

MINUTES
MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS

March 14, 2024

[Clerk's note: Except where noted, public, staff and board member comments are paraphrased. The full comment can be heard by reviewing the recording at the [MTS website](#).]

1. Roll Call

Chair Whitburn called the Board meeting to order at 9:02 a.m. A roll call sheet listing Board member attendance is attached.

2. Public Comment

Dave Nearing – Provided a written statement to the Board prior to the meeting. Dave expressed opposition to Route 227. The written comment is provided in the March 14, 2024, Final Meeting Packet.

Ozzy Meneses – Provided a verbal statement to the Board during the meeting. Ozzy outlined his work history and advertised his consulting business on public affairs and relations.

Alex Wong – Representing Ride SD, made a verbal statement to the Board during the meeting. Alex expressed support for the proposed people mover to the airport.

The Original DRA – Provided a verbal statement to the Board during the meeting. The Original DRA clarified a public comment statement from the March 7, 2024, Executive Committee meeting, stating that MTS was providing free transit to immigrants. The Original DRA clarified that the immigrants were being transported from the MTS station via private charter buses. The Original DRA expressed concern about waste maintenance costs that could be generated from shared charter and public transportation bus stops.

Blair Beekman – Provided a verbal statement to the Board during the meeting. Blair expressed appreciation with the Route 3 bus frequency.

CONSENT ITEMS:

3. Approval of Minutes

Action would approve the February 8, 2024 Board of Director meeting minutes.

4. Public Hearing: Proposed Amendments to For-Hire Vehicle Services Regulations

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 the County by the Adoption of a Uniform Paratransit Ordinance”; 2) Waive the requirements of MTS Board Policy No. 22 “Rules of Procedure for MTS Board of Directors” , Sections 22.4.3, stating all ordinances shall be read in full either at the time of introduction or passage (per MTS Board Policy No. 22, unanimous vote of the Board members present is required in order to waive further reading); and 3) Approve the proposed revisions to MTS Board Policy No. 34 “For-Hire Vehicle Services”.

5. Adoption of 2024 Conflict of Interest Code – Amendment

Action would 1) Adopt Resolution No. 24-02 amending the MTS Conflict of Interest Code

pursuant to the Political Reform Act of 1974; 2) Adopt the amended 2024 MTS Conflict of Interest Code; and 3) Forward the amended 2024 MTS Conflict of Interest Code to the County of San Diego (the designated code-reviewing body) (Gov. Code § 82011) requesting approval of the amendment as required under Government Code section 87303.

- 6. Addition of Full-Time Equivalent (FTE) Position: Staff Attorney**
Action would authorize the Chief Executive Officer (CEO) to add one (1) Staff Attorney to the position tables previously approved in the Fiscal Year 2024 budget.
- 7. Investment Report – Quarter Ending December 31, 2023**
- 8. Bayside Double Track Imperial Avenue Transit Center (IMT) Construction Management (CM) Services – Work Order Amendment**
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. WOA2498-CM05.01 under MTS Doc. No. G2498.0-21, with Kleinfelder Construction Services, Inc. (KCS), to CM Services for the Bayside Double Track IMT project in the amount of \$318,443.22.
- 9. Trolley On-Board Video Surveillance System (OBVSS) Preventative Maintenance, Repairs and All Related Support Services – Contract Amendment**
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1603.2-22 with Seon Design USA Corp (“Seon”) for twenty (20) NH16 systems and cameras with installation in the amount of \$238,545.00.
- 10. On-Call Job Order Contracting (JOC) Building and Facilities Construction Services – Contract Amendment**
Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 5 to MTS Doc. No. PWG324.5-21, with ABC General Construction Services, Inc., (ABCGC) for an increase in capacity to the JOC Building and Facilities Construction Services Contract in the amount of \$11,000,000.00.
- 11. On-Call Job Order Contracting (JOC) General Civil Construction Services – Contract Amendment**
Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 2 MTS Doc. No. PWG347.2-22 with ABC General Construction Services, Inc., (ABCGC) for an increase in capacity to the JOC General Civil Construction Services Contract in the amount of \$5,000,000.00.
- 12. On-Call Job Order Contracting (JOC) Railroad Construction Services – Contract Amendment**
Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 2 MTS Doc. No. PWG348.2-22 with Veterans Engineering Services, Inc., (Veterans) for an increase in capacity to the JOC General Civil Construction Services Contract in the amount of \$4,000,000.00.

13. Job Order Contracting (JOC) Consulting Programming Software Services – Contract Amendment

Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 4 MTS Doc. No. L1282.4-15 with The Gordian Group (Gordian) for an increase in capacity to the JOC Consulting Programming Software Services Contract in the amount of \$400,000.00.

14. Propane Fueling Services at Copley Park Division (CPD) – Contract Award

Action would 1) authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0760.0-24 with Suburban Propane for Propane Fueling Services, in the amount of \$14,409,695.44, for a five (5) base year period with two (2) 1-year options, for a total of seven (7) years; and 2) 1) Exercise option years at CEO's discretion.

15. SAP Support Services – Contract Award

Action would 1) Authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2782.0-24 with Sage Group Technologies, Inc. (Sage) to provide SAP support services in the amount of \$600,000.00 for a contract period of thirty-two (32) months with one (1) option year. 2) Authorize the CEO to execute MTS Doc. No. G2783.0-24 with Sierra Digital, Inc. (Sierra), a Disadvantaged Business Enterprise (DBE), to provide SAP support services in the amount of \$600,000.00 for a contract period of thirty-two (32) months with one (1) option year. 3) Exercise the option year of each agreement at the CEO's discretion.

16. Light Rail Vehicle (LRV) Pantograph Carbon Strips - Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1660.0-24 with Schunk Carbon Technology (Schunk) for the purchase of LRV Pantograph Carbon Strips for a five (5) year base period in the amount of \$687,536.59.

17. Property Insurance Renewal

Action would authorize the Chief Executive Officer (CEO) to renew the property insurance coverage for MTS, San Diego Transit Corporation (SDTC), and San Diego Trolley, Inc. (SDTI) with the Public Risk Innovation, Solutions, and Management (PRISM) Property Insurance Program, effective March 31, 2024 through March 31, 2025, with various coverage deductibles of \$50,000 (real property, personal property and business interruption), \$100,000 (bus fleet), \$250,000 (light rail fleet) and a \$3,000,000 sublimit for each occurrence subject to a \$500,000 deductible for unscheduled infrastructure.

18. Excess General Liability (Liability) And Excess Workers' Compensation (Workers' Compensation) Insurance Renewals

Action would 1) Authorize the Chief Executive Officer (CEO) to purchase a Liability insurance program, effective March 31, 2024, that results in a not to exceed premium amount of \$3,976,021 (excluding the State of California surplus lines taxes) based on the coverage structure of \$75 million total program coverage, inclusive of a \$7.5 million Self Insured Retention (SIR) on Bus and Rail Operations, and a \$5 million SIR on Public Entity Errors and Omissions, and Employment Practices Liability; 2) Approve a two-year commitment from Mid-West Employers for MTS Excess Workers' Compensation Insurance program, excess of a \$1 million SIR effective March 31, 2024, for an annual deposit premium of \$228,499, for a total of approximately \$456,998.

Action on Recommended Consent Items

Board Member Hall moved to approve Consent Agenda Item Nos. 3 to 18. Board Member Montgomery Steppe seconded the motion, and the vote was 12 to 0 in favor with Board Member McCann, Board Member Elo-Rivera and Board Member Dillard absent and Member Leyba-Gonzalez abstaining from Agenda Item Nos. 10 and 11.

DISCUSSION ITEMS AND REPORT ITEMS:

19. Fiscal Year (FY) 2024 Operating Budget Midyear Amendment (Gordon Meyer)

Gordon Meyer, MTS Manager of Financial Planning and Analysis, presented on FY 2024 Operating Budget Midyear Amendment. He outlined the following items: budget development, revenue assumptions by passenger levels, passenger revenue, additional revenue, sales tax revenues, State Transit Assistance (STA), Senate Bill (SB) 125, revenue summary, Expense Assumptions for personnel, outside services, expense summary, consolidated revenues less expenses, and staff's recommendation.

Public Comment

Blair Beekman – Provided a verbal statement to the Board during the meeting. Blair expressed concern with surveillance technology on buses.

The Original DRA – Provided a verbal statement to the Board during the meeting. The Original DRA expressed concern with waste maintenance costs generated from shared charter and public transportation bus stops.

Action Taken

Board Member Moreno moved to enact Resolution No. 24-01 amending the FY 2024 operating budget for MTS, San Diego Transit Corporation (SDTC), San Diego Trolley, Inc. (SDTI), MTS Contract Services, and the Coronado Ferry. Chair Whitburn seconded the motion, and the vote was 11 to 0 in favor with Board Member McCann, Board Member Bush, Board Member Hall and Board Member Elo-Rivera absent.

20. Fiscal Year (FY) 2025 Capital Improvement Program (CIP) (Mike Thompson)

Mike Thompson, MTS Director of Financial Planning and Analysis, along with Eric Cheng, Transit Asset Management Program Manager, presented on FY 2025 CIP. Mr. Thompson presented on: development of the FY 2025 CIP: guiding principles, development of the FY 2025 CIP, FY 2025-29 CIP unconstrained project list, proposed fiscal year 2025, bus revenue vehicles, rail revenue vehicles, facility & construction projects, rail infrastructure projects, other equipment & installation projects, five-year forecast – SGR, additional initiatives, five-year summary, takeaways, and staff's recommendation.

Public Comment

The Original DRA - Provided a verbal statement to the Board during the meeting. The Original DRA expressed safety concerns with lithium powered electric buses.

Blair Beekman – Provided a verbal statement to the Board during the meeting. Blair expressed safety concerns with lithium powered electric buses.

Board Comment

Vice Chair Goble asked if buses will be delivered shortly after the completion of the charging infrastructure projects. He was concerned that the infrastructure to be built would have delays in delivery and asked that staff communicate any anticipated delivery delays to the Board. Mr. Thompson clarified that the agency is in the beginning parts of the process of the project and anticipates higher numbers of buses to be delivered in years 2026 and 2027, once the infrastructure is complete. Mr. Thompson added that the agency does not anticipate supply chain issues, but assured the Board they would be notified of any delays.

Board Member Montgomery Steppe expressed excitement for additional CIP funding to achieve the agency's climate action goals. She expressed concerns that feedback from the Social Equity Listening Tour was not explicitly highlighted in the report, and it didn't allow the Board and members of the public to see how the feedback was being incorporated. Mr. Thompson added that staff has allocated \$5 million dollars towards Social Equity Listening Tour projects over the last two fiscal years. He assured the Board that there are approximately \$2 million dollars that have not been programmed to the CIP. Ms. Cooney agreed that programs should be acknowledged as SELT derived programs in the CIP.

Action Taken

Board Member Montgomery Steppe moved to 1) Approve the FY 2025 CIP with the estimated federal and non-federal 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 FY 2025 CIP; and 3) Recommend that the SANDAG Board of Directors approve amendment number 12 of the 2023 Regional Transportation Improvement Program (RTIP) in accordance with the FY 2025 CIP recommendations. Chair Whitburn seconded the motion, and the vote was 13 to 0 in favor with Board Member McCann and Board Member Elo-Rivera absent.

21. Hearing to consider adoption of a Resolution of Necessity and authorization of condemnation proceedings to acquire property interests for the 12th & Imperial Transit Center Rehabilitation Project (Project). (2/3 Vote Required by Code Civil Procedure section 1245.360)

Karen Lander, MTS General Counsel, presented on a hearing to consider adoption of a Resolution of Necessity and authorization of condemnation proceedings to acquire property interests for the 12th & Imperial Transit Center Rehabilitation Project. She outlined: the Resolution of Necessity Hearing, findings requirements, the public interest and necessity requirement for the project, 12th & Imperial Transit Center rehabilitation project, property interests to be acquired, underlying fee interest, title report conclusions re ownership, property right appraisal, offers made to heirs of original grantors, eminent domain needed for clear title, and staff recommendation.

Public Comment

The Original DRA – Provided a verbal statement to the Board during the meeting. The Original DRA expressed frustration with continuous development of transit services.

Board Comment

Board Member Hall asked for clarification on property owner rights. Ms. Landers explained that due to an old statute, the remote reversionary fee interest was still owned by the original grantors. Board Member Hall asked staff to assure the Board that the City of San Diego would not be able to claim ownership at a later date. Ms. Landers confirmed.

Board Member Donovan asked if the City of San Diego would give staff a release to relinquish property ownership. Ms. Landers clarified that the City of San Diego supports the project and that a formal document like that is not part of the typical request. MTS staff does not anticipate an issue with the City. Ms. Landers assured the Board that during the street vacation process, the City Council will ultimately need to approve the project.

Board Member Gonzalez added that the title process will resolve Board Member Donovan's concerns.

Action Taken

Board Member Hall moved to adopt the Resolution of Necessity, authorizing the commencement of eminent domain proceedings to acquire the private property interests necessary for the Project, and to: (1) Open hearing and receive public testimony; 2) Determine that offers to acquire the necessary real property were made to the owners of the subject properties pursuant to Section 7267.2 of the Government Code; 3) Adopt Resolution of Necessity No. 24-03 pertaining to the acquisition of private real property interests in the subject public street right-of-way property parcels in support of the 12th & Imperial Transit Center Rehabilitation Project, and find that: a) the public interest and necessity require the project; b) the project is planned or located in a manner that will be the most compatible with the greatest public good and least private injury; and c) the interests in the property sought to be acquired is necessary for the project; d) MTS has complied with the requirements of Government Code § 7267.2 to the extent applicable to the subject property, made the required offers to acquire the property together with the accompanying statement of and summary of the basis for the amount established as just compensation to the owner or owners of record, which offers and accompanying statement/summary were in a form and contained all of the factual disclosures required by law, and complied with all conditions and statutory requirements necessary to exercise of the power of eminent domain to acquire the property; and 4) Authorize the General Counsel and staff, through outside counsel, to proceed with condemnation proceedings necessary to acquire the private property interests in the subject public street right of way property parcels. Chair Whitburn seconded the motion, and the vote was 13 to 0 in favor with Board Member McCann and Board Member Elo-Rivera absent.

22. Fiscal Year (FY) 2024 Mid-Year Performance Monitoring Report (Denis Desmond, Neomi Woods)

Denis Desmond, MTS Director of Planning and Scheduling, and Neomi Woods, Senior Data Analyst, presented on FY 2024 Mid-Year Performance Monitoring Report. Mr. Desmond outlined: Policy 42 evaluation criteria, ridership, total passengers, weekday average, monthly passengers, passengers per revenue hour, and on-time performance.

Public Comment

The Original DRA - Provided a verbal statement to the Board during the meeting. The Original DRA expressed frustration with asylum seekers using various free shuttles and public transportation.

Blair Beekman – Provided a verbal statement to the Board during the meeting. Blair found ridership data informative and supports the agency’s effort to rebuild ridership.

Board Comment

Vice Chair Goble noted the high and low points of ridership. He asked staff to identify potential trends in seasonal ridership fluctuations. Mr. Desmond replied that school schedules drive high ridership months.

Action Taken

No action taken. Informational item only.

23. Vehicle Assignment and Transit Amenities Policies (Samantha Leslie & Denis Desmond)

Mr. Desmond, and Samantha Leslie, MTS Deputy General Counsel, presented on Vehicle Assignment and Transit Amenities Policies. Mr. Desmond discussed: Title VI of the Civil Rights Act of 1964, vehicle assignment policy, Transit Amenities Policy, monitoring of policies, Executive Committee feedback, and staff’s recommendation.

Public Comment

The Original DRA – Provided a verbal statement to the Board during the meeting. The Original DRA expressed support for additional restrooms along the system.

Board Comment

Board Member Moreno believed that the intent for the policy was to attract more riders. She asked for amenity prioritization to be based on passenger boardings. She asked staff to look into which bus stops should have enhanced amenities but currently do not, and asked which stops should have a higher cost for amenities due to space or infrastructure concerns. She added that in conjunction with a Transit Amenities Policy, there should be a Transit Amenities Plan. She asked staff to include to incorporate paid access restrooms and validator minimums for each station.

Vice Chair Goble asked about the tap to pay feature launch date. Ms. Cooney stated that staff anticipates a formal launch in the following few weeks.

Board Member Mendoza briefly discussed the Lemon Grove station restroom. She expressed the City’s support to re-open the restroom.

Action Taken

No action taken. Informational item only.

OTHER ITEMS:

24. Chair, Board Member and Chief Executive Officer's (CEO's) Communications and CEO Report

Board Member Leyba-Gonzalez thanked MTS planning staff for their coordination in the Rapid 227 modification efforts.

Board Member Mendoza commended the agency's quick response to the Orange Line floods. She added that the gravel from the trolley tracks have invaded the designated bikeway in the Encanto area and requested the area to be cleared.

Ms. Cooney announced additional funding awarded to the agency via Federal Community Project Funding awards which would go towards the design of CTAC, Variable Message Signs (VMS) and Trolley PA systems on the Blue and Green Lines. She noted that these improvements will be helpful to create better reliability, accessibility, and better communication for riders. She also acknowledged national transit driver appreciation day and noted weeklong festivities.

25. Remainder of Public Comments Not on The Agenda

There were no additional public comments.

CLOSED SESSION:

The Board convened to Closed Session at 11:21 a.m.

26. Public Comment for Closed Session

Daniel Smith - Provided a verbal statement to the Board during the meeting. Daniel Smith expressed support for the acquisition of the property.

The Original DRA – Provided a verbal statement to the Board during the meeting. The Original DRA expressed frustration with asylum seekers using various free shuttles and public transportation.

27. Closed Session – Conference with Real Property Negotiators Pursuant to California Government Code Section 54956.8

5801 and 5805 Fairmount Ave, San Diego, CA (APNs 461-320-20 and 461-320-21)

Agency Negotiators: Sharon Cooney, Chief Executive Officer; Karen Landers, General Counsel; Heather Furey, Director of Capital Projects; Sean Myott, Manager of Real Estate Assets; Negotiating Parties: Four D Properties, Inc.

Under Negotiation: Price and Terms of Payment

28. 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 Brotherhood of Electrical Workers, Local 465 ("IBEW")

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)

Closed Session Reconvening

The Board reconvened to Open Session at 11:47 a.m.

Karen Landers, General Counsel, reported the following oral report of final actions taken in Closed Session:

27. The Board received a report and gave instructions to negotiators.

28. The Board received a report and gave instructions to labor negotiators.

ADJOURNMENT

29. Next Meeting Date

The next regularly scheduled Board meeting is April 25, 2024 at 9 a.m.

30. Adjournment

The meeting was adjourned at 11:48 a.m.

/S/ Stephen Whitburn
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): March 14, 2024 CALL TO ORDER (TIME): 9:02 a.m.
 RECESS: _____ RECONVENE: _____
 CLOSED SESSION: 11:21 a.m. RECONVENE: 11:47 a.m.
 PUBLIC HEARING: _____ RECONVENE: _____
 ORDINANCES ADOPTED: 9:11 a.m. ADJOURN: 11:48 a.m.

JURISDICTION	BOARD MEMBER		ALTERNATE		PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
City of Chula Vista	Gonzalez	<input checked="" type="checkbox"/>	Chavez	<input type="checkbox"/>	9:02 a.m.	11:48 a.m.
City of Chula Vista	McCann	<input type="checkbox"/>	Chavez	<input type="checkbox"/>	ABSENT	ABSENT
City of Coronado	Donovan	<input checked="" type="checkbox"/>	Duncan	<input type="checkbox"/>	9:02 a.m.	11:48 a.m.
County of San Diego	Montgomery Steppe	<input checked="" type="checkbox"/>	Vargas	<input type="checkbox"/>	9:02 a.m.	11:48 a.m.
City of El Cajon	Goble (Vice-Chair)	<input checked="" type="checkbox"/>	Ortiz	<input type="checkbox"/>	9:02 a.m.	11:48 a.m.
City of Imperial Beach	Leyba-Gonzalez	<input checked="" type="checkbox"/>	Aguirre	<input type="checkbox"/>	9:02 a.m.	11:21 a.m.
City of La Mesa	Dillard	<input checked="" type="checkbox"/>	Arapostathis	<input type="checkbox"/>	9:13 a.m.	11:48 a.m.
City of Lemon Grove	Gastil	<input type="checkbox"/>	Mendoza	<input checked="" type="checkbox"/>	9:02 a.m.	11:48 a.m.
City of National City	Bush	<input checked="" type="checkbox"/>	Rodriguez	<input type="checkbox"/>	9:05 a.m.	11:48 a.m.
City of Poway	Frank	<input checked="" type="checkbox"/>	Pepin	<input type="checkbox"/>	9:02 a.m.	11:48 a.m.
City of San Diego	Moreno	<input checked="" type="checkbox"/>	Campbell	<input type="checkbox"/>	9:02 a.m.	11:48 a.m.
City of San Diego	Elo-Rivera	<input type="checkbox"/>	LaCava	<input type="checkbox"/>	ABSENT	ABSENT
City of San Diego	Gloria	<input type="checkbox"/>	Campillo	<input checked="" type="checkbox"/>	9:02 a.m.	11:48 a.m.
City of San Diego	Whitburn (Chair)	<input checked="" type="checkbox"/>	Lee	<input type="checkbox"/>	9:02 a.m.	11:48 a.m.
City of Santee	Hall	<input checked="" type="checkbox"/>	Koval Minto	<input type="checkbox"/> <input type="checkbox"/>	9:02 a.m.	11:48 a.m.

SIGNED BY THE CLERK OF THE BOARD: /S/ Dalia Gonzalez