licensing, maintenance and support of Vector EHS Management.

MEMBER COMMENTS – CONSENT ITEM 9

Board Member Sandke asked about the increase in the legal budget and asked for the cause of the contract increase. Karen Landers, MTS General Counsel replied that there was not a specific reason, rather the increase was in anticipation of needs such as projections for the remainder of the year and rescheduled trials from last year, due to COVID.

MEMBER COMMENTS – CONSENT ITEM 7

Board Member Galvez expressed appreciation for the leadership of Sharon Cooney, MTS Chief Executive Officer.

Action on Recommended Consent Items

Board Member Sandke moved to approve Consent Agenda Item Nos. 6 through 17. Chair Fletcher seconded the motion and the vote was 12 to 0 in favor with Board Member Aguirre, Board Member Whitburn and Board Member Hall absent.

CLOSED SESSION:

24. None.

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS:

30. Bus Procurement: Low Floor Compressed Natural Gas (CNG) and Battery Electric Buses (BEB) – Contract Award (Michael Wygant, Claudine Aquino, Larry Marinesi)

Chair Fletcher acknowledged the lengthy conversation on this topic discussed at the Executive Committee Meeting. He explained that the bus procurement allows the agency flexibility moving forward to move more rapidly and acquire more ZEB with concurrent infrastructure projects to support them. He explained the need to acquire new buses that need to be replaced while the zero-emission technology is being implemented.

Michael Wygant, MTS Chief Operating Officer for Bus, Claudine Aquino, Manager of Procurement and Larry Marinesi, Chief Financial Officer presented on CNG and BEB Contract Award. They presented on: the fleet history and background, schedule, existing contract 2017-2022, request for proposals, vehicle improvements, technology, procurement, total contract costs and staff recommendation.

PUBLIC COMMENT

Corina Contreras – Representing Climate Action Campaign made a verbal statement to the Board during the meeting. Contreras cautioned the Board of health effects CNG buses would bring to various communities throughout the region. Contreras urged the Board to reconsider approving the item and if the Board moved forward with the approval, to include ZEB replacement within a 12-year period.

Gretchen Newsom – Representing IBEW 569 made a verbal statement to the Board during the meeting. Newsom expressed concern that the proposed timeline will not meet a zero-emission

fleet in 2040. Newsom urged the Committee to remove the CNG purchase option and only allow ZEB. Newsom urged the Board to support the zero-emission plan more aggressively.

COMMITTEE COMMENT

Board Member Elo-Rivera acknowledged the urgency to move to a clean fleet and the community's disapproval. He asked staff if there was a good resale avenue for CNG vehicles as electric vehicles are purchased. Mr. Marinesi replied that in accordance to Federal funding requirements, the vehicle must be used over its life cycle of 12 years. Otherwise, the funds must be returned to the Federal Transit Administration (FTA). Once the vehicle has reached its useful life, the agency may auction off the bus or seek a buyer. Board Member Elo-Rivera clarified that the agency would need federal action in order to alleviate the financial loss the agency would take prior to the vehicle's lifetime. Board Member Elo-Rivera acknowledged the financial impact to the agency. He expressed caution over purchasing CNG vehicles and clarified that the agency was not committed to purchasing these CNG vehicles, rather securing a price. He supported the staff recommendation and encouraged the Board to be flexible in purchasing the cleanest fleet as quickly as possible.

Chair Fletcher acknowledged the Board's 2040 Zero Emission Goal and if possible, the ability to reach the goal sooner. He compared the 12-year replacement lifespan with the time it takes for bus charging infrastructure construction. He noted that the procurement timeline becomes crucial for 2026 and 2028 when it could affect our goal timeline. Currently the agency does not have the charging capacity nor the vehicle fleet but is confident the agency will attain its goal. He urged this and future Boards to be conscious of the timeline and noted his appreciation for the discussion.

Board Member Shu stated that methane is released in the mining of CNG, and that it was comparable to using coal. He appreciated the flexibility of the proposal. He asked about the plan's flexibility in the next five years to the purchase of electric vehicles. Ms. Cooney replied that staff will present the ZEB transition plan annually where the Board can create changes to accelerate the purchase of zero emission busses. He asked staff about the savings of the transition to ZEB due to the longevity of electric buses. Mr. Wygant confirmed that the agency does track the data and it is presented in the annual transition plan update, along with online reports. He noted that maintenance requirements for inspection of CNG and ZEB buses remain the same. Labor and needed maintenance repairs for ZEB buses are currently lower than a comparable CNG vehicle because electric parts are historically more affordable. Electric charging costs, however, have not shown comparable savings to CNG fueling. The fleet is small and manageable but it will become more complex as the fleet grows. Board Member Shu noted that the transition was both an environmental and financial benefit.

Action Taken

Board Member Elo-Rivera moved to authorize the Chief Executive Officer (CEO) to: 1) Execute the following contracts with New Flyer of America, Inc. (New Flyer), for the base quantity purchase of CNG and BEB buses plus spare parts, tools and diagnostics, training services and sales tax for a period not-to-exceed five (5) years; and 2) Exercise option quantity purchases in the CEO's discretion of CNG and BEB buses plus spare parts, tools and diagnostics, training services and sales tax for a period not-to-exceed five (5) years from the date of the initial contract with New Flyer.

Attachment #	Contract #	Group	Description	Base quantity up to	Option quantity up to	Total Amount
A-1	B0746.0-22	A	40ft CNG	138	50	\$152,475,675.09
A-3	B0747.0-22	B	40ft BEB	91	50	\$170,804,314.53
A-5	B0748.0-22	C	60ft CNG	30	40	\$96,279,531.73
A-7	B0749.0-22	D	60ft BEB	34	40	\$149,543,816.51
Not-to-exceed total amount						\$569,103,337.86

Chair Fletcher seconded the motion, and the vote was 12 to 0 in favor with Board Member Aguirre, Board Member Whitburn and Board Member Hall.

REPORT ITEMS:

45. Inter-Con Security Transition Update (Al Stiehler)

Al Stiehler, MTS Director of Transit Security and Passenger Safety, presented an Inter-Con Security Transition Update. He outlined the following information: code compliance inspectors (CCI) duties, contract security, ambassadors, 2021: Intercon awarded security contract, transition plan, local office, management team, training curriculum, personnel turnover, resignations and terminations, hiring progress, "health" report, and video retention.

Board Member Montgomery Steppe asked that staff incorporate costs associated with the extension of the video retention into budget decisions.

Chair Fletcher commended the Public Security Committee for their work.

Board Member Shu commended the strides for change the agency has made. He stated a desire for CCIs to have more informal interactions with passengers while checking fare. He also commented on the officer's physical stance that is not welcoming. He claimed that such interactions would allow the transit system to feel secure and friendly. He asked staff about the type of training CCIs receive and noted that officers interact with each other more than the public while in the field. Mr. Stiehler replied that part of the agency's goal was to provide a pleasant experience for riders. Part of the agency's training was for customer service training, he assured that officers are encouraged to have friendly interactions. However, while they are checking for fares onboard they need to finish their car fare inspection. Board Member Shu thanked staff for the response.

Action Taken

Informational item only. No action taken.

46. Operations Budget Status Report for May 2022 (Gordon Meyer)

Gordon Meyer, MTS Operating Budget Supervisor presented an Operations Budget Status Report. He provided details on: comparison to budget – May 31, 2022 - FY 2022 federal stimulus funding, total operating revenues, total operating expenses, and total operating activities.

Vice Chair Sotelo-Solis asked about the increase of ridership but lack of tapping. She asked about educational opportunities to demonstrate tapping on validators. Ms. Cooney

acknowledged the education campaign with school districts to inform students and youth about free transit access.

Action Taken

Informational item only. No action taken.

OTHER ITEMS:

60. Chair Report

There was no Chair report.

61. Chief Executive Officer's Report

Ms. Cooney noted her intent for MTS to support a successful Comic-Con event.

62. Board Member Communications

Board Member Sandke commended the safe, efficient and cheap transportation system of Helsinki. He noted the exemplary features of the system including phone tap and ride feature along with the airport connectivity and transit-oriented development. He was eager to share and use the system as a case study.

63. Additional Public Comments on Items Not on the Agenda

Jose Puga – Representing TransDev Transit Services for South Bay and El Cajon made a verbal statement to the Board during the meeting. Puga expressed unfair labor practices including meal and break area, restroom access and relief cars for drivers.

Alex Wong – made a verbal statement to the Board during the meeting. Wong advocated for a tax increase and listed various programs that the agency could fund.

64. Next Meeting Date

The next regularly scheduled Board meeting is September 15, 2022 at 9am.

65. Adjournment

The meeting was adjourned at 10:20am.

/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): July 21, 2022 CALL TO ORDER (TIME): 9:00 am
 RECESS: _____ RECONVENE: _____
 CLOSED SESSION: _____ RECONVENE: _____
 PUBLIC HEARING: _____ RECONVENE: _____
 ORDINANCES ADOPTED: _____ ADJOURN: 10:20 am

BOARD MEMBER		(Alternate)		PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
FLETCHER	<input checked="" type="checkbox"/>	(Vargas)	<input type="checkbox"/>	9:00 am	10:20 am
SOTELO-SOLIS	<input checked="" type="checkbox"/>	(Bush)	<input type="checkbox"/>	9:00 am	10:20 am
AGUIRRE	<input type="checkbox"/>	(Leyba-Gonzalez)	<input type="checkbox"/>	ABSENT	ABSENT
ELO-RIVERA	<input checked="" type="checkbox"/>	(LaCava)	<input type="checkbox"/>	9:00 am	10:20 am
FRANK	<input checked="" type="checkbox"/>	(Mullin)	<input type="checkbox"/>	9:00 am	10:20 am
GALVEZ	<input checked="" type="checkbox"/>	(Cardenas)	<input type="checkbox"/>	9:00 am	10:20 am
GASTIL	<input type="checkbox"/>	(Mendoza)	<input checked="" type="checkbox"/>	9:00 am	10:20 am
GLORIA	<input type="checkbox"/>	(Whitburn)	<input checked="" type="checkbox"/>	9:59 am	10:20 am
GOBLE	<input checked="" type="checkbox"/>	(Ortiz)	<input type="checkbox"/>	9:00 am	10:20 am
HALL	<input type="checkbox"/>	(McNelis)	<input type="checkbox"/>	ABSENT	ABSENT
MONTGOMERY STEPPE	<input checked="" type="checkbox"/>	(Von Wilpert)	<input type="checkbox"/>	9:00 am	10:20 am
MORENO	<input checked="" type="checkbox"/>	(Campillo)	<input type="checkbox"/>	9:01 am	10:20 am
SALAS	<input checked="" type="checkbox"/>	(Cardenas)	<input type="checkbox"/>	9:06 am	10:20 am
SANDKE	<input checked="" type="checkbox"/>	(Donovan)	<input type="checkbox"/>	9:00 am	10:20 am
SHU	<input checked="" type="checkbox"/>	(Arapostathis)	<input type="checkbox"/>	9:00 am	10:20 am

SIGNED BY THE CLERK OF THE BOARD:

/S/ Dalia Gonzalez