

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

October 17, 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 as Attachment A.

2. Public Comment

Leif Gensert – Representing Ride SD made a written statement to the Board prior to the meeting. Leif urged the Board to increase Trolley frequencies to 7.5 minutes. The written comment is provided in the October 17, 2024, Final Meeting Packet.

Andrew Nathenson – Provided a verbal statement to the Board prior to the meeting. Andrew urged the Board to increase Trolley frequencies to 7.5 minutes. The written comment is provided in the October 17, 2024, Final Meeting Packet.

Alex Wong – Representing Ride SD made a written and verbal statement to the Board both during and prior the meeting. Alex urged the Board to increase Trolley frequencies to 7.5 minutes. The written comment is provided in the October 17, 2024, Final Meeting Packet.

Salvador Abrica – Representing Teamsters Local Union 542 made a verbal statement to the Board during the meeting. Salvador talked about insourcing transit operations and asked to create a working committee.

Truth – Provided a verbal statement to the Board during the meeting. Truth expressed dissatisfaction with the Copper Line and service delays.

CONSENT ITEMS:

3. Approval of Minutes

Action would approve the September 12, 2024 Board of Directors meeting minutes.

4. Chief Executive Officer (CEO) Report

5. Vehicle Fleet Lease and Maintenance Services – Contract Award

Action would 1) Authorize the Chief Executive Officer (CEO) to execute MTS Doc No. G2864.0-24, with Enterprise Fleet Management, Inc. (Enterprise) to provide Vehicle Fleet Lease and Maintenance Services in the amount of \$17,279,877.00 for five (5) base years with five (5) 1-year options; and 2) Exercise the five (5) 1-year options at the CEO's discretion.

6. South Bay Maintenance Facility (SBMF) Driver Training Asphalt Resurfacing – Award Work Order Under a Job Order Contract (JOC)

Action would authorize the Chief Executive Officer (CEO) to execute Work Order MTSJOC347-19 under JOC to MTS Doc. No. PWG347.0-22, with ABC General Contractor, Inc. (ABCGC), in the amount of \$464,210.29 for the SBF Driver Training Asphalt

Resurfacing.

- 7. Towing Services for Buses and Non-Revenue Vehicles – Contract Award**
Action would 1) Execute MTS Doc. B0770.0-, with A to Z Enterprises, Inc. dba RoadOne (RoadOne), for Towing Services for Buses and Non-Revenue Vehicles for a three (3) year base period with three (3) 1-year options, for a total of six (6) years, at a cost of \$870,400.00; and 2) Exercise the option years at the CEO's discretion.
- 8. Copley Park Division (CPD) Driveway and Fencing Repair – Contract Award**
Action would authorize the Chief Executive Officer (CEO) to execute Contract No. PWB401.0-24, with Fordyce Construction, Inc., in the amount of \$230,351.00 for the CPD Driveway and Fencing repair.
- 9. Take One Printing and Delivery – Contract Award**
Action would 1) Execute MTS Doc No. G2880.0-24, with Neyenesch Printers Inc. (Neyenesch), a Small Business (SB), to provide Take One Printing and Delivery services in the amount of \$248,236.61 for a five (5) year base period with two (2) 1-year options; and 2) Exercise the option years at the CEO's discretion.
- 10. Security Services – Contract Amendment**
Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 6 to MTS Doc No. G2359.6-24, with Inter-Con Security Services (Inter-Con), a Minority Business Enterprise (MBE), to add contract capacity in the amount of \$1,000,000.00 for Special Events to Option Years 1 and 2 of the agreement.
- 11. Kearny Mesa Division (KMD) Zero Emission Bus (ZEB) Overhead Charging Phase 1 Design Services – Work Order**
Action would authorize the Chief Executive Officer (CEO) to execute Work Order WOA356-AE-46 under MTS Doc No. PWL356.0-22, with Pacific Rail Enterprises, Inc. (PRE), a Disadvantaged Business Enterprise (DBE), in the amount of \$713,633.15 to provide engineering design services for Phase 1 of the KMD electric bus charging infrastructure project.
- 12. Trolley Right of Way (ROW) Fencing Services – Contract Award**
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL407.0-24, with Golden West Fence, for the removal and/or installation of new fence sections along the Trolley ROW in the amount of \$390,994.21.
- 13. Hi-Rail Speedswing Purchase & Delivery – Contract Award**
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1679.0-24, with S.W.N.G. Inc., for the purchase and delivery of a Hi-Rail Speedswing in the amount of \$454,958.81.
- 14. Google Application Programming Interfaces (API) Usage Charges – Purchase Order**
Action would authorize the Chief Executive Officer (CEO) to issue a Purchase Order (PO) to Google, Inc. for the payment of web-based mapping services usage charges in a not to exceed amount of \$510,000.00 for five (5) years.

- 15. Microsoft Volume License Agreement (VLA) – Contract Amendment**
Action would authorize the Chief Executive Officer (CEO) to execute Amendment No.1 to MTS Doc. No. G2740.1-23, with Softchoice Corporation (Softchoice), to provide funding for additional licensing in the amount of \$376,688.16.
- 16. Imperial Avenue Division (IAD) Richard A. Murphy (RAM) Bus Maintenance Building Heating Ventilation/Air Conditioning (HVAC) Replacement – Change Order**
Action would authorize the Chief Executive Officer (CEO) to approve Contract Change Order (CCO) 01, to Work Order MTSJOC324-13.01 under MTS Doc No. PWG324.0-21, with ABCGC, in the amount of \$95,441.84 to provide additional HVAC unit roof support modifications and technical services for central control system reprogramming.
- 17. Procurement of Bus Benches – Contract Award**
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0772.0-24, with Tolar Manufacturing Company, Inc. (Tolar), to manufacture and deliver bus benches for a five (5) year period, for a total contract cost of \$639,485.49.
- 18. Wireless Voice Communications Network Agreement with San Diego County – Imperial County Regional Communications Systems (RCS) – Contract Amendment**
Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 4 to MTS Doc. G1893.0-16 with RCS to add an additional one hundred thirty (130) radio connections to the RCS network for a total of three-hundred seventy-five (375), in the amount of \$202,982.00 through June 30, 2026.
- 19. Kearny Mesa Division (KMD) Fire Alarm System Replacement – Work Order Agreement**
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. MTSJOC324-59 under MTS Doc. PWG324.0-21, with ABC General Contractor, Inc. (ABCGC), in the amount of \$239,943.36 for the replacement of the existing fire alarm control panel and extension of the existing fire alarm system at KMD to meet current code requirements.
- 20. Right-of-Entry (ROE) Engineering Services – Work Order Agreement**
Action would authorize the Chief Executive Officer (CEO) to execute Work Order WOA355-AE-43 under MTS Doc. No. PWL355.0-22, with Psomas, in the amount of \$1,158,311.73 to perform ROE engineering review services for a period of thirty (30) months to support the MTS Land Management Department.
- 21. Light Rail Vehicle (LRV) Accident and Vandalism Repair Services – Contract Amendment**
Action would authorize the Chief Executive Officer (CEO) to execute Amendment 2 to MTS Doc. No. L1531.0-20, with Carlos Guzman Inc., a Disadvantaged Business Enterprise (DBE), in the amount of \$2,646,172.00 for a total of \$15,816,223.51.
- 22. Orange Line Improvement Project Phase 1 – Overhead Contact System (OCS) Assembly Kits – Contract Award**
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1683.0-24, with Transit Innovations, LLC (Transit Innovations), for the purchase of Assembly Kits for Phase 1 of the Orange Line Improvement Project in the amount of \$377,731.63 (inclusive of

7.75% CA Sales Tax).

23. Operations Budget Status Report for August 2024

24. Paratransit and Minibus Fixed-Route Bus Services – Potential Contract Amendment

Action would authorize the Chief Executive Officer (CEO) to add up to an additional \$1,365,000 annually to MTS Doc. No. B0703.8-19 (First Transit, Inc.) and MTS Doc. No. B0708.5.20 (Transdev, Inc.) for represented employee wage increases contingent upon Transdev successfully executing current outstanding collective bargaining agreement (CBA) negotiations.

Public Comment for item 3-24

Salvador Abrica – Representing Teamsters Local Union 542 made a verbal statement to the Board during the meeting. Salvador spoke on item 24.

Truth – Provided a verbal statement to the Board during the meeting. Truth commented on items 3, 4, 8, 10, 11, 14, 17, 23 and 24.

Board Comment for Item 24

Board Member Montgomery Steppe asked staff to clarify the breakdown for the funding allocation. Sharon Cooney, MTS Chief Executive Officer, added that the current agenda item only references a maximum amount because it is unclear how many people will be included in the bargaining unit and receive the extra compensation over the course of the contract, which is dependent on certain positions currently employed at the South Bay, El Cajon and Copley bus maintenance facilities.

Vice Chair Goble asked if Transdev is contractually allowed to take a percentage of the amount for overhead costs. He also asked if MTS could restrict any funds for a specific purpose. Karen Landers, MTS General Counsel, replied that MTS would not amend their contract to authorize the extra funds until they showed the bargaining agreements they negotiated. Ms. Landers assured the Board that the allocation was only intended to cover employee compensation. Vice Chair Goble asked about the contractual language that would support Ms. Lander's explanation. Larry Marinesi, MTS Chief Financial Officer, stated that any agreement would need to clearly demonstrate that the funds would be utilized for the employees. A cost per revenue mile will then be established as the contract is awarded based on the impact of the collective bargaining agreements (CBA), which will include the rate that MTS pays Transdev. Ms. Cooney added that contractually, Transdev is only paid based on operations serviced. She added that because MTS is not involved in allocation discussions, the funds could be negotiated towards benefits or wages.

Board Member Rodriguez asked if the \$2/hour increase was approved by the MTS Board of Directors several years ago. Mike Wygant, MTS Chief Operating Officer for Bus, stated that the increase for in-house and certain contracted employees was approved in December of 2022. Board Member Rodriguez asked why funding was not applied to the remaining workers. Mr. Wygant replied that these bargaining units were not in labor negotiations with Transdev or First Transit at that time, so they did not receive the increase authorized in December 2022. He added that in an effort to be equitable, Transdev began to bridge the difference to contracted positions. Board Member Rodriguez asked staff to explain once more how the Board could be

assured that the funds be allocated to worker salaries. Mr. Wygant assured the Board that the money would be in addition to the inflation rates for wages included in their contract bid. He stated that MTS will verify the allotment through monthly payroll checks, and the \$2 increase will be rolled into the CBA. This would not be ratified by MTS until their CBAs are voted and ratified, per the labor rate. Ms. Cooney added that once the agency receives the details of their bargaining agreement, MTS can send any necessary revisions of the contract back to Transdev to ensure full compliance with the goals of the wage increase. Board Member Rodriguez asked when the current contracts with Transdev and First Transit expire. Mr. Wygant replied that one expires in June 2026 and the other expires in 2027. He clarified that both contracts also have option years that the Board could choose to exercise.

Action on Recommended Consent Items 3-24

Board Member Gastil moved to approve Consent Agenda Item Nos. 3 to 24. Board Member McCann seconded the motion, and the vote was 13 to 0 in favor with Board Member Hall and Board Member Gloria absent.

DISCUSSION ITEMS:

25. Fare Enforcement Diversion Program Modifications (Karen Landers)

Karen Landers, MTS General Counsel, presented on the proposed Fare Enforcement Diversion Program modifications. She outlined the following information: Fare Enforcement Diversion Program pilot, MTS policy goals, fare evasion data and financial impact analysis, fare evasion rates based on PRONTO data, revenue loss estimates, individual PRONTO card analysis, average monthly on the spot payments, and Public Security Committee's unanimous recommendation to revise the Diversion Program and remove the on-the-spot payment option, implement online and phone payment options, and make the Diversion Program permanent.

Public Comment

Manny Rodriguez – Representing City Heights Community Development Corporation, made a verbal statement to the Board during the meeting. Manny expressed concerns with changes to the Fare Diversion Program.

Fausto Surposa – Representing Teamsters Local Union 542 made a verbal statement to the Board during the meeting. Fausto referenced an anecdote with repeat passenger violence and protecting bus drivers.

Truth – Provided a made a verbal statement to the Board during the meeting. Truth opposed the recommended changes.

Leslie Bridges – Representing Sister Cities Project, made a verbal statement to the Board during the meeting. Leslie opposed the recommended changes.

Board Comment

Board Member Montgomery Steppe briefly summarized discussions at the Public Security Committee on September 20, 2024, which included a hybrid model of enforcement that included an administrative process. She expressed reservations with removing the on-the-spot payment option and distinguished the Compass vs PRONTO system that is contributing to the variance in passenger participation. She referenced the anecdotal public comment made about protection for drivers against harmful or potential harmful situations. She asked if there was a way to track

repeat fare evaders to allow for a warning buffer. Ms. Landers explained that this could only be tracked through PRONTO, however the security team does not have access to that information while in the field. Ms. Landers noted that registering a PRONTO card is a voluntary process. She stated that the agency could attempt targeted outreach. Ms. Cooney added that the agency also offers an appeals process. Ms. Landers added that if the item is approved, the implementation plan would include an extensive education campaign until the beginning of the year. Board Member Montgomery Steppe expressed hesitation to remove the on-the-spot payment option.

Board Member Dillard did not support removing the on-the-spot payment option and asked that the security team create an administrative process to recognize frequent violators. Board Member Dillard asked how the revenue loss was calculated. Mike Thompson, MTS Deputy Chief Financial Officer, explained the methodology for MTS's \$10 - \$15 million annual revenue loss estimate. Ms. Landers referenced that annual ridership has increased, however, fare revenue has decreased. Ms. Cooney noted that the figures included the free transfer policy, which was approved after 2019. Board Member Dillard believed that doubling the fee for fare evaders (\$5) was more appropriate than the proposed \$25. She believed that repeat offenders could have a more significant penalty, and she suggested that rather than eliminating the Fare Evasion Diversion Program, the agency penalize those who are caught. Ms. Cooney clarified that the proposed recommendation would make the Diversion Program permanent and listed all the various resolution options that the diversion program offers. Ms. Landers noted that staff is proposing the \$2.50 on-the-spot fare payment be removed and the \$25 fine be implemented with the ability to pay the fee online or by phone. Board Member Dillard believed that staff should focus on riders who are caught without fare.

Board Member Elo-Rivera did not believe that the proposed recommendation would solve the problem. He believed that the agency would enter an enforcement feedback loop and believed it would be more difficult for evaders to enter a closed barrier system. He suggested that the agency could use a bond to pay for infrastructure enhancements to create a closed barrier system. Ms. Cooney replied that staff could explore this option and noted that closing the system would pose challenges at several locations, due to the system being integrated as part of the cityscape. Ms. Cooney suggested implementing an educational campaign pilot to have data on the effectiveness of the proposed program changes. Board Member Elo-Rivera was concerned that the agency would not receive the predicted amount of revenue that the agency anticipated, and that additional funding would be needed to enforce the Fare Evasion Diversion Program.

Board Member Rodriguez asked when PRONTO was implemented. Ms. Landers responded that the system was fully implemented in October 2021. Board Member Rodriguez agreed that the Trolley system should be closed. He asked that staff conduct an analysis and present on a plan to make it easier for passengers to pay. Ms. Cooney noted that the targeted audience are passengers who validate fare during fare checks. She clarified that she would not suggest additional security personnel. She noted that the proposed recommendation not only creates compliance but also sets a moderate evasion fine. While Board Member Rodriguez agreed with Ms. Cooney's statement, he believed MTS had infrastructure shortfalls. Ms. Landers stated that there have been additional PRONTO validators added to the system. Ms. Landers cautioned the Board that closed systems continue to show high fare evasion trends and may only be deterred by having personnel at each station. Ms. Landers explained that if the agency did not modify the existing rules, passengers are technically not evading fare until they tap. Board Member Rodriguez still believes that there are infrastructure shortfalls that needed to be addressed.

Vice Chair Goble asked about the validator placement locations. Ms. Cooney noted that the agency conducted an analysis for validator placement to ensure proper coverage at each station. Vice Chair Goble advocated for a culture change for passenger behavior and supported the proposed recommendation.

Board Member Montgomery Steppe asked that security officers be given information on re-occurring violators. As part of the administrative process, Ms. Landers proposed researching all citations to identify any first time offenders and providing a waiver for the first offense. Board Member Montgomery Steppe agreed with the proposed solution and asked that if approved, the changes be implemented in February or March of 2025.

Board Member Elo-Rivera noted that the cost of living in San Diego is affecting people and that San Diegans are attempting to save as much money as possible by evading fares.

Action Taken

Board Member Montgomery Steppe moved to revise the Fare Enforcement Diversion Program to: 1) Remove the On-the-Spot Payment Option; 2) Implement Online and Phone Payment Options for Diversion Program Reduced Fine; 3) Make the Diversion Program permanent; 4) Effective February 1st 2025 upon implementation, MTS shall allow rider's receiving citations to request a waiver of the penalty for a first violation; and 5) That staff bring to the Board a preliminary analysis of closed systems vs open system fare evasion statistics at a future meeting. Board Member Elo-Rivera seconded the motion, and the vote was 13 to 0 in favor with Board Member Hall and Board Member Gloria absent or abstaining.

26. Fiscal Year (FY) 2024 Annual Performance Monitoring and Operating Reports (Denis Desmond, Mike Wygant, and Brian Riley)

Denis Desmond, MTS Director of Planning, presented on FY 2024 annual performance monitoring report. He presented on: Policy 42 evaluation criteria, total passengers, weekday average, passenger per revenue hour, farebox recovery and subsidy per passenger. Mike Wygant, Chief Operating Officer of Bus, outlined transit services safety, safety highlights, transit services, capital projects, employee morale, Zero Emission Bus (ZEB) transition, fleet highlights, MTS access services, support services, safety and services awards. Brian Riley, Chief Operating Officer of Rail, presented on capital improvement projects, 5000-series vehicle commissioning, rail vehicle second-life program and rail safety and operations.

Public Comment

Truth – Provided a verbal statement to the Board during the meeting. Truth expressed dissatisfaction with MTS operations.

Board Comment

Board Member Leyba-Gonzalez asked if the Capital Improvement Program (CIP) projects performed by the rail department is contracted work or performed in-house. Mr. Riley replied that the construction work is contracted.

Board Member Moreno advocated for transit amenities to enhance the rider experience.

Action Taken

No action taken. Informational item only.

OTHER ITEMS:

27. Chair, Board Member and Chief Executive Officer’s (CEO’s) Communications

Ms. Cooney introduced Ernesto Garcia as MTS’s new Chief Information Officer.

Vice Chair Goble commended staff’s multi-departmental efforts to implement the Copper Line.

28. Remainder of Public Comments Not on The Agenda

There were no additional public comments.

ADJOURNMENT

29. Next Meeting Date

The next regularly scheduled Board meeting is November 14, 2024 at 9:00 a.m.

30. Adjournment

The meeting was adjourned at 11:34 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: A. Roll Call Sheet

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS
ROLL CALL

MEETING OF (DATE): October 17, 2024 CALL TO ORDER (TIME): 9:02 a.m.
 RECESS: _____ RECONVENE: _____
 CLOSED SESSION: _____ RECONVENE: _____
 PUBLIC HEARING: _____ RECONVENE: _____
 ORDINANCES ADOPTED: _____ ADJOURN: 11:34 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.	11:34 a.m.
City of Chula Vista	McCann	<input checked="" type="checkbox"/>	Chavez	<input type="checkbox"/>	9:02 a.m.	11:34 a.m.
City of Coronado	Donovan	<input checked="" type="checkbox"/>	Duncan	<input type="checkbox"/>	9:02 a.m.	11:34 a.m.
County of San Diego	Montgomery Steppe	<input checked="" type="checkbox"/>	Vargas	<input type="checkbox"/>	9:02 a.m.	11:17 a.m.
City of El Cajon	Goble (Vice-Chair)	<input checked="" type="checkbox"/>	Ortiz	<input type="checkbox"/>	9:02 a.m.	11:34 a.m.
City of Imperial Beach	Leyba-Gonzalez	<input checked="" type="checkbox"/>	Aguirre	<input type="checkbox"/>	9:02 a.m.	11:34 a.m.
City of La Mesa	Dillard	<input checked="" type="checkbox"/>	Arapostathis	<input type="checkbox"/>	9:15 a.m.	11:34 a.m.
City of Lemon Grove	Gastil	<input checked="" type="checkbox"/>	Mendoza	<input type="checkbox"/>	9:02 a.m.	11:34 a.m.
City of National City	Bush	<input type="checkbox"/>	Rodriguez	<input checked="" type="checkbox"/>	9:02 a.m.	11:34 a.m.
City of Poway	Frank	<input type="checkbox"/>	Pepin	<input type="checkbox"/>	9:02 a.m.	11:34 a.m.
City of San Diego	Moreno	<input checked="" type="checkbox"/>	Campbell	<input type="checkbox"/>	9:02 a.m.	11:34 a.m.
City of San Diego	Elo-Rivera	<input checked="" type="checkbox"/>	LaCava	<input type="checkbox"/>	9:02 a.m.	11:34 a.m.
City of San Diego	Gloria	<input type="checkbox"/>	Campillo	<input type="checkbox"/>	ABSENT	ABSENT
City of San Diego	Whitburn (Chair)	<input checked="" type="checkbox"/>	Lee	<input type="checkbox"/>	9:02 a.m.	11:34 a.m.
City of Santee	Hall	<input type="checkbox"/>	Koval	<input type="checkbox"/>	ABSENT	ABSENT
			Minto	<input type="checkbox"/>		

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