



# Board of Directors Agenda

Click link to access the meeting:

<https://us02web.zoom.us/j/98288032362>

Zoom Meeting ID

## Ways to Join



**Computer:** Click the link above. You will be prompted to run the Zoom browser or Zoom application. Once signed on to the meeting, you will have the option to join using your computer audio system or phone.

### Webinar Features:

	▶	Use the <b>raise hand</b> feature every time you wish to make a public comment.
	▶	Participants can enable <b>closed captioning</b> by clicking the CC icon. You may also view the full transcript and change the font size by clicking 'subtitle settings'. These features are not available via phone.
	▶	This symbol shows you are <b>muted</b> , click this icon to unmute your microphone.
	▶	This symbol shows you are currently <b>unmuted</b> , click this button to mute your microphone.
	▶	The chat feature should be used by panelists and attendees solely for "housekeeping" matters as comments made through this feature will not be retained as part of the meeting record. See the <b>Live Verbal Public Comment</b> for instructions on how to make a public comment.



**Smartphone or Tablet:** Download the Zoom app and join the meeting by clicking the link or using the webinar ID (found in the link).



### Phone:

1. If you are joining the meeting audio by phone and viewing the meeting on a device, dial the number provided in the 'join audio' phone call tab of the initial pop-up, and enter the Meeting ID (found in the link).
2. If you are joining by phone only, dial: **+1-669-900-9128** or **+1-253-215-8782** and type the meeting ID found in the link, press #. You will have access to the meeting audio, **but will NOT be able to view the PowerPoint presentations.**



### Live Verbal Public Comments:

Use the 'Raise Hand' icon every time you wish to make a public comment on an item. Raise your hand once the agenda item you wish to comment on has been called. In person public comments will be taken first, virtual attendees will be taken in the order in which they raise their hand. Requests to speak will not be taken after the public comment period ends, unless under the Chair's discretion. General Public Comment, at the beginning of the Board of Directors meeting only, will be limited to five speakers. Additional speakers with general public comments will be heard at the end of the meeting. Two-minutes of time is allotted per speaker, unless otherwise directed by the Chair.

### Public Comments Made Via Zoom

1. Click the link found at the top of this instruction page
2. Click the raise hand icon located in the bottom center of the platform
3. The Clerk will announce your name when it is your turn to speak
4. Unmute yourself to speak

### Public Comments Made by Phone Only

1. Dial **+1-669-900-9128**
2. Type in the zoom meeting ID found in the link and press #
3. Dial \*9 to raise your hand via phone
4. The Clerk will call out the last 4 digits of your phone number to announce you are next to speak
5. Dial \*6 to unmute yourself



**Written Public Comments (before the meeting):** Written public comments will be recorded in the public record and will be provided to MTS Board Members in advance of the meeting. Comments must be emailed or mailed to the Clerk of the Board\* by 4:00pm the day prior to the meeting.

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**Translation Services:** Requests for translation services can be made by contacting the Clerk of the Board\* at least four working days in advance of the meeting.

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**In-Person Participation:** In-person public comments will be heard first. Following in-person public comments, virtual attendees will be heard in the order in which they raise their hand via the Zoom platform. Speaking time will be limited to two minutes per person, unless specified by the Chairperson. Requests to speak will not be taken after the public comment period ends, unless under the Chair's discretion.

**Instructions for providing in-person public comments:**

1. Fill out a speaker slip located at the entrance of the Board Room;
2. Submit speaker slip to MTS staff seated at the entrance of the Board Room;
3. When your name is announced, please approach the podium located on the right side of the dais to make your public comments.

Members of the public are permitted to make general public comment at the beginning of the agenda or specific comments referencing items on the agenda during the public comment period. General Public Comment, at the beginning of the Board of Directors meeting only, will be limited to five speakers. Additional speakers with general public comments will be heard at the end of the meeting.

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**Assistive Listening Devices (ALDs):** ALDs are available from the Clerk of the Board\* prior to the meeting and are to be returned at the end of the meeting.

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**Reasonable Accommodations:** As required by the Americans with Disabilities Act (ADA), requests for agenda information in an alternative format or to request reasonable accommodations to facilitate meeting participation, please contact the Clerk of the Board\* at least two working days prior to the meeting.

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**\*Contact Information:** Contact the Clerk of the Board via email at [ClerkoftheBoard@sdmts.com](mailto:ClerkoftheBoard@sdmts.com), phone at (619) 398-9681 or by mail at **1255 Imperial Ave. Suite 1000, San Diego CA 92101.**



# Agenda de la Junta de Directores

Haga clic en el enlace para acceder a la reunión:

<https://us02web.zoom.us/j/98288032362>

ID de la reunión  
en Zoom

## Formas de Participar



**Computadora:** Haga clic en el enlace más arriba. Recibirá instrucciones para operar el navegador de Zoom o la aplicación de Zoom. Una vez que haya iniciado sesión en la reunión, tendrá la opción de participar usando el sistema de audio de su computadora o teléfono.

### Funciones del Seminario En Línea:

 Levantar la mano	▶	Use la herramienta de <b>levantar la mano</b> cada vez que desee hacer un comentario público.
	▶	Los participantes pueden habilitar el <b>subtitulado</b> haciendo clic en el ícono CC. También puede ver la transcripción completa y cambiar el tamaño de letra haciendo clic en “configuración de subtítulos”. Estas herramientas no están disponibles por teléfono.
	▶	Este símbolo indica que usted se encuentra en <b>silencio</b> , haga clic en este ícono para quitar el silenciador de su micrófono.
	▶	Este símbolo indica que su micrófono se encuentra <b>encendido</b> . Haga clic en este símbolo para silenciar su micrófono.
	▶	La herramienta de chat deben usarla los panelistas y asistentes únicamente para asuntos “pertinentes a la reunión”, ya que comentarios realizados a través de esta herramienta no se conservarán como parte del registro de la reunión. Consulte el <b>Comentario público verbal</b> en vivo para obtener instrucciones sobre cómo hacer un comentario público.



**Teléfono Inteligente o Tableta:** Descargue la aplicación de Zoom y participe en la reunión haciendo clic en el enlace o usando el ID del seminario web (que se encuentra en el enlace).



### Teléfono:

1. Si está participando en la reunión mediante audio de su teléfono y viendo la reunión en un dispositivo, marque el número indicado en la pestaña de llamada telefónica “unirse por audio” en la ventana emergente inicial e ingrese el ID de la reunión (que se encuentra en el enlace).
2. Si está participando solo por teléfono, marque: **+1-669-900-9128** o **+1-253-215-8782** e ingrese el ID de la reunión que se encuentra en el enlace, pulse #. Tendrá acceso al audio de la reunión, **pero NO podrá ver las presentaciones en PowerPoint.**



**Comentarios Públicos Verbales en Vivo:** Use la herramienta “levantar la mano” cada vez que desee hacer un comentario público sobre alguno de los artículos. Levante la mano una vez que el artículo de la agenda sobre el que desea comentar haya sido convocado. Los comentarios públicos en persona se escucharán primero, se escuchará a los asistentes virtuales en el orden en el que levanten la mano. No se aceptarán solicitudes para hablar después de que termine el periodo para hacer comentarios públicos, a menos de que el presidente determine de otra forma a su discreción. Comentarios públicos generales, únicamente al inicio de la reunión de la Junta de Directores, se limitarán a cinco personas que deseen hablar. Las personas adicionales que deseen aportar comentarios públicos generales podrán hacerlo al final de la reunión. Se otorga dos minutos de tiempo por persona que desee hablar, a menos de que el presidente instruya de otra forma. *(Consulte la página 2 para obtener instrucciones sobre cómo hacer un comentario público.)*

## Comentarios Públicos a Través de Zoom

1. Haga clic en el enlace que se encuentra en la parte superior de esta página de instrucciones
2. Haga clic en el ícono de levantar la mano en el centro inferior de la plataforma
3. El secretario anunciará su nombre cuando sea su turno de hablar
4. Desactive el silenciador para que pueda hablar

## Comentarios Públicos Realizados Únicamente por Teléfono

1. Marque el **+1-669-900-9128**
2. Ingrese el ID de la reunión en Zoom que se encuentra en el enlace y pulse #
3. Marque \*9 para levantar la mano por teléfono
4. El secretario indicará los últimos 4 dígitos de su número de teléfono para anunciar que usted será el siguiente en hablar
5. Marque \*6 para desactivar el silenciador



**Comentarios Públicos por Escrito (Antes de la Reunión):** Los comentarios públicos por escrito se registrarán en el registro público y se entregarán a los miembros de la Junta de MTS antes de la reunión. Los comentarios deben enviarse por correo electrónico o postal al secretario de la Junta\* antes de las 4:00 p.m. el día anterior a la reunión.



**Servicios de Traducción:** Pueden solicitarse servicios de traducción comunicándose con el secretario de la Junta\* por lo menos cuatro días hábiles antes de la reunión.



**Participación en Persona:** Los comentarios públicos en persona se escucharán primero. Después de los comentarios públicos en persona, se escuchará a los asistentes virtuales en el orden en el que levanten la mano a través de la plataforma de Zoom. El tiempo para hablar se limitará a dos minutos por persona, a menos de que el presidente especifique de otra forma. No se recibirán solicitudes para hablar después de que termine el periodo para hacer comentarios públicos, a menos de que el presidente determine de otra forma a su discreción.

### Instrucciones para brindar comentarios públicos en persona:

1. Llene la boleta para personas que desean hablar que se encuentran en la entrada de la Sala de la Junta.
2. Entregue la boleta para personas que desean hablar al personal de MTS que se encuentra sentado en la entrada de la Sala de la Junta.
3. Cuando anuncien su nombre, por favor, acérquese al podio ubicado en el lado derecho de la tarima para hacer sus comentarios públicos.

Los miembros del público pueden hacer comentarios públicos generales al inicio de la agenda o comentarios específicos que hagan referencia a los puntos de la agenda durante el periodo de comentarios públicos. Los comentarios públicos generales únicamente al inicio de la reunión de la Junta de Directores, se limitarán a cinco personas que deseen hablar. Las personas adicionales que deseen aportar comentarios públicos generales podrán hacerlo al final de la reunión.



**Dispositivos de Asistencia Auditiva (ALD, por sus siglas en inglés):** Los ALD están disponibles con el secretario de la Junta\* antes de la reunión y estos deberán ser devueltos al final de la reunión.



**Facilidades Razonables:** Según lo requerido por la Ley de Estadounidenses con Discapacidades (ADA, por sus siglas en inglés), para presentar solicitudes de información de la agenda en un formato alternativo o solicitar facilidades razonables para facilitar su participación en la reunión, por favor, comuníquese con el secretario de la Junta\* por lo menos dos días hábiles antes de la reunión.



**\*Información de Contacto:** Comuníquese con el secretario de la Junta por correo electrónico en [ClerkoftheBoard@sdmts.com](mailto:ClerkoftheBoard@sdmts.com), por teléfono al **(619) 398-9681** o por correo postal en **1255 Imperial Ave. Suite 1000, San Diego CA 92101.**



**Metropolitan  
Transit  
System**

## **Board of Directors Agenda**

**February 8, 2024 at 9:00 a.m.**

**In-Person Participation:** James R. Mills Building, 1255 Imperial Avenue, 10th Floor Board Room, San Diego CA 92101

**Teleconference Participation:** (669) 444-9171; Webinar ID: 982 8803 2362, <https://zoom.us/j/98288032362>

<b>NO.</b>	<b>ITEM SUBJECT AND DESCRIPTION</b>	<b>ACTION</b>
<b>1.</b>	<b>Roll Call</b>	
<b>2.</b>	<b>Public Comments</b> This item is limited to five speakers with two minutes per speaker. Others will be heard after Board Discussion items. If you have a report to present, please give your copies to the Clerk of the Board.	
<b>CONSENT ITEMS</b>		
<b>3.</b>	<b>Approval of Minutes</b> Action would approve the January 18, 2024 Board of Directors meeting minutes.	Approve
<b>4.</b>	<b>Direct Fixation Fasteners – Sole Source Contract Award</b> Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1661.0-24, a sole source award to Voestalpine Railway Systems Nortrak (Nortrak), in the amount of \$989,145.00 for the purchase of 4,500 direct fixation (DF) fasteners and incidentals for the Maintenance of Way (MOW) department.	Approve
<b>5.</b>	<b>Payroll and Human Resources Information System (HRIS) Solution &amp; Implementation Services – Contract Amendment</b> Action would 1) Ratify Amendment 2 to MTS Doc. No. G1935.2-17, in the amount of \$50,132.50; and 2) Authorize the Chief Executive Officer (CEO) to execute Amendment No. 3 to MTS Doc G1935.3-17, with ADP, LLC, to add \$125,774.00 for Learning Management System and training software and implementation, for a total of \$175,906.50.	Approve



6. **Background Investigative Services – Contract Amendment** Approve  
Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 1 to MTS Doc No. G2646.1-22, with Kristy Investigative Services, Inc., to add \$300,000.00 for employee background and reference investigation services.
7. **MTS Excess Liability and Workers' Compensation Insurance Renewals** Approve  
Action would 1) Authorize the Chief Executive Officer (CEO) to agree to an extension of the current Excess Liability Insurance Program to March 15, 2024, to allow for further negotiation of terms and conditions of coverage through the next 30 days; and 2) Authorize the CEO to either agree to an extension of the current Excess Workers Compensation Program to March 15, 2024, or at the CEO's discretion, renew the coverage effective March 1, 2024, in an amount not to exceed \$335,000.
8. **Operations Budget Status Report for December 2023** Informational
9. **Additional Staffing – Two (2) Bus Operations Training Instructor** Approve  
Action would authorize the Chief Executive Officer (CEO) to add two (2) Bus Operator Training Instructor to the position tables previously approved in the Fiscal Year 2024 budget.
10. **External Auditing Services – Contract Award** Approve  
Action would authorize the Chief Executive Officer (CEO) to: 1) Execute MTS Doc. G2788.0-24, with The Pun Group, Inc. (The Pun Group) for External Auditing Services for a five (5) year base period in the amount of \$1,143,722.35, plus three (3) 1-year options in the amount of \$771,190.85 for a total contract amount of \$1,914,913.20; and 2) Exercise the option years at the CEO's discretion.

DISCUSSION AND REPORT ITEMS

11. **San Diego Transit Corporation (SDTC) Pension Investment Status (Jeremy Miller, Representative with RVK Inc. and Larry Marinesi)** Informational
12. **San Diego Transit Corporation (SDTC) Employee Retirement Plan's Actuarial Valuation as of July 1, 2023 (Anne Harper and Alice Alsberghe with Cheiron Inc., and Mike Thompson)** Approve  
Action would receive the SDTC Employee Retirement Plan's (Plan) Actuarial Valuation as of July 1, 2023 (Attachment A) and adopt the pension contribution amount of \$20,174,660 for fiscal year 2025.
13. **Overnight Downtown - Border Express Bus Service Implementation (Denis Desmond)** Informational

14. **MTS Safety Performance Targets Annual Review & Update (Fabeann Soberg and Jared Garcia)** Informational

OTHER ITEMS

15. **Chair, Board Member and Chief Executive Officer’s (CEO’s) Communications and CEO Report** Informational

16. **Remainder of Public Comments Not on The Agenda**  
This item is a continuation of item No. 2 (Public Comment), in the event all speakers who request to comment on item No. 2 are not called. If all Public Comment is accepted during item No. 2, no additional public comment will be accepted under this item.

CLOSED SESSION

17. **Public Comment for Closed Session**

18. **Closed Session – Conference with Legal Counsel – Existing Litigation Pursuant to California Government Code Section 54956.9(d)(1)** Possible Action  
Lourdes Maria Guerra, et al. vs. Metropolitan Transit System, et al.  
San Diego Superior Court Case No. 37-2022-00023104-CU-PA-CTL

19. **Closed Session - Conference with Labor Negotiators Pursuant to California Government Code Section 54957.6** Possible Action  
Agency: San Diego Transit Corporation (“SDTC”)  
Employee Organization: Amalgamated Transit Union, Local 1309 (“ATU”)  
Agency- Designated Representative: Michael Wygant, Chief Operating Officer

ADJOURNMENT

20. **Next Meeting Date**  
The next Board of Director’s meeting is scheduled for March 14, 2024 at 9:00am.

21. **Adjournment**

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**From:** Dave Nearing <ibdave236@gmail.com>  
**Sent:** Tuesday, February 6, 2024 6:45 PM  
**To:** paloma.aguirre@imperialbeachca.gov; matthew.leyba-gonzalez@imperialbeachca.gov; Mitchell McKay; carol.seabury@imperialbeachca.gov; Jack Fisher  
**Cc:** Beverly Neff; ClerkoftheBoard; Dave Nearing  
**Subject:** Route 227 from Iris Station through Imperial Beach, back to Iris Station.

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

I would say good morning, it is not after last night's Imperial Beach City Council Meeting. I feel we in Imperial Beach are losing a battle with MTS Rapid Route 227. To implement a program not to benefit our city but to enhance the new "all electric" at a cost to our way of life in Imperial Beach in my estimation. A sad response from MTS... That we need to COMPLY with the folks that said they need 15 min. minimum of 20 hours a day service at each bus stop... Well, those folks are not jumping on the buses every 15 min. as requested by those that stated their wants and desires. MTS representative Beverly Ness said the same folks that Demanded a structure with flashing lights throughout our city, especially Third and I.B. Blvd. are the same ones requesting 15 min... or sooner...service through our city and they are not using it, but MTS still wants to put up unnecessary blight in our city that is not being used. Why do they ??? decide our quality of life, and not perform? As we may have an agreement to move MTS Route 227 to 9 Street, which creates another set of problems for our little community. (please MTS confirm that they are I.B. Folks that need 15 min. 20+ hours a day to survive, the under used 933, 934, 901 routes are not full) This is especially true even if we move the bus to 9<sup>th</sup> street or 13<sup>th</sup> Street, what about the money makers, Palm and Seacoast; **still unknown.** Is a response to this required from our Imperial Beach Citizens, just saying to the folks on 9<sup>th</sup> Street, MTS is planning to come through your area every 15 min or sooner over 20 hours with empty buses I feel is insufficient. MTS should inform all of Imperial Beach with their proposal and the failures to date that have harmed our city. Can we stop the incursion of the "ghost buses" to our city until it is figured out? We SUFFERED 3 MONTHS, to allow resolution, still promised but not provided by MTS; do not put us through another 3 to 6 months of hell. MTS: Do due diligence and figure it out with all of the MTS massive database which is bigger than all of Imperial Beach and should be for the benefit of our community, as a non-profit organization.

Please honestly tell us WHO is in charge: The Federal Government, The State of California, The City of Imperial Beach, MTS, or as MTS representative stated we are bound by the UNION representing the MTS bus drivers. And we cannot do anything until new contracts are secured, which is a very convoluted procedure that benefits the Union Bus Drivers, not the Riders or the Imperial Beach Citizens. What happened to "WE THE PEOPLE" May we work together to change this for the betterment of all Imperial Beach Citizens and all of our San Diego County Taxpayers.

Please honestly tell us WHO is in charge of the "pocket book" : What is the cost to us taxpayers to run the expensive electric articulated buses through Imperial Beach todate, minus the fare collected. We citizens have previously asked for this information, I know you stated that "we are working on it". May we have a proposed date for that information.

PS: Hoping there was a brighter outcome I did not submit this letter earlier but "bit my tongue". Now with a February 10, 2024, deadline I feel one should ask questions and request answers, prior to sealing a deal with Imperial Beach and MTS.

Sincerely





## CALL – IN PUBLIC COMMENT

Alex Wong, provided a public comment for agenda item #2. A paraphrased version of Alex’s statement will be reflected in the minutes.

### PUBLIC SPEAKER DISCLAIMER

#### INSTRUCTIONS

This meeting is offered both in an in-person and virtual format. In-person speaker requests will be taken first. Speaking time will be limited to two minutes per person, unless specified by the Chairperson. Members of the public are permitted to make general public comments at the beginning of the agenda or make specific comments on any item in the agenda at the time the Board/Committee is considering the item during the meeting. Requests to speak will not be taken after the public comment period ends, unless under the Chair’s discretion.

#### BOARD OF DIRECTORS MEETING

General Public Comment at the beginning of the agenda will be limited to five speakers with the standard two-minute limit, unless otherwise directed by the Chair. Additional speakers with general public comments will be heard at the end of the meeting.

#### MEETING RECORD

A paraphrased version of this comment will be included in the minutes. The full comment can be heard by reviewing the recording posted on the respective meeting website:

<https://www.sdmts.com/about/meetings-and-agendas>.





## CALL – IN PUBLIC COMMENT

Truth provided a public comment for agenda item #2. A paraphrased version of Truth's statement will be reflected in the minutes.

### PUBLIC SPEAKER DISCLAIMER

#### INSTRUCTIONS

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#### BOARD OF DIRECTORS MEETING

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<https://www.sdmts.com/about/meetings-and-agendas>.





Metropolitan Transit System

MTS STAFF USE ONLY
Public Comment
AI #: 2 Date: 2/8/24
No. in queue: 3

IN - PERSON PUBLIC COMMENT

SPEAKER INFORMATION (please print)

Agenda Item No.: #2
Name: LOUIS I PRUITT Telephone:
Email:
City of Residence:
Remark Subject:
Affiliated Organization:

PLEASE SUBMIT THIS COMPLETED FORM BACK TO THE CLERK

INSTRUCTIONS

This meeting is offered both in an in-person and virtual format. In-person speaker requests will be taken first. Speaking time will be limited to three minutes per person, unless specified by the Chairperson. Please make your comment at the podium located on the right side of the dais. Members of the public are permitted to make general public comments at the beginning of the agenda or make specific comments on any item in the agenda at the time the Board/Committee is considering the item during the meeting. Requests to speak will not be taken after the public comment period ends, unless under the Chair's discretion.

BOARD OF DIRECTORS MEETING

General Public Comment at the beginning of the agenda will be limited to five speakers with the standard three-minute limit, unless otherwise directed by the Chair. Additional speakers with general public comments will be heard at the end of the meeting.

MEETING RECORD

A paraphrased version of this comment will be included in the minutes. The full comment can be heard by reviewing the recording posted on the respective meeting website: https://www.sdmts.com/about/meetings-and-agendas. This form will be included in the Meeting Materials posted on the respective MTS meeting site.

1255 Imperial Avenue, Suite 1000, San Diego, CA 92101-7490 • (619) 231-1466 • sdmts.com

San Diego Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc. and San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations). MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego. MTS is also the For-Hire Vehicle administrator for nine cities.



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

January 18, 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 9:04 a.m. A roll call sheet listing Board member attendance is attached.

**2. Public Comment**

Alex Wong – Representing Ride SD made a written and verbal statement to the Board both during and prior to the meeting. Alex expressed support for SANDAG's South Leg Automated People Mover proposal over the Trolley to the Airport concept. The full written comment is provided in the January 18, 2024, Final Meeting Packet.

Lenora Porcella – A resident of Imperial Beach made a written statement to the Board prior to the meeting. Lenora expressed opposition with Route 227. The full written comment is provided in the January 18, 2024, Final Meeting Packet.

Jerrod Caswell – A resident of Imperial Beach made a verbal statement to the Board during the meeting. Jerrod expressed dissatisfaction with Route 227 and asked that the route be either removed or become an on-demand service.

Frank Hogan – A former MTS employee made a verbal statement to the Board during the meeting related to the Chief Information Officer.

Truth – Provided a verbal statement to the Board during the meeting. Truth expressed frustration with the agency's public speaker time allocation and made anecdotal accounts of security concerns.

Robert Douthit – A resident of Imperial Beach, made a verbal statement to the Board during the meeting. Robert expressed dissatisfaction with the high frequency of Route 227 and urged the Board to remove the route.

The Original DRA – Provided a verbal statement to the Board during the meeting. The Original DRA suggested various ways to incentivize more choice riders.

**3. Appointment of Ad Hoc Nominating Committee for Recommending Appointments to MTS Committees for 2024 (Sharon Cooney)**

Action would appoint an Ad Hoc Nominating Committee to make recommendations to the Board with respect to the appointment of the Chair Pro-Tem and MTS and non-MTS committees for 2024.

### **Committee Comment**

Chair Whitburn noted that the Ad Hoc Nominating Committee, composed of Board Members Dillard, Donovan, Elo-Rivera, Gastil, Hall, Goble, and Whitburn, prepared the nominating slate for the full Board's consideration.

Board Member Gastil nominated Board Member Dillard as primary for the SANDAG Regional Planning Committee representative, and himself as an alternate. Board Member Dillard accepted the appointment.

Board Member McCann noted that Board Member Chavez was now an alternate representative for the MTS Board. He asked that Board Member Gonzalez be appointed to the MTS Public Security Committee, in lieu of Alternate Board Member Chavez. Board Member Gonzalez accepted the appointment.

Chair Whitburn noted that Vice Chair Goble was listed as the East County Alternate representative on the Executive Committee. Since Vice Chair Goble was already on the Executive Committee as Vice Chair, Board Member Hall asked to be listed as the alternate representative for East County. This change was noted in the slate.

Chair Whitburn nominated Board Member Dillard as the first alternate to the SANDAG Board, since Board Member Chavez was no longer a primary MTS Board Member. Board Member Hall asked to be considered as second alternate.

Chair Whitburn noted that based on the proposed slate, Board Member Montgomery Steppe would be nominated to continue as the Chair Pro Tem.

Chair Whitburn noted that Board Member Campillo was not assigned to any Committees and opened appointment preferences to him.

### **Public Comment**

Truth – Provided a verbal statement to the Board during the meeting. Truth expressed dissatisfaction with the proposed edited slate.

The Original DRA – Provided a verbal statement to the Board during the meeting. The Original DRA expressed dissatisfaction with the representative composition of the Board.

### **Action on Recommended Consent Items**

Chair Whitburn moved to elect Board Member Montgomery Steppe as Chair Pro-Tem, and approved the appointment of representatives to MTS and non-MTS committees for 2024, as proposed by the Ad Hoc Nominating Committee including the following changes: Board Member Dillard appointed as primary to the SANDAG Regional Planning Committee with Board Member Gastil as alternate to the SANDAG Regional Planning Committee; Board Member Gonzalez as a committee member to the MTS Public Security Committee (in lieu of Alternate Board Member Chavez); Board Member Hall as the alternate East County Representative to the Executive Committee; Board Member Dillard as the first alternate to the SANDAG Board with Board Member Hall as the second alternate to the SANDAG Board. Vice Chair Goble seconded the motion, and the vote was 14 to 0 in favor with Board Member Bush absent.

CONSENT ITEMS:

- 4. Approval of Minutes**  
Action would approve the December 14, 2023 Board of Directors meeting minutes.
- 5. Traction Power Substations (TPSS) Design - Work Order**  
Action would authorize the Chief Executive Officer (CEO) to execute Work Order WOA357-AE-31, under MTS Doc No. PWL357.0-22, with CR Associates (CRA), a Disadvantaged Business Enterprise (DBE), in the amount of \$2,047,425.49 for design services to replace existing TPSS with new Siemens TPSS.
- 6. Regional Communications System (RCS) Radios Purchase and Installation – Sole Source Contract Award**  
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2846.0-24, with Motorola Solutions, Inc in the amount of \$266,395.10 for a period of four (4) base years.
- 7. Operations Budget Status Report for November 2023**
- 8. Network Equipment and Services – Contract Award**  
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2796.0-24 (in substantially the same format as Attachment A), with Axelliant LLC (Axelliant), a Minority Business Enterprise (MBE), for the purchase of network equipment, services and related license subscriptions, in the amount of \$871,391.03.
- 9. Trash Receptacles – Contract Award**  
Action would authorize the Chief Executive Officer (CEO) to: 1) Execute MTS Doc. No. L1653.0-24, with Big Belly Solar, LLC (“Big Belly”), for the provision of seventy-eight (78) Big Belly trash receptacles at a cost of \$300,097.18 (inclusive of shipping and taxes) plus an option to purchase an additional ninety-six (96) Big Belly trash receptacles in 2024-2025 at a cost of \$478,883.78 (inclusive of shipping and taxes), for an overall estimate contract total of \$778,980.96 (inclusive of shipping and taxes); and 2) Exercise the option purchase at the CEO’s discretion.
- 10. Washington Street Wall Modification – Work Order Agreement**  
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. MTSJOC348-09 (in substantially the same format as Attachment A), under MTS Doc. No. PWG348.0-22, with Veterans Engineering Inc. (Veterans), for the modification of the existing wall between the Washington Street Trolley Station and the North County Transit District (NCTD) tracks along the Green Line right-of-way in the amount of \$610,819.97.
- 11. MTS Board Policy No. 21: MTS Revenue-Generating Display Advertising, Concessions, and Merchandise – Revision Status Report**
- 12. Addition of Full Time Equivalent Position: Grants Analyst**  
Action would authorize the Chief Executive Officer (CEO) to add one (1) Grants Analyst to the position tables previously approved in the Fiscal Year 2024 budget.

### **Public Comment for Consent Items**

Truth – Provided a verbal statement to the Board during the meeting. Truth commented on items 4-12, particularly the: (4) paraphrased language in the minutes, (5) 30 year old updates to power substations, (7) budget costs, (8) allotted public speaker time, (9) supported new modes of trash receptacles, (11) supported removing advertisements blocking bus windows and opposed alcohol advertisements, (12) the opposition of an additional position, (6) communication hardware for security, and (10) concerns about vandalism.

The Original DRA – Provided a verbal statement to the Board during the meeting. The Original DRA commented on items 9 – 11 and expressed concerns with (9) trash receptacles smart technology, (10) contract cost, and (11) alcohol advertisements.

### **Board Comment**

Board Member Moreno commented staff on item 9. Chair Whitburn added that the contract award was a result of the customer satisfaction survey, along with the Social Equity Listening Tour survey. Board Member Moreno and Chair Whitburn both commended staff on implementing this project.

### **Action on Recommended Consent Items 4-12**

Board Member Gastil moved to approve Consent Agenda Item Nos. 4 to 12. Board Member McCann seconded the motion, and the vote was 14 to 0 in favor with Board Member Bush absent.

## **DISCUSSION ITEMS AND REPORT ITEMS:**

### **13. PRONTO Online Reduced Fare Application Update (Leanne Powell and Stacie Bishop)**

Leanne Powell, MTS Fare System Administrator, and Stacie Bishop, MTS Manager of Marketing, presented on the PRONTO online reduced fare application update regarding project background, application amenities, functional process, preliminary results, and the outreach/communication plan.

### **Public Comment**

Truth – Provided a verbal statement to the Board during the meeting. Truth expressed frustration with the PRONTO program and temporary honor system onboarding. Truth suggested that MTS safety officers have reference cards for this program to hand out to fare evaders and suggested an annual re-certification process.

The Original DRA – Provided a verbal statement to the Board during the meeting. The Original DRA expressed dissatisfaction with the program identification requirements and transit pass exemptions for immigrant refugees.

### **Board Comment**

Board Member Elo-Rivera asked about the agency's partnerships with schools. Ms. Bishop replied that MTS would bring members of the outreach and PRONTO support team to schools to assist with an in-person recertification process. First time onboarding to PRONTO would also be available at this event and their eligibility as a youth rider would be set until they are 19. She noted school's concerns with MTS's ability to collect birthdate information and photographs of students. Sharon Cooney, Chief Executive Officer, added that her son was a beta tester and

able to use the application without assistance. Board Member Elo-Rivera saw in-person promotion of the program as a benefit, even though many users would opt in for self-service. He also asked about the data security measures. Israel Maldonado, Director of Fare Technology and Operations explained that the customer relationship model (CRM) program tokenizes and temporarily stores customer information, when a case is automatically approved, the data is deleted, for cases that require a manual review, data is deleted within 30 days, and nothing is stored within MTS servers.

Board Member Moreno expressed support for the Youth Opportunity Pass (YOP). She talked about a constituent who lost their PRONTO card, their inability to replace their pass online and their need for in-person assistance. Board Member Moreno expressed concern about constituent's potential obstacle seeking in person attendance during a work week. She believed that the onboarding requirements were cumbersome and asked staff if the requirement to provide eligibility documents is set forth by the Regional Fare Ordinance. Ms. Cooney clarified that the certification process was a requirement set forth by the agency to ensure eligibility. Ms. Cooney encouraged Board Member Moreno to connect staff to her constituent in order to properly understand the issue and improve the process. Board Member Moreno asked staff to clarify if the certification requirements were set by the agency. Karen Landers, MTS General Counsel, added that the eligibility process is not specified in the Regional Fare Ordinance, however, there is a presumption that the agency will go through a process to verify eligibility. Board Member Moreno asked about the amount of youth that have completed the YOP verification process, compared to last December. Ms. Bishop clarified that staff was not able to work with data in that time frame, and that the ability to differentiate Senior, Disabled and Medicare (SDM) successful applicant's vs YOP users in the automatic process, was limited. She did note that 80% of 13 or younger youth without identification, was successfully approved through the manual certification process. Board Member Moreno re-asked if YOP data from last December was available. Ms. Bishop stated she was not able to pull that data, but that data was available for the five weeks prior to the launch of the application, and the agency has 1,900 youth that applied from November 1<sup>st</sup> to December 5<sup>th</sup>. She noted that in the previous online form, staff did see twice as many applications on a weekly basis however, since staff was not able to verify eligibility, it was unclear how many of those submittals were fraudulent. Board Member Moreno asked staff to confirm that the system only works 62% of the time. Ms. Powell replied that 62% of the applications received of the 1,400 successful applications were approved through the automatic approval process. Board Member Moreno asked what happened to the remaining 38% of the applicants. Ms. Powell noted that those applicants were moved to the manual verification process. Board Member Moreno asked if riders would be asked to appear in person. Ms. Powell replied that a support agent would reach out to the customer to complete onboarding requirements. Ms. Powell noted that staff has yet to collect abandoned or denied applications. Board Member Moreno explained that she did not want an overly cumbersome process to deter YOP from onboarding and was concerned about the current requirements. She suggested additional verification stations throughout the system or an easier process. Board Member Moreno asked that staff streamline a process to the Board for consideration.

Vice Chair Goble asked staff how they identify users that have aged out of the YOP program. Ms. Bishop explained that the system ages out the user on the last date of the birthday month and reverts the card to an adult account. He also asked why Medicare applicants qualify but not MediCal. Ms. Landers believed that the distinction was based on federal requirements. Ms. Bishop added that the Marketing department included the distinction to avoid customer



confusion. Vice Chair Goble also asked staff if temporary disabilities qualify. Ms. Bishop noted that they would, and that staff is able to populate a date of expiration on the system that either the rider or their doctor submits.

Board Member Dillard asked about a scenario to quickly replace lost or stolen cards. Ms. Bishop noted that cards can be replaced using the online self-service on their portal, make a request over the phone or seek assistance in person at the Transit Store. Board Member Dillard asked about the turnaround time for that request. Ms. Bishop replied that they could expect 5-10 business days for mailing. Students can also replace their card by visiting the retail network and purchasing a \$2 card. Board Member Dillard asked if replacement cards were also available at libraries. Ms. Bishop replied that the agency is looking at having social service providers or schools to verify students on behalf of MTS. Ms. Cooney also added that customer service was available over the phone and that in person assistance was not necessary. Ms. Cooney emphasized the need to understand errors in the data collection to address issues and provide a better customer experience. Ms. Bishop also added that within the 6-month transition period, PRONTO support will grant temporary access to the reduced fare while proper verification is pending. Board Member Dillard asked what the senior age qualification was. Ms. Bishop replied that the age period was 65. Board Member Dillard asked if there was a picture update request for youth who had a childhood picture on their account. Mr. Maldonado replied that there was not currently a program, but it was something to consider. Board Member Dillard asked if riders would receive a notification reminder that their YOP account was ending. Mr. Maldonado replied that the system was very flexible and would confirm that the notification is active.

Board Member Montgomery Steppe asked if the 85% successful applications were based off 1,500 accounts that have been verified. Ms. Bishop replied that as of January 17, 2024, there were 1,800 application attempts, of which, 1,500 were approved. She noted that number does include pending cases, which are opened for 10 business days. Board Member Montgomery Steppe asked that if a case is closed in 10 days, can a case be re-opened before June 30<sup>th</sup>. Mr. Maldonado replied that once the case is closed it cannot be re-opened, but the case number can still be referenced, and an individual can start a new verification process. Board Member Montgomery Steppe was concerned that users may be discouraged to re-apply if they see that their progress has been closed and suggested that customers do understand that they can re-apply with the same card. She asked what the expectations were of the Community Based Organizations (CBOs). Ms. Bishop replied that there were program flexibilities based on their capabilities. She also added that MTS staff collected feedback data from the CBO partners. Board Member Montgomery Steppe asked if CBOs reported statistics. Ms. Bishop replied that they will receive participation, and material distributed reports. Board Member Montgomery Steppe asked how CBOs would prepare for the June 30<sup>th</sup> application deadline. Ms. Bishop replied that staff hosted a demonstration of the online application.

Board Member Bush acknowledged his struggle with the form initially and supported streamlining the application. He asked what the practice and policy was with enforcement of the YOP pass. Mr. Maldonado replied that staff is focused on flexibility and education until June 30<sup>th</sup>. He added that the security and bus operators will be given communication cards to distribute, in an education effort. Board Member Bush asked staff to re-confirm that MTS was not barring or prohibiting people from riding the system. Mike Wygant, Chief Operating Officer for Bus, confirmed that education was the focus, unless they are creating safety issues or disrupting other customers.

Chair Whitburn commended the project and asked that staff provide an update of the program in the next few months.

**Action Taken**

No action taken. Informational item only.

OTHER ITEMS:

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

**Public Comment**

Truth – Provided a verbal statement to the Board during the meeting. Truth expressed dissatisfaction with various PO purchases in the CEO Report.

The Original DRA – Provided a verbal statement to the Board during the meeting. The Original DRA expressed dissatisfaction with the agency's meeting structure.

**Board Comment**

Board Member Leyba-Gonzalez thanked staff for coordinating a meeting between City of Imperial Beach and MTS representatives regarding Bus Route 227. He asked staff to provide residents ridership data within Imperial Beach, prior to the next City Council meeting.

Vice Chair Goble talked about a new City of El Cajon program that assists women and children. In the nine months of that transitional program, one graduate from the program is now an MTS driver.

Board Member Hall asked about an update regarding Board room audio upgrades. Ms. Cooney replied that the RFP was released earlier in the week.

**15. Remainder of Public Comments Not on The Agenda**

There were no additional public comments.

CLOSED SESSION:

**Public Comment**

Truth – Provided a verbal statement to the Board during the meeting. Truth (16) stipulated about the discussions that would be had during closed session, and (17) provided their opinion on the ongoing litigation.

The Original DRA – Provided a verbal statement to the Board during the meeting. The Original DRA (16) expressed dissatisfaction with the limited knowledge of the case details provided on the agenda, and (17) provided their opinion on the ongoing litigation.

The Board convened to Closed Session at 10:43 a.m.

**16. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2) and (e)(5): (1 Potential Case)

**17. CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL**

Existing Litigation Pursuant to California Government Code Section 54956.9(d)(1)  
Grecia Figueroa v Nathan Fletcher, San Diego Metropolitan Transit System, et al.  
San Diego Superior Court Case No. 37-2023-00012828-CU-OE-CTL

**Closed Session Reconvening**

The Board reconvened to Open Session at 12:04 p.m.

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

- 16. The Board received a report from legal counsel and gave instructions.
- 17. The Board received a report from legal counsel and gave instructions.

**ADJOURNMENT**

**18. Next Meeting Date**

The next regularly scheduled Board meeting is February 8, 2024 at 9:00 a.m.

**19. Adjournment**

The meeting was adjourned at 12:04 p.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): January 18, 2024 CALL TO ORDER (TIME): 9:04 a.m.  
 RECESS: \_\_\_\_\_ RECONVENE: \_\_\_\_\_  
 CLOSED SESSION: 10:43 a.m. RECONVENE: 12:03 a.m.  
 PUBLIC HEARING: \_\_\_\_\_ RECONVENE: \_\_\_\_\_  
 ORDINANCES ADOPTED: \_\_\_\_\_ ADJOURN: 12:04 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"/>	9:04 a.m.	10:43 a.m.
City of Chula Vista	McCann	<input checked="" type="checkbox"/>	Chavez	<input type="checkbox"/>	9:04 a.m.	12:04 a.m.
City of Coronado	Donovan	<input checked="" type="checkbox"/>	Duncan	<input type="checkbox"/>	9:04 a.m.	12:04 a.m.
County of San Diego	Montgomery Steppe	<input checked="" type="checkbox"/>	Vargas	<input type="checkbox"/>	9:04 a.m.	12:04 a.m.
City of El Cajon	Goble (Vice-Chair)	<input checked="" type="checkbox"/>	Ortiz	<input type="checkbox"/>	9:04 a.m.	12:04 a.m.
City of Imperial Beach	Leyba-Gonzalez	<input checked="" type="checkbox"/>	Aguirre	<input type="checkbox"/>	9:04 a.m.	10:43 a.m.
City of La Mesa	Dillard	<input checked="" type="checkbox"/>	Arapostathis	<input type="checkbox"/>	9:04 a.m.	12:04 a.m.
City of Lemon Grove	Gastil	<input checked="" type="checkbox"/>	Mendoza	<input type="checkbox"/>	9:04 a.m.	12:04 a.m.
City of National City	Bush	<input checked="" type="checkbox"/>	Rodriguez	<input type="checkbox"/>	9:38 a.m.	12:04 a.m.
City of Poway	Frank	<input checked="" type="checkbox"/>	Pepin	<input type="checkbox"/>	9:04 a.m.	12:04 a.m.
City of San Diego	Moreno	<input checked="" type="checkbox"/>	Campbell	<input type="checkbox"/>	9:08 a.m.	12:04 a.m.
City of San Diego	Elo-Rivera	<input checked="" type="checkbox"/>	LaCava	<input type="checkbox"/>	9:14 a.m.	12:04 a.m.
City of San Diego	Gloria	<input type="checkbox"/>	Campillo	<input checked="" type="checkbox"/>	9:06 a.m.	12:04 a.m.
City of San Diego	Whitburn (Chair)	<input checked="" type="checkbox"/>	Lee	<input type="checkbox"/>	9:04 a.m.	12:04 a.m.
City of Santee	Hall	<input checked="" type="checkbox"/>	Koval Minto	<input type="checkbox"/> <input type="checkbox"/>	9:04 a.m.	12:04 a.m.

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



**Metropolitan  
Transit  
System**

## **Agenda Item No. 4**

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM  
BOARD OF DIRECTORS

February 8, 2024

**SUBJECT:**

Direct Fixation Fasteners – Sole Source Contract Award

**RECOMMENDATION:**

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1661.0-24 (in substantially the same format as Attachment A), a sole source award to Voestalpine Railway Systems Nortrak (Nortrak), in the amount of \$989,145.00 for the purchase of 4,500 direct fixation (DF) fasteners and incidentals for the Maintenance of Way (MOW) department.

Budget Impact

The total contract cost of materials is estimated to be \$989,145.00 (Attachment C and inclusive of sales tax and shipping). The project will be funded by the Capital Improvement Project (CIP) account 1009111204 – Misc. Capital and CIP account 2006121401 – Rail Fastener Replacement – Fletcher.

**DISCUSSION:**

Approximately 4,500 DF fasteners on Main Street and Fletcher Parkway Bridges on the Green Line in El Cajon must be replaced. The existing DF fasteners were installed in 1992 and are starting to fail. The fasteners were recessed into the concrete when bridge decks were originally constructed. The initial construction method requires new fasteners to be the same size as the original fasteners to permit installation without damage to the remainder of the concrete structure.

LORD manufactured the existing fasteners, measuring 14 – 3/4" wide by 7 – 3/4" high. Unfortunately, LORD no longer operates in the United States and has moved manufacturing to China. The only US-made options fitting the existing bolt holes are L.B. Foster F20R4 and Nortrak FA-40 fasteners. Unfortunately, both US-made options measure larger than the current perimeter of the recessed concrete. However, MTS research was able to identify that LORD possesses a mold for the required fastener in China.



MTS reached out to the following vendors:

- L.B. Foster
- Nortrak
- Progress Rail

L.B. Foster and Progress Rail cannot create custom fasteners or partner with another manufacturer abroad. Nortrak has agreed to subcontract with LORD to manufacture the correct fasteners using LORD's mold. Nortrak will inspect the fasteners to ensure that they meet the current Federal Railroad Administration (FRA) Specifications. As a result of this process, MTS has determined that Nortrak is the only vendor it could identify to supply a DF fastener that will meet MTS's required specifications. A sole source award to Nortrak is therefore justified.

Once procured and delivered to MTS, these custom fasteners will be installed in-house by the MTS track department.

The table below provides a summary of costs:

#	Description	Quantity	Unit Price	Extended Price
1	Fastener assembly includes Fastener Body, adjustment plate, bolt, wash and e-clip	4,500	\$204.00	\$918,000
		7.75% CA Sales Tax		\$71,145.00
		<b>Grand Total</b>		<b>\$989,145.00</b>

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to execute MTS Doc. No. L1661.0-24 (in substantially the same format as Attachment A), a sole source award to Nortrak, in the amount of \$989,145.00 for the purchase of 4,500 DF fasteners and incidentals for the MOW department.

/S/ Sharon Cooney  
Sharon Cooney  
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, [Julia.Tuer@sdmts.com](mailto:Julia.Tuer@sdmts.com)

Attachments: A. Draft Agreement, MTS Doc. No. L1661.0-24  
B. Scope of Work & Technical Specifications  
C. Quote



STANDARD AGREEMENT

FOR

MTS DOC. NO. L1661.0-24

DIRECT FIXATION FASTENERS

THIS AGREEMENT is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2024 in the State of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following, hereinafter referred to as "Contractor":

Name: Voestalpine Railway Systems Nortrak Address: 8814 N. Murray Road Newman Lake WA 99025 City State Zip Form of Business: Corporation (Corporation, Partnership, Sole Proprietor, etc.) Email: Linnea.frary@voestalpine.com Telephone: (206) 255-4134

Authorized person to sign contracts Linnea Frary Senior Vice President Sales Name Title

The Contractor agrees to provide goods as specified in the conformed Scope of Work/Minimum Technical Specification (Exhibit A), Contractor's Quote (Exhibit B), and in accordance with the Standard Agreement, including Standard Conditions (Exhibit C), and Forms (Exhibit D).

The contract term is for 9-months to account for lead time and shipping, shall be effective February 1, 2024 through November 1, 2024.

Payment terms shall be net 30 days from invoice date. The total cost of this contract shall not exceed \$989,145.00 without the express written consent of MTS.

Table with 2 columns: SAN DIEGO METROPOLITAN TRANSIT SYSTEM and VOESTALPINE RAILWAY SYSTEMS NORTRAK. Rows for signatures of Sharon Cooney and Karen Landers, and signature lines for the contractor.



# SCOPE OF WORK/TECHNICAL SPECIFICATIONS

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## 1. GENERAL

Contractor shall provide 4,500 EA direct fixation fasteners and required incidentals as described in these technical specifications.

## 2. MEASUREMENT AND INVOICE PAYMENT

- A. Measurement of acceptable materials shall be by the actual number of each direct fixation fastener and required incidentals manufactured and delivered in accordance with the specifications.
- B. Payment shall be made for each direct fixation fastener and required incidentals delivered and accepted in accordance with the specifications, in the amount bid for each type furnished.
- C. Material not meeting the requirements of the specifications will be rejected. Rejected material shall be returned to the vender at his expense.
- D. MTS shall process the invoice for payment within thirty (30) days of the final invoice approval date. Invoices must be sent to the MTS Accounting Department, via email, at [ap@sdmts.com](mailto:ap@sdmts.com), including along with supporting delivery receipts. All invoices must have the Purchase Order and contract number clearly displayed to ensure timely payment. MTS will not pay on packing slips, receiving documents, delivery documents, or other similar documents. Invoices must be submitted for payment.
- E. Contractors must also indicate if any of the invoiced amount is for work provided by a subcontractor and indicated the amount that will be paid to the subcontractor. Contractors must also comply with the prompt payment requirements in the Prompt Progress Payments of the Standard Conditions.

## 3. WARRANTY

Bidders shall outline in detail their warranty on the equipment offered, including the method of adjustment in cases of equipment, component or parts failure. Warranty shall also be stated for installation labor, materials, and method of adjustment.

## 4. REPLACEMENT PARTS

Replacement parts and technical support for the specified equipment must be guaranteed by the manufacturer; to be available for a ten (10) year period from the date of purchase. Manufacturer shall keep parts books and maintenance manuals up-to-date for that period.

## 5. DELIVERY AND ACCEPTANCE

Delivery shall be one hundred eighty (180) calendar days after MTS issues the Notice to Proceed.

All deliveries should meet the instructions shown in the scope of work. Total delivery cost (if any is charged) should be included in the bid form.

Bidder is responsible for all other shipping/delivery costs.

The delivery location shall be at the MTS yard located at 1601 Newton Ave., San Diego, CA 92113



Because of all the coordination involved, the Contractor shall notify MTS three (3) calendar days prior to delivery to allow for unloading by MTS.

The deliverable provided under this contract shall be delivered F.O.B. to the addresses above unless otherwise specified, in first class condition, complete and ready for operation, and the Contractor shall assume all responsibility and risk of loss incident to said delivery.

Contractor shall indicate delivery date on the Bid Form unless already specified, in which case, shall be made within the time set forth. Delivery is part of the consideration and must be adhered to as specified.

Contractor will not be held liable for failure to make delivery because of strikes, construction of property, governmental regulations, acts of God or any other causes beyond his control, provided a written extension of time is obtained from MTS.

Upon delivery, MTS will acknowledge receipt of said items or products. Delivery shall not constitute acceptance. Upon inspection and testing (if necessary) by MTS, a determination will be made whether said items or products are in conformance with contract requirements. If found in conformance, MTS shall approve the Contractor's invoice for payment; thereby constituting acceptance. Payment terms begin from this point. If the delivered items or products are found not in compliance, MTS will immediately notify the Contractor, and furnish all details of deficiencies. Contractor shall correct the deficiencies or supply new items or products (at the discretion of MTS), and resubmit for inspection and testing (if necessary).

## **PART 1 - GENERAL**

Contractor shall provide the following:

- 4500 EA – LORD J-230590-2 Standard Fastener or approved equal. Each Standard fastener shall include the following.
- 4500 EA – 1/8" HDPE Shim, DF Standard
- 9000 EA – Bolts Heavy Hex, 7/8", 3.5" long, Grade 5 ASTM B633 Type II SC2
- 9000 EA – Adjustment Plates, DF, Ductile
- 9000 EA – 7/8" Extra Duty Lock Washers, Type II SC4
- 9000 EA – eClip E2055 Right Hand Clips

### **1.01 SUMMARY**

- A. This Section includes requirements for furnishing all labor, materials, and equipment for the manufacturing, testing, fabricating, and delivering all direct fixation fasteners, as specified within the Contract Documents.
- B. This Section shall serve as a performance specification for the direction fixation fasteners.

### **1.02 REFERENCES**

- A. This Section incorporates by reference the latest revision of the following documents.

1. American Railway Engineering and Maintenance-of-Way Association  
(AREMA)

- a. AREMA Manual for Railway Engineering (AREMA Manual)
2. American Institute of Steel Construction (AISC)
  - a. AISC Steel Construction Manual
3. ASTM International (ASTM)
  - a. ASTM A148/A148M Standard Specification for Steel Castings, High Strength, for Structural Purposes
  - b. ASTM A536 Standard Specification for Ductile Iron Castings
  - c. ASTM A668/A668M Standard Specification for Steel Forgings, Carbon and Alloy, for General Industrial Use
  - d. ASTM D257 Standard Test Methods for DC Resistance or Conductance of Insulating Materials
  - e. ASTM D395 Standard Test Methods for Rubber Property - Compression Set
  - f. ASTM D412 Standard Test Methods for Vulcanized Rubber and Thermoplastic Elastomers-Tension
  - g. ASTM D429 Standard Test Methods for Rubber Property - Adhesion to Rigid Substrates
  - h. ASTM D471 Standard Test Method for Rubber Property - Effect of Liquids
  - i. ASTM D573 Standard Test Method for Rubber - Deterioration in an Air Oven
  - j. ASTM D1149 Standard Test Methods for Rubber Deterioration - Cracking in an Ozone Controlled Environment
  - k. ASTM D1229 Standard Test Method for Rubber Property - Compression Set at Low Temperatures
  - l. ASTM D2240 Standard Test Method for Rubber Property - Durometer Hardness
  - m. ASTM E162 Standard Test Method for Surface Flammability of Materials Using a Radiant Heat Energy Source
  - n. ASTM E662 Standard Test Method for Specific Optical Density of Smoke Generated by Solid Materials
  - o. ASTM F3125/F3125M Standard Specification for High Strength Structural Bolts, Steel and Alloy Steel, Heat Treated, 120 ksi (830 MPa) and 150 ksi (1040 MPa) Minimum Tensile Strength

- p. ASTM G101 Standard Guide for Estimating the Atmospheric Corrosion Resistance of Low Alloy Steels

4. The Society for Protective Coatings (SSPC)

- a. SSPC SP 5 White Metal Blast Cleaning

1.03 SUBMITTALS AND TRANSMITTALS

A. Submit the following:

- 1. Technical Data: Provide Technical Data for each type of direct fixation fastener before the start of fabrication work. Include shop drawings for each fastener and all information including details showing dimensions, arrangement, and material description for each component in fastener assembly.

B. Samples:

- 1. Furnish two (2) identical samples of the direct fixation fastener.
- 2. Label each sample indicating:
  - a. Contract Name and Number
  - b. Name of Contractor and Subcontractor
  - c. Material or equipment represented
  - d. Source
  - e. Name of manufacturer and brand
  - f. Reference specifications section and article numbers
- 3. Qualification Statement: Provide documentation pertaining to fasteners conformance to the requirements as specified herein. Document shall include Contractor's certification that furnished products meet specified requirements.

C. Transmit the following:

- 1. Product Data: Provide Supplier's product data, catalog cuts, drawings, material specifications, and installation instructions for each component in the fastener assembly and furnished products.
- 2. Certifications:
  - a. Rail clip Supplier's approval of rail hold-down spring clip application on proposed direct fixation fastener as specified herein.
  - b. Certification of each elastomer batch used as specified herein.
- 3. Threaded element installation data as specified herein.

4. Provide test results documentation as required for the Work as specified herein.

#### 1.04 QUALITY

- A. Develop and maintain a quality control program regulating methods, procedures, and processes to ensure compliance with standards of quality required by the Contract Documents.
- B. After the Notice to Proceed, submit for approval of the Resident Engineer a detailed narrative explaining the Quality Control Program and description of procedures to be utilized for the Work and a description of the organization to be used on the Contract. Work undertaken by the Contractor before approval of Quality Control Program will be at the Contractor's risk. The Resident Engineer will monitor the Contractor's methods, procedures, and processes for compliance with the approved program.
  1. Keep complete records of inspection work by the Contractor and make available to the Resident Engineer and other agencies during the duration of the Contract; and longer as may be specified elsewhere in the Contract.

#### 1.05 DELIVERY, STORAGE AND HANDLING

- A. Fasteners shall be packed and shipped in a manner that shall prevent a load on any fastener from exceeding 1,000 pounds.
- B. Fasteners shall not be stored by the Contractor in a wet location or where the ambient temperature will exceed 120 degrees Fahrenheit.
- C. Fasteners and assemblies shall be packaged to permit outdoor storage.
- D. Fastener bodies shall be palletized and banded. Rail hold-down assemblies, shoulders, bolts, nuts, and other loose items shall be packaged by component type in secure shipping kegs, boxes, or bags. All items shall be clearly identified as to the contents.
- E. Damage: Replace fasteners and assemblies damaged during packaging, shipping, storage, and handling at no additional cost to Sound Transit. Special care shall be taken to protect the threaded lengths of bolts to prevent damage.

### **PART 2 - PRODUCTS**

#### 2.01 DIRECT FIXATION

##### FASTENER

- A. Manufacturers:
  1. Direct fixation fasteners Manufactures are required to have five years of direct fixation fastener in-service performance history.
- B. Type of Direct Fixation Fastener

1. Standard rail fastener, with and without cant
2. Special trackwork fasteners
3. Zero Longitudinal Restraint (ZLR) rail fastener assembly C.

Fastener Description:

1. The direct fixation fastener shall be for 115RE rail, with spring clips in the righth and configuration.
2. Provide, on both sides of the rail base, a positive means of preventing more than 1/8-inch total lateral movement of the rail base relative to the fastener in case of failure or loosening of one or hold-down assemblies.
3. The lateral rail restraint shall extend a minimum of 3/8-inch vertically, but not higher than 1-3/4-inch above the base of rail in the installed position.
4. The standard rail fastener and the standard special trackwork fastener shall utilize a spring clip type element with non-threaded components to form the rail hold down assembly, fasteners shall utilize the Pandrol E-clip or approved equal. For ZLR fasteners, a threaded component is allowed to be part of the hold-down assembly.
5. The assembled standard rail fasteners shall provide a canted rail seat to provide a 40 to 1 rail cant when mounted to a flat, level surface. Assembled direct fixation fasteners tapered rail seat shall be towards the centerline of the track.
6. The assembled standard rail fasteners to be used in the limits of special trackwork, as specified in the Contract Drawings, shall provide a rail seat with no cant when mounted to a flat, level surface.
7. The assembled special trackwork fasteners shall provide a rail seat with no cant when mounted to a flat, level surface.
8. Fasteners will have two anchorage insert assemblies each, for securing the fastener to the plinth concrete.
9. Direct fixation fasteners shall be composed of as few components as is economically and technically practicable for ease of assembly, disassembly, and maintenance, and shall be designed to permit installation and replacement of the entire assembly or its components by one worker using standard conventional hand tools.
10. Direct fixation fastener shall be designed to dampen lateral and vertical dynamic forces transferred to anchor bolts.
11. In its installed position, the underside of the fastener shall be a flat plane. Base protrusions into the plinth concrete will not be allowed.
12. Bonding of the direct fixation fastener to the plinth concrete shall not be permitted.

13. Fastener plates shall have full bearing on the elastomer in positions of lateral adjustment and have a means of preventing displacement of the elastomer.
14. Stability of the fastener shall not be dependent solely upon the strength of bonding of the elastomer to metal.
15. Provide fastener that when the spring clips are removed, the rail may be lifted vertically until it is completely free of the fastening shoulder without disturbing the horizontal or vertical alignment of the shoulder or the adjacent restraining rail bracket.
16. Fasteners shall be compatible with Pandrol E-clip or approved equal for standard rail fasteners and special trackwork fasteners.
17. For ZLR rail fasteners, spring clips shall be a SKL (tension clamping) with isolated toe clip or isolated "Fastclip" type clips, or approved equal.
18. Dimensional and Shape Requirements:
  - a. The fastener shall be rectangular in shape. The frame and top plate shall include keying and turned up plate edges such that loss of elastomer bond shall not result in complete loss of the fasteners ability to hold line and gauge. The fastener should be designed to shed water without leaving pools.
  - b. Height:
    - 1) Direct fixation fasteners with canted rail base shall have a height measured between the top surface of the plinth concrete and the base of the running rail, with the direct fixation fastener in the installed position of between 1-1/2-inch and 2-inch, exclusive of shims.
    - 2) Direct fixation fasteners without canted rail base shall have a height measured between the top surface of the plinth concrete and the base of the running rail, with the direct fixation fastener in the installed position of between 1-1/4-inch and 2-inch, exclusive of shims.
    - 3) No part of the direct fixation fastener shall project more than 3inches above the rail base in the installed position.
  - c. Standard rail fastener and ZLR rail fastener length and width:
    - 1) Fastener body dimensions including elastomer:
      - a) Length: Measured perpendicular to the rail centerline, shall be between 14-inch and 16-inch.
      - b) Width: Measured parallel to the rail centerline, shall be between 8-3/16-inch and 9-inch.

- 2) No portion of the fastener in the installed position shall extend more than 9-inch toward the field side from the centerline of the running rail.
- d. Special trackwork fastener length and width: 1) Fastener body dimension including elastomer:
- a) Length: Measured perpendicular to the rail centerline. Dimensions as shown in Contract Documents
  - b) Width: Measured parallel to the rail centerline. Dimensions as shown in Contract Documents
- 2) Anticipated fasteners shown in Contract Documents produced by LB Foster or approved equal.
- e. Adjustment Requirements:
- 1) Lateral Adjustment:
    - a) Plus or minus 1/4-inch, minimum, provided at the anchor bolts.
    - b) Do not use friction as a means of preventing lateral movement.
    - c) If lateral adjustment employs serrations on any component:
      - i) Engage at least three serrations at interface.
      - ii) Engage at least 3-inches of serration per fastener.
      - iii) Machine or cast serrations to a minimum depth of 1/16–inch.
    - d) Each rail fastener requires components for specified increments of lateral adjustment. Components of the direct fixation fastener shall not be replaced or added to the basic configuration to laterally adjust the rail.
    - e) Provide 1/32-inch of lateral clearance between the rail seat and the rail for each direct fixation fastener.
  - 2) Vertical Adjustment: 1/8-inch minimum, in 1/16-inch increments, provided by shims. D.
- Performance / Design Criteria:

1. The spring rate for direct fixation fasteners shall be between 94,000 pounds per inch and 200,000 pounds per inch for vertical loads between 4,500 pounds and 12,000 pounds.
2. Standard rail fastener and special trackwork fastener for 115RE rail with longitudinal restraint between 2,000 and 3,500 pounds per rail seat.
3. ZLR rail fastener assembly for 115RE rail with no longitudinal restraint per rail seat.
4. Electrical Isolation: nor
  - a. The fastener shall provide an electrical surface leakage distance not less than 1-3/4-inch measured from the grounded portion of the fastener to the charged portion by the most direct path that does not pass through an insulating material, and not less than 1/4-inch when measured passing through an insulating material.
  - b. The insulation requirements shall be met within the body of the fastener. No separate or detachable insulating components such as rail base pads or spring clip insulators shall be used.
  - c. No surface cut-outs, gaps, edge voids, or edge cut-outs will be allowed that could allow accumulation of dirt, metallic particles, or other material that could provide electrical leakage to ground.
  - d. Each fastener shall be furnished with a High Density Polyethylene shim as specified within the Contract Documents. E.

Materials:

1. Metal Components:
  - a. Metal plate components shall be made from forged, cast steel or ductile iron.
    - 1) Cast steel: ASTM A148/A148M, Grade 80-40 or equal.
    - 2) Forged steel: ASTM A668, Grade C or equal.
    - 3) Ductile iron: ASTM A536, Grade 65-45-12 or equal.
  - b. Corrosion Resistance Index: 4.0 minimum, calculated for rolled steel products and other steel with a chemical content within the composition range listed in ASTM G101 and containing less than 1.0 percent manganese.
2. Elastomer:
  - a. Fabricated of 51 percent minimum natural rubber.
  - b. The design Durometer Shore A shall be 50 plus or minus 10 for natural rubber as measured in accordance with ASTM D2240.



- c. Compressive strain of the elastomer: No more than 25 percent of its uncompressed thickness for a load of 14,000 pounds, applied vertically to the rail to a single fully assembled fastener. Include pre-compression of elastomer in fasteners in the installed position in determining the total compressive strain.
- d. Elastomeric component of the direct fixation fastener shall be fully vulcanize bonded to its frame and top plate and not less than 1/4-inch thick. The fastener shall also include bonded elastomer on its top surface to a plate.
- e. Water Absorption: ASTM D471
  - 1) Test Conditions: In accordance with ASTM D471.
  - 2) Acceptance Criteria: Water absorption after 24 hours immersion shall not exceed 0.5 percent.
- f. Tensile Properties: ASTM D412
  - 1) Natural Rubber Tensile Strength: Minimum 2,500 pounds per square inch.
  - 2) Ultimate Elongation: Minimum 350 percent.
- g. Resistance to Compression Set: ASTM D395, Method B
  - 1) Test Condition: Natural Rubber, 22 hours at 158 degrees Fahrenheit.
  - 2) Natural Rubber: Maximum 25 percent.
- h. Resistance to Aging in Air: ASTM D573
  - 1) Test Condition: 72 hours at 158 degrees Fahrenheit.
  - 2) Natural Rubber, Retention of Tensile Strength: Minimum 75 percent.
  - 3) Retention of Ultimate Elongation: Minimum 75 percent.
  - 4) Change in Hardness: Maximum 10 points Durometer Shore A.
- i. Resistance to Ozone Cracking: ASTM D1149
  - 1) Test Conditions: Specimens prepared in accordance with Procedure A of ASTM D1149 shall be tested in accordance with ASTM D1149 at a temperature of 104 degrees Fahrenheit and an ozone concentration of 50 parts per hundred million (pphm).

- 2) Acceptance Criteria: Exhibit no cracking when examined in accordance with ASTM D1149 at the end of a 100 hour exposure.
- j. Adhesion to Metal: ASTM D429, Method B
- 1) Test Condition: Test specimen shall duplicate actual direct fixation fastener fabrication in respect to type of steel, preparation of steel, bonding agents, and elastomer.
  - 2) Acceptance Criteria: The failures of the elastomer must be a type R failure, i.e., elastomer tears before bond fails.
- k. Resistance to Oil: ASTM D471
- 1) Test Condition: 70 hours at 74 degrees Fahrenheit in ASTM No. 1 oil.
  - 2) Acceptance Criteria: Volume change shall not exceed minus 10 percent or plus 20 percent.
- l. Low Temperature Compression Set: ASTM D1229
- 1) Test Condition: 70 hours at 14 degrees Fahrenheit.
  - 2) Acceptance Criteria: Compression at 30 minutes following release ( $t_{30}$  reading): shall not exceed 65 percent.
- m. Flame Spread and Smoke Generation: ASTM E162 and ASTM E662
- 1) Test Condition: Determine flame propagation index (Is) and smoke generation specific optical index (Ds) for flaming and nonflaming modes.
  - 2) Acceptance Criteria: No flaming drippings when tested. No acceptance criteria are specified for the flame propagation index (Is) and smoke generation specific optical index (Ds). Report these indices to the Resident Engineer for information only.
- n. Volume resistivity: ASTM D257
- 1) Test Condition: Apply 1,500 volts DC (minimum) for 3 minutes, and measure volume resistivity in accordance with ASTM D257.
  - 2) Acceptance Criteria: Volume resistivity shall be at least  $1 \times 10^{12}$  ohm-centimeters dry as molded and at least  $1 \times 10^{11}$  ohmcentimeters after 24 hours immersion as determined below. F. Fabrication:

1. Fabrication Tolerances:

- a. Length and Width: Plus or minus 1/16-inch
- b. Thickness: Plus or minus 0.03-inch
- c. Squareness: Plus or minus 1-degree (in a 360-degree circle)
- d. Centering of holes: Plus or minus 1/32-inch
- e. Diameter of holes: Plus or minus 1/16-inch
- f. Durometer Shore A: Plus or minus 10
- g. Rail seat flatness: Plus or minus 1/32-inch

## 2.02 FASTENER SHIMS

- A. Shape, size, and configuration of shims: Conform to the overall configuration of the direct fixation fastener with 1/2-inch extending beyond the fastener on all sides.
- B. Shims shall be designed so that they can be simply installed and removed. Installation or removal shall not require the removal of the fastener body. The design shall incorporate a positive means of preventing the shims from displacement under operating conditions. C. Shims shall be fabricated from black high density polyethylene and have matte finish.

## 2.03 ANCHOR INSERT ASSEMBLY – NOT USED

## 2.04 RAIL FASTENING SPRING CLIPS

- A. Spring clips shall be right-hand configuration.
- B. Lateral rail position adjustment by the hold down assembly shall not be permitted.
- C. Design shall not be dependent upon elastomeric components in torsion.
- D. Standard rail fastener and ZLR rail fastener installed into a fixed shoulder, integral to the fastener top plate.
- E. Installed without the use of threaded elements for standard rail fasteners and special trackwork fasteners; for ZLR fasteners, threaded components will be allowed. F. No part of the clip shall protrude below the base of rail.
- G. The clip shall not have point contact. The clip shall be such that lateral rail movements within the confines of the shoulders will not produce transverse denting, carving, or scoring of the rail base. The clip shall be such that longitudinal rail slippage will not produce overstressing, ending, twisting, or other damage to the clips, and will not damage the rail.
- H. Design of the clip for the ZLR fasteners shall be such that the entire clip assembly is at least 1/8-inch clear of the rail base when the rail is sitting on the low friction pad.

- I. For direct fixation fasteners, with the exception of the ZLR fasteners design not to permit rail hold-down assembly or the means of preventing lateral movement of the rail to make point contact against the rail. If contact is made in the static or dynamic state, allow no less than 0.125-inch in dimension and no less than 0.15 square inch in area.

## 2.05 SOURCE QUALITY CONTROL

- A. Rail Fastener Qualification and Production Testing: Qualification and production tests for each rail fastener are required. Comply with the following procedures for both qualification and production testing. Perform tests as shown in Figure 1A herein for qualification testing and in Figure 1B herein for production testing.
  1. Qualification Testing: At the Contractor's expense. Prior to production, select for testing two (2) of each type of direct fixation fasteners for testing (if to be installed on the project). Test each fastener as specified in Figure 1A, herein. Should any of the fasteners fail to meet the test requirements, test two (2) additional fasteners. In the event either of the two (2) additional fasteners fail, re-design the fastener, submit new Technical Data, and start the qualification test sequence over.
  2. Production Testing: At the Contractor's expense. Select for testing two (2) direct fixation fasteners from each 2,000 production lot fasteners. Test each fastener as specified in Figure 1B, herein. Should any of the fasteners fail to meet the test requirements, test two (2) additional fasteners of the same type from the production lot. In the event either of the two (2) additional fasteners fails, the entire lot shall be rejected or tested and only those successfully passing all tests shall be incorporated in the finished work.
  3. Not less than fifteen (15) days prior to fastener shipments, certified statements for each elastomer batch used in the manufacture of the fasteners being delivered shall be submitted to the Resident Engineer documenting compliance of each elastomer batch with the requirements, as specified herein.
  4. In addition to the qualification and production tests, components of the fasteners shall be subject to full or partial testing for compliance with the Contract Documents. The cost of additional testing of components that do not comply with the Contract Documents, shall be at no cost to Sound Transit.
  5. Qualification and production testing may be performed at any testing facility in North America, including facilities at the Contractor's plant. Testing equipment shall be in good repair, of adequate capacity, and shall be verified or calibrated against certified standards that have a known traceable relationship to the National Research Council or the National Institute of Standards and Technology. Notify the Resident Engineer not less than fifteen (15) days in advance of dates scheduled for tests.
  6. Previous Qualification testing reports may be submitted to the Resident Engineer. Provided these reports are for an appropriate product with five

(5) years of in-service history and past acceptable test results for Sound Transit, Qualification testing may be waived. Production testing must be performed in all cases.

7. Submit six (6) copies of the production test results to the Resident Engineer at least fifteen (15) days prior to fastener shipment.

B. Static Tests: Perform each test listed below on two (2) specimens. For loads that are to be applied at the centerline of fastener, the manufacturer may choose to double the applicable loads and apply at the longitudinal midpoint between rail seats for testing purposes upon approval by the Resident Engineer.

1. Vertical Load Test:

- a. Procedure: Apply a vertical load increasing in increments of 1,000 pounds to a maximum load of 14,000 pounds at a rate not less than 500 pounds per minute and not more than 2,000 pounds per minute. Load shall be applied downward at the center of the rail head at the centerline of the fastener normal to the rail. For each increment of load, measure the vertical deflection of the rail head to the nearest 0.001-inch. Remove the load and measure and record the final position of the rail head. Plot the recorded values for vertical loads versus deflection on a graph, as shown in Figure 3, herein. Pre-cycle the fasteners by loading from 0 to 14,000 pounds two (2) times prior to measuring deflections.

- b. Test Acceptance Criteria:

- 1) The load versus deflection curve: within the envelope shown in Figure 3 for loads in the range from 4,500 pounds to 12,000 pounds.

- 2) The spring rate of the fastener (slope of the load-deflection curve) shall not be less than 94,000 pounds per inch or more than 200,000 pounds per inch for loads between 4,500 pounds and 12,000 pounds.

- a) Calculate the spring rate by applying the least-squares linear regression method to the recorded data to obtain a straight line load-deflection relationship.

- b) Each recorded deflection shall be within 10 percent of the deflection calculated from the straight-line relationship over the loading range, from 4,500 pounds to 12,000 pounds.

- c) After removal of the maximum load, the fastener shall return to within 0.005-inch of its original position within 1 minute.

- 3) At no time during the test shall any fastener component exhibit any sign of failure by slippage, yielding, or fracture.

Slippage is defined to mean any movement of the fastener components relative to the initial position not attributed to deflection or yielding. The deflection measured at 14,000 pounds divided by the design thickness of the elastomer component shall be used to establish the fastener's compliance with the requirement for a maximum vertical deflection not to exceed 25 percent of the elastomer thickness. The values obtained when this test is repeated on all fasteners shall be within 20 percent of the initial test values.

2. Lateral Load Test:

- a. Procedure: While applying a vertical load of 12,000 pounds downward, offset 3/4-inch from the center of the rail head towards the gauge side at the centerline of the fastener normal to the rail, apply a lateral load horizontally to the rail head at a point 0.625-inch below the top of the rail along the centerline of the fastener in a direction normal to the rail. Increase the load in increments of 1,000 pounds to a maximum load of 8,000 pounds, at a rate of not less than 500 pounds per minute and not more than 1,500 pounds per minute. For each load increment, measure the lateral deflection of the rail head at a point 0.625-inch below the top of the rail to the nearest 0.001-inch and record.
- b. Remove the lateral load and measure and record the final position of the rail head. Plot the recorded values for lateral loads versus deflection on a graph similar to Figure 3, herein.
- c. Test Acceptance Criteria:
  - 1) The lateral deflection of the rail head for a lateral load of 4,000 pounds shall not exceed 0.15-inch.
  - 2) The lateral deflection due to the maximum load: shall not exceed 0.37-inch.
  - 3) Difference between the original and final positions of the rail head shall not exceed 0.027-inch.
  - 4) No fastener component at any time during the test shall exhibit any sign of failure by slippage, yielding, or fracture.

3. Longitudinal Restraint Test (Not applicable for ZLR rail fastener):

- a. Procedure: Support the rail end on a roller or other low friction support properly elevated to prevent the longitudinal load from binding the rail in the fastener. Apply load longitudinally to the rail at its base increasing in increments of 500 pounds to a maximum load of 10,000 pounds or until the rail is 2-inches from the initial position at a rate not less than 500 pounds per minute and not more than 1,500 pounds per minute. Each load increment shall be maintained until the longitudinal movement of the rail stops before

increasing the load to the next increment. For each load, measure the longitudinal movement of the rail in relation to the top plate of the rail fastener to the nearest 0.01-inch and record. Remove the longitudinal load at slippage, measure and record the final position of the rail in relation to the top plate of the rail fastener. Measure and record the load applied at slippage for use in the Push-Pull Test, as specified herein. Plot the recorded values for longitudinal load versus movement on a graph as shown in Figure 3, herein and identify it as "Initial Test." Without altering test set-up, apply the load to the opposite end of the test rail and re-run the test in its entirety. Plot the recorded values for longitudinal load versus movement on a graph as shown in Figure 3, herein, and identify it as "Reverse Test."

b. Test Acceptance Criteria:

- 1) Longitudinal load versus deflection curve, when plotted on Figure 3: entirely within the limits defined by limit lines A and B.
- 2) Difference between the original (before initial test) and final (after reverse test) position of the rail: not to exceed the total rail slippage plus 0.24-inch.
- 3) No fastener component at any time during the test shall exhibit any sign of failure by slippage, yielding, or fracture except that slippage which may occur between the rail hold-down assembly and the rail.
- 4) Rail hold-down assembly longitudinal restraint: constant, uniform, and unbroken curve, which falls within the envelope shown in Figure 4 herein when plotted.
- 5) At least 85 percent of test results shall fall within limits A and B.

4. Lateral Restraint Test:

a. Procedure: Apply two (2) lateral loads, each increasing simultaneously in increments of 500 pounds to a maximum load of 2,500 pounds at the base of the rail, in the same direction, normal to the centerline of the rail and symmetrically on each side of the fastener centerline. Measure the lateral deflection of the rail at the intersection of the centerline of the fastener and the gage line of the rail to the nearest 0.001-inch and record after each increment of loading.

b. Test Acceptance Criteria:

- 1) No fastener component at any time during the test shall exhibit any sign of failure by slippage, yielding, or fracture.

- 2) Difference between the original and final positions of the gage line: not to exceed 0.062-inch.
  - 3) Lateral deflection of the rail, when fully loaded: between 0.03inch and 0.125-inch from the original gage line of the rail.
5. Vertical Uplift Test (Not applicable for ZLR rail fastener):
- a. Procedure: Apply and secure a vertical load to the center of the rail head at the centerline of the fastener in a direction normal to the rail, alternating continually from a vertical downward load to a vertical upward load. Increase the upper and lower peaks per cycle in increments of 200 pounds to a maximum of 5,000 pounds downward and upward. Continually measure the loads and deflections to the nearest 0.001-inch and immediately record on a load-versus-time graph and deflection-versus-time graph, respectively. Remove the load and measure and record the final position of the rail head. Apply the reaction force to the uplift load by only securing the test block on which the fastener is mounted.
  - b. Test Acceptance Criteria:
    - 1) Vertical deflection of the fastener for lifting load of 2,000 pounds:  
within 105 percent to 205 percent of the deflection for a 2,000 pound downward vertical load as determined from the vertical load test.
    - 2) While vertical load is continuously varied from vertical downward loads to vertical uplift loads, the load-deflection curve shall be continuous and there shall be no other indication of backlash or freeplay at times when the load or the deflection changes direction.
    - 3) After removal of the maximum load, the rail shall immediately return to within 0.005-inch of its original position within 1 minute.
    - 4) No fastener components including the fastener anchor insert to the test block at any time during the test shall exhibit any sign of failure by slippage, yielding, or fracture.
- C. Electrical Tests: Perform each test listed below on two (2) specimens.
1. Voltage Withstand Test:
    - a. Procedure: A complete, fully assembled fastener, configured as specified, shall have a ground plate placed below the elastomer. A DC potential of 10 kilovolts shall be applied to the rail head for 1 minute. In the event of breakdown, record the breakdown voltage.



- b. Test Acceptance Criteria: The elastomer shall complete this test with no visible damage such as splits, cracks, pinholes, or fractures. Perform all other electrical tests on the fastener.

2. Electrical Resistance Tests:

- a. Procedure: Test a complete, fully assembled fastener, as specified herein, for electrical resistance. Before assembly, metal parts, anchor insert, spring clips, elastomer surfaces, and ancillary parts associated with the fastener shall be clean and dry. Assemble the fastener with a section of 115RE rail, not less than 1-foot in length. Mount the test fastener on a 1/4-inch thick metallic ground plate sized to extend 1/2-inch beyond all edges of the fastener. Use anchor insert assemblies supplied, or similar to that for use in actual field installation, to mount the fastener to the ground plate. Use the same number of bolts (or other devices) that will be used to anchor the fastener in-service. Verify that all parts that should be in electrical contact do not exhibit excessive contact resistance because of improper assembly or other causes. This shall apply, but is not necessarily limited to:

- 1) Rail to rail plate interface
- 2) Rail hold-down assembly (clip) and rail
- 3) Anchor bolts and bottom fastener plate (if present)
- 4) Anchor bolts and ground plate.

- b. Dry conditions: 24 hours prior to testing, store the assembled fastener(s) in a clean, dry environment with ambient conditions of 60 degrees Fahrenheit to 80 degrees Fahrenheit and 50 to 70 percent relative humidity. Apply 100 volts (minimum) DC between the rail head and the ground plate for 3 minutes. Measure the applied voltage and resulting current flow, or directly measure the resistance with an accuracy flow, or directly measure the resistance with an accuracy of plus or minus 2 percent. Instrumentation used for direct measurement shall have a minimum 100 volt output capacity.

- c. Wet conditions: Perform this test on the same fastener(s) that passed the dry electrical resistance tests. Place the assembled fastener in a nonmetallic trough or other suitable container. Size the container such that there is 2-inch minimum between the sides and bottom of the fastener/ground plate assembly and the sides and bottom of the container. In the event more than one (1) fastener is placed in the same container, maintain a 2-inch clearance between the edges of the ground plates on adjacent fasteners and the clearances cited above. Pour water

into the container to a level midway up the rail web covering all surfaces of the fastener. Maintain this level of immersion for 72

hours. Ambient temperature of fastener surfaces (prior to immersion) of water, and air shall be 60 to 80 degrees Fahrenheit. Relative humidity shall be 50 to 70 percent. Water resistivity shall be 1,000 to 1,500 ohm-cm (use potable water and adjust resistivity by addition of sodium chloride). Drain the water from the container to a level 1/2-inch below the ground plate. Without drying or otherwise disturbing the fastener or creating a condition that causes the fastener surfaces to dry, measure the resistance within 15 seconds after draining as follows:

- 1) Apply 100 volts between the rail head and the ground plate for 15 seconds.
- 2) Measure the applied voltage and resulting current flow with an accuracy of plus or minus 2 percent. Calculate the DC wet resistance, or directly measure the resistance with an accuracy of plus or minus 2 percent. Ensure instrumentation used for direct measurement have a minimum 100 volt measuring capacity.
- 3) Repeat the resistance measurement every 5 minutes for the first hour, every 10 minutes for the second hour, and every 15 minutes thereafter to establish the wet resistance versus time characteristics of the fastener. Perform tests for at least 2 hours after draining. The tests may be terminated after the 2 hour test period when any three (3) consecutive measurements are at least 800,000 ohms or after another 2 hour test period, whichever comes first.

d. Test Acceptance Criteria:

- 1) Dry conditions: The minimum DC resistance shall be 10 megohms.
- 2) Wet conditions: A minimum resistance of 800,000 ohms for the average of three (3) consecutive readings within 2 hours after wetting.
  - a) Average difference between each of the three (3) readings: not exceed 10 percent of the average.

3. Electrical Impedance Test:

- a. Procedure: Test a complete, fully assembled fastener for electrical impedance. Apply a potential of 50 volts AC RMS to the rail head for 3 minutes for each increment of measurement for frequencies from 10 hertz to 10 kilohertz in increments of 20 hertz up to 100 hertz, 200 hertz up to 1,000 hertz, and 2,000 hertz up to 10 kilohertz. Measure the impedance after 3 minutes with an accuracy of plus or minus 2 percent and record each frequency. Upon approval by the Resident Engineer, electrical resistance may be calculated by measuring current flow, and impedance may be calculated from the measurements of resistance and capacitance

using the impedance equation, which applies to a resistance and capacitance in parallel.

- 1) Test Acceptance Criteria: The minimum impedance for any frequency between 20 hertz and 10 kilohertz with 50 volts AC RMS: 10,000 ohms.

D. Dynamic Tests: Perform each test listed below on two (2) specimens.

1. Dynamic to Static Stiffness Ratio Test:
  - a. Procedure. Apply vertical (compression) load to the rail head over the centerline of the fully assembled fastener. The load shall be of sinusoidal waveform over a range from 3,000 pounds to 7,000 pounds and shall be applied at a rate of 10 to 20 cycles per second. After a minimum of 1,000 cycles, measure and record the dynamic deflection of the fastener at 3,000 pounds and 7,000 pounds. Immediately after completing the dynamic deflection measurements, but only after the fastener deflection has stabilized, measure the static deflection at compression loads from 3,000 pounds to 7,000 pounds in 1,000 pound increments at a rate not exceeding 1,000 pounds per minute. Measure the deflections within an accuracy of 0.001-inch.
  - b. Test Acceptance Criteria:
    - 1) Dynamic stiffness: Calculated by dividing the difference between the recorded maximum and minimum load value (the dynamic load) by the difference between the recorded maximum and minimum deflection (the dynamic deflection).
    - 2) Static stiffness: Calculated by applying the least-squares linear regression method to the recorded data to obtain a straight line and determining the slope of the static load-deflection curve.
    - 3) The ratio shall not exceed 1.5.
2. Vertical and Lateral Repeated Load Test:
  - a. Procedure. Apply loads to the rail head in such a manner as to produce a vertical downward load of 12,000 pounds, and lateral loads along the centerline of the fastener normal to the rail of 3,900 pounds to the gauge side of the rail head and 2,700 pounds to the field side of the rail head. Apply the vertical load to the rail head and the lateral loads shall be applied 0.625-inch below top of rail along the centerline of each fastener normal to the rail. Alternate application of the lateral loads, each combined with alternating application and release of the vertical load, for a total of 3,000,000 complete cycles for qualification testing or a total of 500,000 cycles for production testing. Application of the field side load and vertical load and then the gauge side load and vertical load shall constitute one (1) cycle. The frequency shall be regulated to prevent the

temperature of the components from exceeding 158 degrees Fahrenheit. Do not re-torque threaded elements subsequent to the completion of the initial 500,000 cycles of loading without written approval from the Resident Engineer.

b. Test Acceptance Criteria:

- 1) Withstand the 3,000,000 cycles for qualification testing or 500,000 cycles for production testing of load application with no evidence of failure.
- 2) Upon complete disassembly of the fastener and visual inspection, no fastener components shall exhibit any sign of failure by slippage, yielding, abrasion, or fracture.
- 3) No evidence of wear or grooving on the rail that would contribute to a failure of the rail.
- 4) Concrete test block at the anchor insert: no evidence of failure as a result of the dynamic test.

3. Anchor Bolt Repeat Load Test:

a. Procedure: After completion of the Vertical and Lateral Repeated Load Test, reassemble the fastener as specified using only the original components previously subjected to testing. With the gauge side anchor bolt loosened such that a minimum gap of 1/4-inch is between the underside of the bolt head and the anchor washer, repeat the Vertical and Lateral Repeated Load Tests for 15,000 cycles.

b. Test Acceptance Criteria:

- 1) Fastener: Withstand 15,000 cycles of loading with no evidence of failure by slippage, yielding, or fracture.
- 2) Rail: No evidence of wear or grooving that would contribute to a failure of the rail.

4. Push-Pull Test:

a. Procedure: Apply a cycling longitudinal load as close to the base of the rail as possible to slip the rail plus and minus 3/4-inch from the initial position of the fastener and relative to the fastener position, for a total of 50 cycles.

b. Immediately following this portion of the test on standard rail fasteners and special trackwork fasteners, apply a cycling longitudinal load equal to 80 percent of the load recorded in the Longitudinal Restraint Test, as specified herein, shall be applied as in the procedure above for a total of 25,000 cycles. Do not reposition the rail hold-down assemblies at any time during this test.

- c. Immediately following this portion of the test on ZLR rail fasteners, apply a cycling longitudinal load adequate enough to move the rail as in the procedure above for a total of 25,000 cycles. Do not reposition the rail hold-down assemblies at any time during this test.
  - d. Test Acceptance Criteria: Withstand the 25,000 cycles of loading with no evidence of failure. Upon visual examination, no component of the fastener shall exhibit any evidence of failure by yielding, abrasion, slippage or fracture, except that slippage which may occur between the rail hold-down assembly of the standard rail fastener and the special trackwork fastener, and the rail. The rail shall exhibit no evidence of wear or grooving that would contribute to a failure of the rail.
    - 1) For the ZLR fasteners, the 25,000 cycles of loading shall require a load of less than 300 pounds to cause the rail to slip through the ZLR fastener. The low friction pad for the ZLR rail fastener shall not exhibit abrasion and shall provide similar low friction properties as before the test.
5. Uplift Repeated Load Test (Not applicable for ZLR rail fasteners):
- a. Procedure: Apply loads to the rail head of a fully assembled fastener to produce alternately a vertical downward load of 9,000 pounds and a vertical upward load of 1,000 pounds at the centerline of the fastener in a direction normal to the rail. Alternate the application of the vertical loads for a total of 1,500,000 complete cycles. Regulate the frequency to prevent component temperature from exceeding 158 degrees Fahrenheit. Do not re-torque threaded elements without written approval from the Resident Engineer. Apply the vertical loading during this part of the test at a rate of not less than 25 cycles per minute. If required for testing stability, install a mechanical stop 1/8-inch from each end of the rail, independent of the test rail fasteners.
  - b. Test Acceptance Criteria: Withstand 1,500,000 cycles of load application with no evidence of failure. Upon visual inspection, no component of the fastener shall exhibit any evidence of failure by yielding, abrasion, or fracture. The rail shall exhibit no evidence of wear or grooving that would contribute to the failure of the rail.
6. Dynamic Longitudinal Restraint Test (Not applicable for ZLR rail fasteners):
- a. Procedure: The dynamic longitudinal restraint test procedure is the same as for the static test specified herein, with an additional vibration load applied vertically to the rail head while the longitudinal load is applied. Vertical vibration load: 50 hertz cyclic load with amplitude of 2,000 pounds. Apply vertical load at the rail head at the mid-point between rail seats.
  - b. Test Acceptance Criteria:

1) Longitudinal load versus deflection plot is linear within the limits shown in Figure 3, herein. At no time during the test shall any component exhibit evidence of failure including permanent deformation. E. Anchor Insert Tests:

1. General:
  - a. Anchor inserts used for testing shall conform to the design submitted by the Contractor and approved by the Resident Engineer.
  - b. Production anchor inserts shall be used for tests unless prototype model testing is approved in writing by the Resident Engineer. Before Resident Engineer approval, the Contractor shall submit data showing that the prototype will react in the tests as would the production models. Should prototype testing qualify the anchor inserts design, four (4) production models shall be tested immediately after production is started. Should a production model fail the test, the entire anchor inserts test series shall be repeated using production models. Such tests shall be done at the same laboratory as the earlier tests.
2. Test Conditions: Fourteen (14) test anchor inserts for each anchor shall be furnished by the Contractor. Seven (7) assemblies shall be retained by the Resident Engineer and the other seven (7) assemblies shall be numbered one through seven. Anchor inserts two through seven shall be tested in cast concrete plinth as shown on the Contract Drawings, utilizing the minimum plinth dimensions and specified reinforcement. Concrete shall have a compressive strength in accordance with cast-in-place concrete requirements as stated elsewhere in the Contract Documents, and this shall be verified by laboratory tests. Anchor inserts shall be placed in the concrete plinth in accordance with the Contract Drawings.
3. Static Load Tests:
  - a. Thread Failure Test (Anchor Insert Number 1):
    - 1) Procedure: Anchor insert shall be held in a vise or other device and the bolt twisted to failure. To prevent bottoming before failure, the bolt shall be fitted with a spacer, cut washers, or other means. To provide minimum thread contact only, the spacer thickness shall be designed such that the minimum thread is engaged.
    - 2) Test Acceptance Criteria: Anchor insert shall withstand 600 footpounds of torque without evidence of failure. After removal of the torque, the bolt shall be removed from the insert with a torque no greater than 600 foot-pounds. When torqued to failure, the failure shall be in the bolt threads, not the insert threads.
  - b. Torsion Test (Anchor Inserts Numbers 2 and 3):

- 1) Procedure: Anchor insert shall be subjected to a 600 foot-pound of torque applied to the cap bolt head with spacers used on the bolt to prevent bottoming.
  - 2) Test Acceptance Criteria: Anchor insert shall not rotate and concrete shall not crack or show evidence of failure.
- c. Restrained Pull-Out Test (Anchor Inserts Numbers 4 and 5):
- 1) Procedure: A steel plate with a hole in the center 1/2-inch in diameter larger than the maximum diameter of the top of the insert shall be placed over the anchor inserts on the concrete test block surfaces. The anchor bolt shall then have an upward vertical load of 20,000 pounds applied, held for a minimum of 1 minute, and then released.
  - 2) Test Acceptance Criteria: Anchor insert shall have no evidence of failure from causes including but not limited to, slippage and cracking of the concrete at the indicated load.
- d. Unrestrained Pull-Out Test (Anchor Inserts Numbers 6 and 7):
- 1) Procedure: Anchor insert shall have an upward vertical load applied in such a manner that no vertical load is applied to the concrete test block surface within a 6-inch radius from the center of the insert. An upward vertical load of 10,000 pounds shall be applied and held for not less than 1 minute.
  - 2) Test Acceptance Criteria: There shall be no evidence of failure from causes including, but not limited to, slippage, and cracking of the concrete to assembly bond at the specified loads.

## 2.06 FIGURES

- A. Figure 1A - Qualification Tests
- B. Figure 1B - Production Tests
- C. Figure 2 - Vertical Deflection Limits
- D. Figure 3 - Longitudinal Restraint Limits

**END OF SECTION**

**SECTION 34 11 36.13 – FIGURE 1A****QUALIFICATION TESTS (QT)**

<b>STATIC TESTS (ST)</b>	<b>ARTICLE</b>	<b>TEST NAME/ABBR.</b>
VERTICAL LOAD TEST (VLT)	2.05.B.1	QT-ST-VLT
LATERAL LOAD TEST (LLT)	2.05.B.2	QT-ST-LLT
LONGITUDINAL RESTRAINT TEST (LORT)*	2.05.B.3	QT-ST-LORT
LATERAL RESTRAINT TEST (LART)	2.05.B.4	QT-ST-LART
VERTICAL UPLIFT TEST (VUT)*	2.05.B.5	QT-ST-VUT
<b>ELECTRICAL TESTS (ET)</b>	<b>ARTICLE</b>	
VOLTAGE WITHSTAND TEST (VWT)	2.05.C.1	QT-ET-VWT
ELECTRICAL RESISTANCE TESTS (ERT)	2.05.C.2	QT-ET-ERT
ELECTRICAL IMPEDANCE TEST (EIT)	2.05.C.3	QT-ET-EIT
<b>DYNAMIC TESTS (DT)</b>	<b>ARTICLE</b>	
DYNAMIC TO STATIC STIFFNESS RATIO TEST (DSSRT)	2.05.D.1	QT-DT-DSSRT
VERTICAL AND LATERAL REPEATED LOAD TEST (VLRLT)	2.05.D.2	QT-DT-VLRLT
ANCHOR BOLT REPEAT LOAD TEST (ABRLT)	2.05.D.3	QT-DT-ABRLT
PUSH – PULL TEST (PPT)	2.05.D.4	QT-DT-PPT
UPLIFT REPEATED LOAD TEST (URLT)*	2.05.D.5	QT-DT-URLT
DYNAMIC LONGITUDINAL RESTRAINT TEST (LORT)*	2.05.D.6	QT-DT-LORT
<b>POST-FATIGUE TESTS (PFT)</b>	<b>ARTICLE</b>	
VERTICAL LOAD TEST (VLT)	2.05.B.1	QT-PFT-VLT
LATERAL LOAD TEST (LLT)	2.05.B.2	QT-PFT-LLT
LONGITUDINAL RESTRAINT TEST (LORT)*	2.05.D.6	QT-PFT-LORT
VERTICAL UPLIFT TEST (VUT)*	2.05.B.5	QT-PFT-VUT
VOLTAGE WITHSTAND TEST (VWT)	2.05.C.1	QT-PFT-VWT
ELECTRICAL RESISTANCE TESTS (ERT)	2.05.C.2	QT-PFT-ERT
ELECTRICAL IMPEDANCE TEST (EIT)	2.05.C.3	QT-PFT-EIT
DYNAMIC TO STATIC STIFFNESS RATIO TEST (DSSRT)	2.05.D.1	QT-PFT-DSSRT



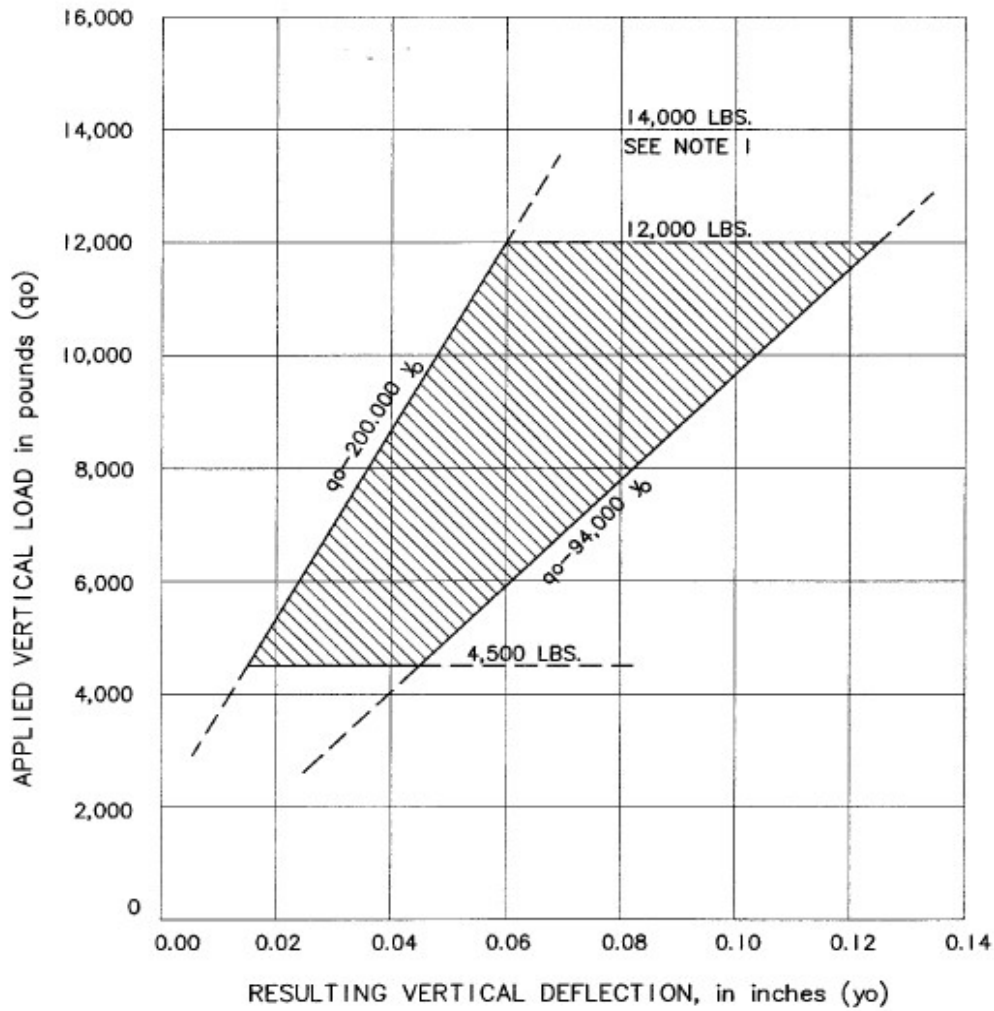
\*Not applicable for ZLR rail fasteners.

SECTION 34 11 36.13 – FIGURE 1A  
 QUALIFICATION TESTS (QT)  
**SECTION 34 11 36.13 – FIGURE 1B**  
**PRODUCTION TESTS (PT)**

<b>STATIC TESTS (ST)</b>	<b>ARTICLE</b>	<b>TEST NAME/ABBR.</b>
VERTICAL LOAD TEST (VLT)	2.05.B.1	PT-ST-VLT
LATERAL LOAD TEST (LLT)	2.05.B.2	PT-ST-LLT
LONGITUDINAL RESTRAINT TEST (LORT)*	2.05.B.3	PT-ST-LORT
<b>ELECTRICAL TESTS (ET)</b>	<b>ARTICLE</b>	
VOLTAGE WITHSTAND TEST (VWT)	2.05.C.1	PT-ET-VWT
ELECTRICAL RESISTANCE TESTS (ERT)	2.05.C.2	PT-ET-ERT
ELECTRICAL IMPEDANCE TEST (EIT)	2.05.C.3	PT-ET-EIT
<b>DYNAMIC TESTS (DT)</b>	<b>ARTICLE</b>	
DYNAMIC TO STATIC STIFFNESS RATIO TEST (DSSRT)	2.05.D.1	PT-DT-DSSRT
VERTICAL AND LATERAL REPEATED LOAD TEST (VLRLT)	2.05.D.2	PT-DT-VLRLT
<b>POST-FATIGUE TESTS (PFT)</b>	<b>ARTICLE</b>	
VERTICAL LOAD TEST (VLT)	2.05.B.1	PT-PFT-VLT
LATERAL LOAD TEST (LLT)	2.05.B.2	PT-PFT-LLT
LONGITUDINAL RESTRAINT TEST (LORT)*	2.05.B.3	PT-PFT-LORT
VOLTAGE WITHSTAND TEST (VWT)	2.05.C.1	PT-PFT-VWT
ELECTRICAL RESISTANCE TESTS (ERT)	2.05.C.2	PT-PFT-ERT
ELECTRICAL IMPEDANCE TEST (EIT)	2.05.C.3	PT-PFT-EIT
DYNAMIC TO STATIC STIFFNESS RATIO TEST (DSSRT)	2.05.D.1	PT-PFT-DSSRT

\*Not applicable for ZLR rail fasteners.

SECTION 34 11 36.13 – FIGURE 1B  
 PRODUCTION TESTS (PT)  
**SECTION 34 11 36.13 – FIGURE 2**  
**VERTICAL DEFLECTION LIMITS**



**NOTES:**

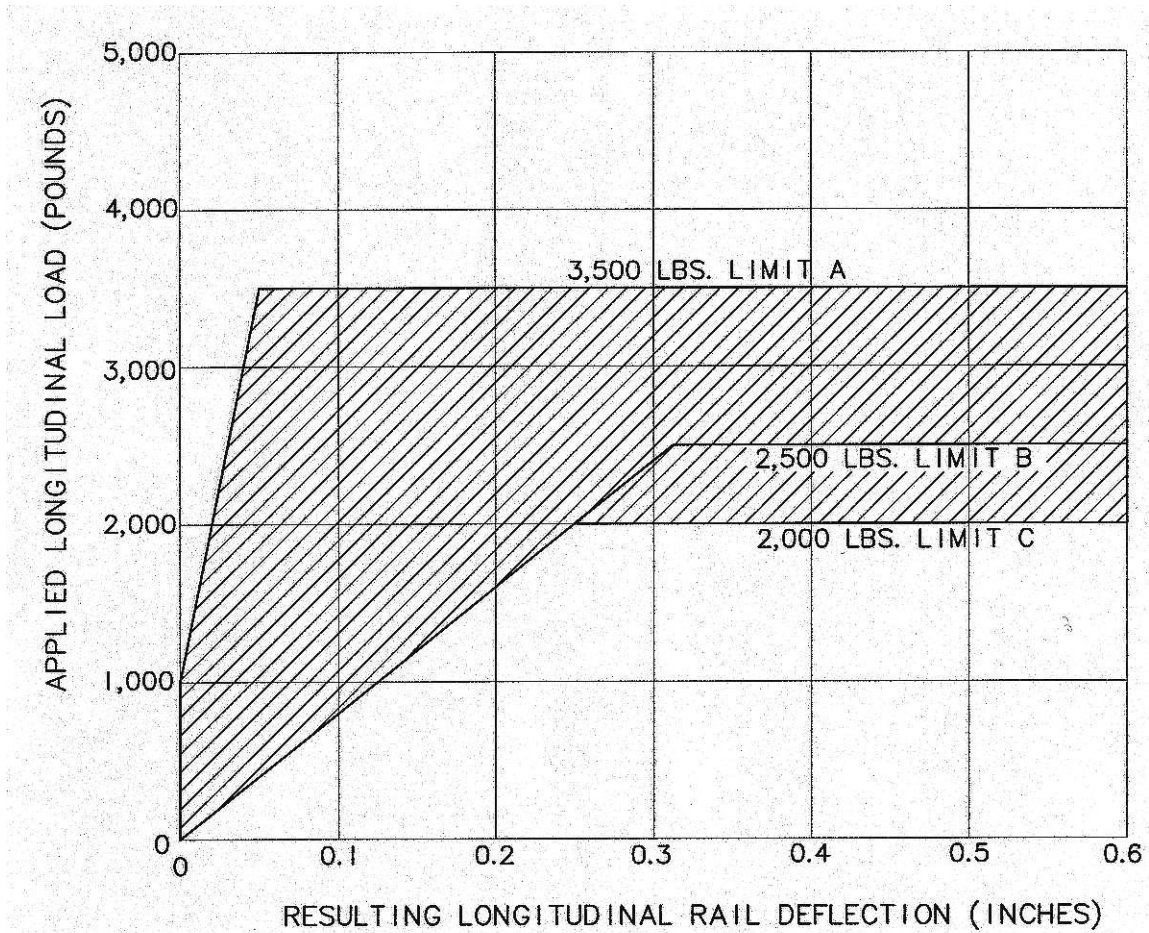
1. MAXIMUM DEFLECTION AT 14,000 LBS. SHALL NOT EXCEED 25% OF THE UNCOMPRESSED THICKNESS OF ELASTOMER PAD.
2. FASTENER SPRING RATE MUST BE BETWEEN 94,000 LBS./IN. AND 200,000 LBS./IN. FOR ALL LOADS BETWEEN 4,500 LBS. AND 12,000 LBS.

**VERTICAL DEFLECTION LIMITS**  
**FIGURE 3**

SECTION 34 11 36.13 – FIGURE 2  
VERTICAL DEFLECTION LIMITS

**SECTION 34 11 36.13 – FIGURE 3**

**LONGITUDINAL RESTRAINT LIMITS**



**LONGITUDINAL RESTRAINT LIMITS**

**FIGURE 4**



voestalpine Railway Systems Nortrak LLC

[www.voestalpine.com/nortrak](http://www.voestalpine.com/nortrak)

Date: 5JAN2024

Customer: San Diego MTS

Contact: Gabe McKee

Email: gabriel.mckee@sdmts.com

Phone: 619-881-7550

Quote No: SM2024-0064r2

Project: MTS LORD Fastener replacement

Sales Contact: Shaun Morgen

Email: Shaun.Morgen@voestalpine.com

Phone: 509-934-0632

Dear Gabe,

This offer is for minimum quantity of 4,500 fasteners. The price includes OTM for New 115RE Direct Fixation fastener for eclip fasting system as shown below..

Qty	Description	Unit Price	Ext Price
4,500	LORD J-230590-2	\$204	\$918,000
	Fastener assembly includes Fastener Body, adjustment plate, bolt, lock washer and right hand standard 2055 e-clip or equivalent		
	Taxes San Diego County 7.75%	\$15.81	\$71,145
	<b>Total with Taxes Included</b>		<b>\$989,145</b>

**CONDITIONS OF ACCEPTANCE:**

**1. Quotation Term:**

- 1.1 Pricing given in this quotation is firm until February 29 2024.
- 1.2 Quote is based on the attached Terms & Conditions
- 1.3 Pricing is based on scope of work being ordered. If quantities or items change then price and lead time are subject to change.

**2. Payment Terms:**

- 2.1 Net 30 days from receipt of Invoice. Subject to credit approval at time of order.

**3. Taxes:**

- 3.1 Price includes San Diego County taxes 7.75%.
- 3.2 Price includes US import Tariff of 25.5%
- 3.3 Importation Brokerage fees included along with shipping in the price of the fastener.

**4. Delivery:**

- 4.1 Lead time: Shipment from Factory 32 weeks from receipt of purchase order
- 4.2 Final delivery will be confirmed at time order is placed.

**5. Freight:**

5.1. Freight is FOB Jobsite. Material will be shipped in Container; Unloading is not included.

**6. Inspections:**

6.1 Inspection at LORD Shanghai is an option and will need to be coordinated in advance. MTS shall be responsible for all travel related costs for MTS personnel. vaRS Nortrak shall be responsible for all travel related costs for vaRS Nortrak inspectors.

**7. Testing**

7.1 Fasteners will be tested at LORD production facility (LMS). LMS is well equipped for various rail fastener testing and given the fastener design is modified for this project, LMS will conduct a single qualification/production test to confirm parts meet the requirements during part approval and initial production process.

Warranty shall be effective for a period equal to the earlier of the following: one (1) year from the date of installation of the fasteners by MTS or two (2) years from the date of shipment of the fasteners from LMS. The warranty is conditioned upon proper storage of the fastening system prior to installation and proper installation in accordance with vaRS Nortrak documents.

We appreciate the opportunity to bid on this project. If you have any questions or need more information, please give me a call.

Sincerely:

voestalpine Railway Systems Nortrak LLC

Shaun Morgen  
Sr Engineer, Regional Manager West



## Agenda Item No. 5

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

February 8, 2024

#### SUBJECT:

Payroll and Human Resources Information System (HRIS) Solution & Implementation Services  
– Contract Amendment

#### RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors:

- 1) Ratify Amendment 2 to MTS Doc. No. G1935.2-17, in the amount of \$50,132.50 (Attachment A); and
- 2) Authorize the Chief Executive Officer (CEO) to execute Amendment No. 3 to MTS Doc G1935.3-17 (in substantially the same format as Attachment B), with ADP, LLC, to add \$125,774.00 for Learning Management System and training software and implementation, for a total of \$175,906.50.

#### Budget Impact

The total cost of this contract shall not exceed \$3,159,056.72 (inclusive of the total costs for Amendment 2 and 3 at \$175,906.50). This service cost will be funded by the MTS General Expense Operating Budget account 902010 - 571250.

#### DISCUSSION:

On November 9, 2017 (AI 8), the MTS Board approved a contract award for payroll and HRIS solution and implementation services for up to a 9-year period (5-year base with four 1-year options, exercisable at MTS's sole discretion). Since contract approval, two amendments were authorized by the CEO under the authority delegated by Board Policy 41 (Signature Authority). The contract, including today's proposed Amendment No. 3, is summarized below:



Date Approved	Description	Option Year 1 2023	Option Year 2 2024	Option Year 3 2025	Option Year 4 2026	Total
11/9/2017 (AI 8)	Original Contract Base Years 2018-2022 Option Years 2023-2026	\$328,333.10	\$338,183.09	\$348,328.59	\$358,778.44	\$1,373,623.22
9/6/2019 CEO Policy 41	<b>AM 1</b> - Project Schedule Change	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5/9/2022 CEO Policy 41	<b>AM 2</b> - Total Rewards Setup and Design	\$12,000.00	\$12,000.00	\$11,500.00	\$11,000.00	\$46,500.00
5/9/2022 CEO Policy 41	<b>AM 2</b> - PDF Web Statements (One-time fee)	\$2,500.00	-	-	-	\$2,500.00
5/9/2022 CEO Policy 41	<b>AM 2</b> - Benefits Statements	\$277.50 (\$0.75 per employee)	\$281.25 (\$0.75 per employee)	\$285.00 (\$0.75 per employee)	\$288.75 (\$0.75 per employee)	\$1,132.50
Today's Proposed Action	<b>AM 3</b> - Implementation Fee		\$14,000.00			\$14,000.00
Today's Proposed Action	<b>AM 3</b> - Learning Management System (LMS)		\$20,764.80 (\$2.06 per employee)	\$41,529.60 (\$2.06 per employee)	\$41,529.60 (\$2.06 per employee)	\$103,824.00
Today's Proposed Action	<b>AM 3</b> - Content Strategy Consultant		\$1,590.00	\$3,180.00	\$3,180.00	\$7,950.00
11/9/2017 (AI 8)	<b>Base Years 1-5 (2018-2022) Total Cost</b>					<b>\$1,609,527.00</b>
11/9/2017 (AI 8)	<b>Amendment No. 2 - Option Years Cost</b>					<b>\$1,373,623.22</b>
Today's Proposed Action	<b>Amendment No. 2 - Ratification</b>					<b>\$50,132.50</b>
Today's Proposed Action	<b>Amendment No. 3</b>					<b>\$125,774.00</b>
	<b>New Total Contract Value</b>					<b>\$3,159,056.72</b>

Today's proposed action, to approve Amendment No. 3, would authorize additional funding of \$125,774.00 over 2.5 years (from 7/1/2024 to 12/31/2026) to include the ADP Learning Management Software and training (\$3,725.80 per month plus \$14,000 implementation fee).

ADP's Learning Management Software creates a centralized system to administer and track compliance for professional development trainings. The software will provide all departments within MTS the ability to monitor and update each employee's training which can be cross-referenced by managers, human resources, and departmental training teams. Employees will also be able to utilize the vast library of new professional development courses.

In an effort to ensure MTS receives the best possible pricing and determine fair and reasonable cost, staff requested quotes from vendors for Learning Management Software and training. Based on the three quotes received (shown in the chart below), ADP provided the lowest price. Estimates assumed 1,680 employees and compared employee cost per month, content strategy consultant cost, inclusion of course content, and implementation fees.

Firm Name	Assumed Employees	Monthly/Employee	Content Strategy Consultant/Month	Course Content	Total Monthly	Implementation (1-time)	Cost Over 2.5 Years
<b>ADP</b>	<b>1680</b>	<b>\$2.06</b>	<b>\$265.00</b>	<b>Included</b>	<b>\$3,725.80</b>	<b>\$14,000</b>	<b>\$125,774</b>
Litmos	1680	\$2.00	\$0.00	\$20,000.00	\$3,360.00	\$8,000	\$158,800
Absorb	1680	\$2.08	\$0.00	\$1.50	\$6,014.40	\$4,925	\$185,357

\*ADP includes full course catalog ~80,000 courses

\*Absorb includes 400 training courses for \$1.50/employee/month

\*Litmos includes US Compliance training courses at ~\$20,000 annually

Because of the existing contract with ADP, staff determined it was appropriate to add this service to the existing agreement, as opposed to creating a separate contract solely for the Learning Management Software and training module.

Therefore, staff recommends that the MTS Board of Directors:

- 1) Ratify Amendment 2 to MTS Doc No. G1935.2-17 in the amount of \$50,132.50 (Attachment A); and
- 2) Authorize the CEO to execute Amendment No. 3 to MTS Doc No. G1935.3-17 (in substantially the same format as Attachment B), with ADP, LLC, to add \$125,774.00 for ADP Learning Management Software and training, for a total of \$175,906.50.

/S/ Sharon Cooney  
 Sharon Cooney  
 Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, [Julia.Tuer@sdmts.com](mailto:Julia.Tuer@sdmts.com)

Attachments: A. Amendment 2, MTS Doc No. G1935.2-17  
 B. Draft Amendment 3, MTS Doc No. G1935.3-17





**Metropolitan  
Transit  
System**

## Amendment 2

Date: May 9, 2022

MTS Doc No. G1935.2-17

### **PAYROLL AND HUMAN RESOURCE INFORMATION SYSTEMS SOLUTION AND IMPLEMENTATION SERVICES**

ADP, Inc., formerly ADP, LLC  
400 W. Covina Boulevard  
San Dimas CA, 91773

This shall serve as Amendment No.2 to the original agreement G1935.0-17 as further described below.

#### SCOPE

Replace the words “ADP, LLC” throughout MTS Doc. G1935.0-17. This amendment shall serve as a formal acceptance by the San Diego Metropolitan Transit System (MTS) of the name change of the contract from ADP, LLC to ADP, Inc, pursuant to the notice of the name change letter and W-9 provided by ADP, Inc. (a copy of which is attached hereto). Pursuant to the contract, MTS shall exercise Option Years 1-4 to continue services outlined in the contract. This amendment shall also authorize the Contractor to provide services for Total Compensation Statement Services as follows:

1. Make design updates as directed by MTS
2. Prepare detailed Composition Specification documentation regarding the composition logic of the statement
3. Develop and provide project plan to MTS
4. Adhere to the project plan and review/approve project plan modifications as necessary
5. Receive and process data
6. Conduct internal Peer Review
7. Prepare statement samples for MTS’ review
8. Manage product through the final processes
9. Mail final statements to employee homes or Post final statements online

Services are more fully detailed in the Statement of Work, attached hereto and incorporated herein.

#### SCHEDULE

Option Years 1-4 shall be effective from January 1, 2023 through December 31, 2026.

#### PAYMENT



This contract amendment shall authorize a cost increase of \$1,423,755.72 [\$50,132.50 for new services plus \$1,373,623.22 for Option Years 1-4].

Description	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Total
Original Contract	\$328,333.10	\$338,183.09	\$348,328.59	\$358,778.44	\$1,373,623.22
<b>AM 2</b> -Total Rewards Setup and Design	\$12,000.00	\$12,000.00	\$11,500.00	\$11,000.00	\$46,500.00
<b>AM 2</b> -PDF Web Statements (One-time fee)	\$2,500.00	-	-	-	\$2,500.00
<b>AM 2</b> - Benefits Statements	\$277.50 (\$0.75 per employee)	\$281.25 (\$0.75 per employee)	\$285.00 (\$0.75 per employee)	\$288.75 (\$0.75 per employee)	\$1,132.50
<b>Base Years 1-5 Total Cost</b>					<b>\$1,609,527.00</b>
<b>Amendment No. 2 Total Cost</b>					<b>\$1,423,755.72</b>
<b>Total Contract Amount</b>					<b>\$3,033,282.72</b>


The total value of this contract including this amendment shall be in the amount of \$3,033,282.72. This amount shall not be exceeded without prior written approval from MTS.

Please sign and return the copy to the Contract Specialist at MTS. All other terms and conditions shall remain the same and in effect. Retain the other copies for your records.

Sincerely,

  
 \_\_\_\_\_  
 Sharon Cooney, Chief Executive Officer

Agreed:

  
 \_\_\_\_\_  
 ADP, Inc., formerly ADP, LLC,

Date: 7/6/2022

## ADP National Account Services Project Services Statement of Work

### Project Information

<b>Client Name</b>	San Diego Metro Transit System		
<b>Service Request Number (SR#)</b>		<b>Request Date</b>	2/28/2022
<b>Client Requestor</b>	Bree Wilcox	<b>Client Requestor eMail</b>	<a href="mailto:Bree.wilcox@sdmts.com">Bree.wilcox@sdmts.com</a>
<b>Client Approver</b>		<b>Client Approver eMail</b>	
<b>ADP Client Success Executive</b>	Matt Waugh	<b>ADP Client Success Executive eMail</b>	<a href="mailto:Matt.waugh@adp.com">Matt.waugh@adp.com</a>
<b>HCM Consultant Name</b>		<b>HCM Consultant eMail</b>	
<b>Statement of Work Prepared By</b>	Connie King	<b>Date SOW Prepared</b>	3-24-2022
<b>Project Name / Type</b>	Total Rewards Statements		
<b>Requested Go-Live Date *</b>	August 2022	<b>Expected Project Duration **</b>	12 weeks
<b>Project Purpose &amp; Objectives</b>	<p>Total Compensation Statement Services that ADP will provide to San Diego Metro Transit for the 2022 calendar year are outlined in this document.</p> <ul style="list-style-type: none"> <li>ADP will provide statements for designated employees.</li> <li>Services include development and design of personalized statements.</li> <li>All statements are &lt;mailed to employee homes or posted online&gt;.</li> </ul>		

The Pricing Detail section below details the projected scope of the project and technical information regarding the proposed solution.

\* ADP will make every effort to accommodate but cannot guarantee the requested Go-Live date.

\*\* Estimated timeline represents duration from resource assignment to Go-Live.

### Scope of Work

**Scope of Work**  
\*Please review these details closely. Any changes to this outlined scope of work may result in revised pricing.

Production of statements will be administered in the following manner:

ADP agrees to:

- Make design updates as directed by San Diego Metro Transit.
- Prepare detailed Composition Specification documentation regarding the composition logic of the statement.
- Develop and provide project plan to San Diego Metro Transit.
- Adhere to the project plan and review / approve project plan modifications as necessary.
- Receive and process data.
- Conduct internal Peer Review.
- Prepare statement samples for San Diego Metro Transit's review.
- Manage product through the final processes.
- <Mail final statements to employee homes or Post final statements online>.

San Diego Metro Transit agrees to:

- Identify a project manager to coordinate all activities within San Diego Metro Transit's location and to coordinate with ADP's project manager.
- Approve documentation.
- Approve design.
- Review mismatch reports for each data file submitted and provide appropriate feedback.
- Review sample statements and provide appropriate feedback / corrections.
- Adhere to the project plan and review / approve project plan modifications as necessary.

**Project Phases & Timeline**

Phase	Duration (weeks)
Analysis	
Configuration	
Validation	
Migrate to Production/Production	
<b>Total Anticipated Duration</b>	

## Pricing Details

<b>Pricing Details</b> <i>(including Billing Terms or Requirements, if any)</i>	Description	Quantity	MSA Rate	Hours	Total
	6K-F00200 PDF2Web Total Rewards statements	350	.75 each		\$262.50
	6K-F00100 Custom Printed Statements		\$12,000 set up*		\$12,000
	6K-00250 PDF2Web Statements Hosted		\$2500 One-time fee		\$2500
	<b>TOTAL</b>				\$14,762.50

\*Pricing is in effect for 4 years, and statement setup fee will be as follows:  
 Year 1 and 2: \$12,000  
 Year 3: \$11,500  
 Year 4: \$11,000

This document describes ADP's preliminary understanding of the scope of work and the estimated effort required by ADP resources to support the project as described by the Client. Pricing contained in this Statement of Work (SOW) is an estimate based on the information available at the time of the project request. Any changes in scope, whether requested via a Change Request or determined necessary by either party during the project, may result in changes to the pricing set forth in this SOW. In addition, for projects billed at an hourly rate, the final invoice will reflect the actual hours worked, not the estimated hours reflected in this SOW. If a change in scope and/or Go-Live date will result in additional cost, ADP will obtain Client approval prior to proceeding with the expanded scope or new Go-Live date.

This SOW is governed by the Standard Services Agreement #G1935.0-17 between Client and ADP (the "Agreement"). All other terms and conditions of the Agreement shall remain in full force and effect. Any changes to this SOW must be made in writing and signed by the authorized representatives of both parties.



# Metropolitan Transit System

## Amendment 3

February 16, 2024

MTS Doc No. G1935.3-17

ADP Learning Management System and Training

ADP, LLC  
 Linda Russell  
 Client Success Executive  
 400 W. Covina Boulevard  
 San Dimas CA, 91773

This shall serve as Amendment No.3 to the original agreement G1935.0-17 as further described below.

### SCOPE

The San Diego Metropolitan Transit System (MTS) shall authorize additional contract capacity to include ADP’s Learning Management System and training content starting 7/1/2024 through the remainder of the contract term ending on 12/31/2026 as outlined below:

Category	Item Description	Units Included in Fees	Rate per Unit (or ADP Prevailing Rate)	Based on
<b>VOLUME ASSUMPTIONS</b>				
<b>ADP Talent Management Solutions</b>				
Populations	ADP Learning Management System	1,680	Included	Assumes 1680 supported employees
Partner Integration	Premium Content Package	1,680	Included	Assumes 1680 supported employees
	Learning Content Strategy Consulting (Post Content Hub Implementation)	1	Included	Assumes 1 supported employees
Client Practitioners	Client Name Contacts	5	Included	Includes up to 5 Client Named Contacts who may contact the ADP Support Team.

### SCHEDULE

There shall be no change to the schedule of the contract.



PAYMENT

This contract amendment shall authorize additional costs not to exceed \$125,774.00 as reflected below:

Description	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Total
Original Contract	\$328,333.10	\$338,183.09	\$348,328.59	\$358,778.44	\$1,373,623.22
<b>AM 2 - Total Rewards Setup and Design</b>	\$12,000.00	\$12,000.00	\$11,500.00	\$11,000.00	\$46,500.00
<b>AM 2 - PDF Web Statements (One-time fee)</b>	\$2,500.00	-	-	-	\$2,500.00
<b>AM 2 - Benefits Statements</b>	\$277.50 (\$0.75 per employee)	\$281.25 (\$0.75 per employee)	\$285.00 (\$0.75 per employee)	\$288.75 (\$0.75 per employee)	\$1,132.50
<b>AM 3 – LMS Implementation Fee</b>		\$14,000.00			\$14,000.00
<b>AM 3 - Learning Management System (LMS)</b>		\$20,764.80 (\$2.06 per employee)	\$41,529.60 (\$2.06 per employee)	\$41,529.60 (\$2.06 per employee)	\$103,824.00
<b>AM 3 – LMS Content Strategy Consultant</b>		\$1,590.00	\$3,180.00	\$3,180.00	\$7,950.00
<b>Base Years 1-5 Total Cost</b>					<b>\$1,609,527.00</b>
<b>Amendment No. 2 Total Cost</b>					<b>\$1,423,755.72</b>
<b>Amendment No. 3 Total Cost</b>					<b>\$125,774.00</b>
<b>Total Contract Amount</b>					<b>\$3,159,056.72</b>

The total value of this contract, including this amendment, shall be in the amount of \$3,159,056.72 (\$3,033,282.72 current contract value plus \$125,774.00 for Amendment No. 3). This amount shall not be exceeded without prior written approval from MTS.

Please sign and return the copy to the Contract Specialist at MTS. All other terms and conditions shall remain the same and in effect. Retain the other copies for your records.

Sincerely,

Agreed:

\_\_\_\_\_  
Sharon Cooney, Chief Executive Officer

\_\_\_\_\_  
Linda Russell, Client Success Executive  
ADP, LLC

Date: \_\_\_\_\_

Attachment: ADP Quote



**Metropolitan  
Transit  
System**

## **Agenda Item No. 6**

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM  
BOARD OF DIRECTORS

February 8, 2024

**SUBJECT:**

Background Investigative Services – Contract Amendment

**RECOMMENDATION:**

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute Amendment No. 1 to MTS Doc No. G2646.1-22 (in substantially the same format as Attachment A), with Kristy Investigative Services, Inc., to add \$300,000.00 for employee background and reference investigation services.

Budget Impact

The total cost of this amendment is estimated to be \$300,000.00, and the total contract cost of the services is estimated to be \$658,000.00 (\$358,500.00 current contract value plus \$300,000.00 for Amendment No. 1). The project will be funded by the Human Resources (HR) Department Operating Budget account 711010-571160.

**DISCUSSION:**

MTS requires comprehensive pre-placement background and reference investigations for all newly hired employees and for contractors with access to sensitive information. These investigations are performed by a specialized third-party provider and supervised by the MTS Human Resources department.

On November 10, 2022 (AI 9), the MTS Board approved a contract award for background investigation services for up to a 10-year period (5-year base with five 1-year options, exercisable at MTS' sole discretion). Today's action under amendment no. 1 is to authorize additional funding of approximately \$30,000 per year to include the additional background checks per year with the current contractor. Due to an increase in Full Time Employees (FTE) and high turnover, additional background check services are required.

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to execute Amendment No. 1 to MTS Doc No. G2646.1-22 (in substantially the same format as Attachment A), with Kristy Investigative Services, Inc., to add \$300,000.00 for employee background and reference investigation services.





/S /Sharon Cooney  
Sharon Cooney  
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, [Julia.Tuer@sdmts.com](mailto:Julia.Tuer@sdmts.com)

Attachment: A. Draft Amendment 1, MTS Doc. No. G2646.1-22

## Amendment 1

Effective Date: January 18, 2024

MTS Doc No: G2646.1-22

### BACKGROUND INVESTIGATIVE SERVICES

Kristy Investigative Services Inc.  
 Rene de la Cova  
 Chief Executive Officer  
 969 S. Santa Fe Ave., Suite D  
 Vista CA, 92083

This shall serve as Amendment No.1 to the original agreement G2646.0-22 as further described below.

### SCOPE

The San Diego Metropolitan Transit System (MTS) shall authorize additional contract capacity to include the additional four-hundred (400) estimated background checks per year for the five (5) base years and five (5) option years.

### SCHEDULE

There shall be no change to the schedule of the contract.

### PAYMENT

This contract amendment shall authorize additional costs not-to-exceed \$300,000.00 as reflected below:

Contract Term	Original	Amended	Change
Base Year 1	\$ 35,850.00	\$ 65,850.00	\$ 30,000.00
Base Year 2	\$ 35,850.00	\$ 65,850.00	\$ 30,000.00
Base Year 3	\$ 35,850.00	\$ 65,850.00	\$ 30,000.00
Base Year 4	\$ 35,850.00	\$ 65,850.00	\$ 30,000.00
Base Year 5	\$ 35,850.00	\$ 65,850.00	\$ 30,000.00
Option Year 1 (Year 6)	\$ 35,850.00	\$ 65,850.00	\$ 30,000.00
Option Year 3 (Year 7)	\$ 35,850.00	\$ 65,850.00	\$ 30,000.00
Option Year 3 (Year 8)	\$ 35,850.00	\$ 65,850.00	\$ 30,000.00
Option Year 4 (Year 9)	\$ 35,850.00	\$ 65,850.00	\$ 30,000.00
Option Year 5 (Year 10)	\$ 35,850.00	\$ 65,850.00	\$ 30,000.00
<b>Totals (Base and Options)</b>	<b>\$ 358,500.00</b>	<b>\$ 658,500.00</b>	<b>\$ 300,000.00</b>

The total value of this contract, including this amendment, shall be in the amount of \$658,500.00 (\$358,500.00 current contract value plus \$300,000.00 for Amendment No. 1). This amount shall not be exceeded without prior written approval from MTS.

Please sign and return the copy to the Contract Specialist at MTS. All other terms and conditions shall remain the same and in effect. Retain the other copies for your records.

Sincerely,

Agreed:

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Sharon Cooney, Chief Executive Officer

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Rene de la Cova, Chief Executive Officer  
Kristy Investigative Services Inc.

Date: \_\_\_\_\_



**Metropolitan  
Transit  
System**

## Agenda Item No. 7

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM  
BOARD OF DIRECTORS

February 8, 2024

**SUBJECT:**

MTS Excess Liability and Workers' Compensation Insurance Renewals

**RECOMMENDATION:**

That the San Diego Metropolitan Transit System (MTS) Board of Directors:

- 1) Authorize the Chief Executive Officer (CEO) to agree to an extension of the current Excess Liability Insurance Program to March 15, 2024, to allow for further negotiation of terms and conditions of coverage through the next 30 days; and
- 2) Authorize the CEO to either agree to an extension of the current Excess Workers Compensation Program with Arch Insurance to March 15, 2024, or at the CEO's discretion, renew the coverage effective March 1, 2024, in an amount not to exceed \$335,000.

**Budget Impact:** Insurance costs to extend the Excess Liability Insurance Program by 15 days is within current budget estimates. If the Excess Workers Compensation Program is renewed at the not-to-exceed limit of \$335,000, it would represent a 21% over last year's cost. This is based on a 5.1% increase in payroll and MTS's workers compensation expenses in recent years.

**DISCUSSION:**

Each year, MTS purchases insurance to protect against various risks. Today's proposed action addresses our insurance policies for general liability and workers' compensation for the forthcoming 12 months.

MTS's general liability and workers' compensation insurance policies renew on March 1 every year. In anticipation of this annual expiration and renewal process, MTS's insurance brokers, Alliant, typically begin renewal activities 90 days in advance of March 1, with carrier negotiations taking place within the last 60 days.

Negotiations for the March 2024-February 2025 insurance year began as scheduled. However, during the final negotiation period, MTS learned that the lead carrier in the excess liability



program, MunichRE, has had a change in its underwriting philosophy. MunichRE has declined to remain as MTS's first layer of insurance because of their concerns that there is a higher than average risk of catastrophic loss related to MTS's public transit operations. MTS's brokers have reported that there is a very limited appetite among insurers to provide public transit risks in California because the exposure to loss is high and litigation costs are expensive.

In response to MunichRE's exit from negotiations, MTS was able to negotiate a 15-day extension of the 2023-2024 insurance program to allow MTS to further negotiate and build the 2024-2025 program with interested insurers.

Today's proposed action would:

- 1) Authorize the CEO to agree to an extension of the current Excess Liability Insurance Program to March 15, 2024, to allow for further negotiation of terms and conditions of coverage through the next 30 days; and
- 2) Authorize the CEO to either agree to an extension of the current Excess Workers Compensation Program to March 15, 2024, or at the CEO's discretion, renew the coverage effective March 1, 2024, in an amount not to exceed \$335,000.

Staff will finalize negotiations and bring the 2024-2025 insurance program to the Board's March 14, 2024 meeting for approval. As it relates to the separate Excess Workers Compensation Program insurance, today's approval would give the CEO authority to either continue negotiations for a new program effective March 16, 2024, or agree to a program effective March 1, 2024 so long as the annual premium does not exceed \$335,000.

/S /Sharon Cooney  
Sharon Cooney  
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, [Julia.Tuer@sdmts.com](mailto:Julia.Tuer@sdmts.com)



**Metropolitan  
Transit  
System**

## **Agenda Item No. 8**

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM  
BOARD OF DIRECTORS

February 8, 2024

**SUBJECT:**

Operations Budget Status Report for December 2023

**INFORMATIONAL ONLY**

Budget Impact

None.

**DISCUSSION:**

This report summarizes the year-to-date operating results for December 2023 compared to the fiscal year (FY) 2024 budget for the San Diego Metropolitan Transit System (MTS). Attachment A-1 combines the operations', administrations' and other activities' results for December 2023. Attachment A-2 details the December 2023 combined operations' results and Attachments A-3 to A-7 present budget comparisons for each MTS operation. Attachment A-8 details budget comparisons for San Diego Metropolitan Transit System (MTS) Administration, and Attachment A-9 provides December 2023 results for MTS's other activities (For Hire Vehicle (FHV) Administration/San Diego and Arizona Eastern Railway Company (SD&AE)).

### **MTS NET-OPERATING SUBSIDY RESULTS**

As indicated within Attachment A-1, for the year-to-date period ending December 2023, MTS's net-operating income unfavorable variance totaled \$1,311,000 (-0.9%). Operations produced a \$3,400,000 (-2.3%) unfavorable variance and the administrative/other activities areas were favorable by \$2,089,000.

### **MTS COMBINED RESULTS**

Operating Revenues. Year-to-date combined revenues through December 2023 were \$50,865,000, compared to the year-to-date budget of \$51,149,000, representing a \$284,000 (-0.6%) unfavorable variance. Year-to-date passenger revenue was unfavorable by \$2,228,000 (-5.8%) through December. Passenger revenue is up by \$2,066,000 (6.1%) versus the prior year.



Other operating revenue was favorable by \$1,943,000 (15%), primarily due to favorable energy credit revenue as well as interest income.

Operating Expenses. Year-to-date combined expenses through December 2023 were \$200,063,000, compared to the budget of \$199,036,000, representing a \$1,027,000 (-0.5%) unfavorable variance.

Personnel Costs. Year-to-date personnel-related costs totaled \$87,830,000, compared to a budgetary figure of \$87,007,000, producing an unfavorable variance of \$823,000 (-0.9%). This is primarily due to unfavorable CalPERS management costs and health and welfare costs within Rail Operations. Wages are also unfavorable for Rail Operators, Flag-persons, and Facility Maintenance.

Outside Services and Purchased Transportation. Total outside services through six months of the fiscal year totaled \$71,322,000, compared to a budget of \$71,330,000, resulting in a favorable variance of \$8,000. This is primarily due to favorable Outside Services costs within Administration and unfavorable construction costs within Rail Operations. Pronto software operating and maintenance costs continues to be favorable to budget each month. Within Rail Operations, Track and Facilities incurred several large expenses in the month of December for unplanned repairs.

Materials and Supplies. Total year-to-date materials and supplies expenses were \$8,971,000, compared to a budgetary figure of \$8,148,000, resulting in an unfavorable variance of \$822,000 (-10.1%). This is primarily due to unfavorable revenue vehicle parts and maintenance supplies within Rail and Bus Operations.

Energy. Total year-to-date energy costs were \$24,464,000, compared to the budget of \$24,111,000, resulting in an unfavorable variance of \$353,000 (-1.5%). This is primarily due to unfavorable commodity rates for compressed natural gas (CNG).

Risk Management. Total year-to-date expenses for risk management were \$3,922,000 compared to the budget of \$4,541,000, resulting in a favorable variance totaling \$619,000 (13.6%). This is primarily due to favorable claim payouts and legal costs within Administrative, Bus, and Rail Operations.

General and Administrative. The year-to-date general and administrative costs were \$2,680,000 through December 2023, compared to a budget of \$3,073,000, resulting in a favorable variance of \$393,000 (12.8%). This is primarily due to favorable fare materials and advertising costs within Administration.

Vehicle and Facility Leases. The year-to-date vehicle and facilities leases costs were \$875,000 compared to the budget of \$826,000, resulting in a \$49,000 (-5.9%) unfavorable variance.

#### YEAR-TO-DATE SUMMARY

The December 2023, year-to-date net-operating income totaled an unfavorable variance of \$1,311,000 (-0.9%). These factors include favorable variances in other revenue, outside services, risk management costs, and general and administrative costs; partially offset by unfavorable variances in passenger revenue, personnel, materials and supplies, energy, and vehicle/facility lease costs.

/S /Sharon Cooney

Sharon Cooney  
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, [Julia.Tuer@sdmts.com](mailto:Julia.Tuer@sdmts.com)

Attachment: A. Comparison to Budget



MTS  
CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2024  
DECEMBER 31, 2023  
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 35,990	\$ 38,218	\$ (2,228)	-5.8%
Other Revenue	14,874	12,931	1,943	15.0%
<b>Total Operating Revenue</b>	<b>\$ 50,865</b>	<b>\$ 51,149</b>	<b>\$ (284)</b>	<b>-0.6%</b>
Personnel costs	\$ 87,830	\$ 87,007	\$ (823)	-0.9%
Outside services	71,322	71,330	8	0.0%
Materials and supplies	8,971	8,148	(822)	-10.1%
Energy	24,464	24,111	(353)	-1.5%
Risk management	3,922	4,541	619	13.6%
General & administrative	2,680	3,073	393	12.8%
Vehicle/facility leases	875	826	(49)	-5.9%
Administrative Allocation	(0)	0	0	0.0%
<b>Total Operating Expenses</b>	<b>\$ 200,063</b>	<b>\$ 199,036</b>	<b>\$ (1,027)</b>	<b>-0.5%</b>
<b>Operating Income (Loss)</b>	<b>\$ (149,198)</b>	<b>\$ (147,887)</b>	<b>\$ (1,311)</b>	<b>-0.9%</b>
<b>Total Non-Operating Activities</b>	<b>707</b>	<b>555</b>	<b>151</b>	<b>27.3%</b>
<b>Income (Loss) before Capital Contributions</b>	<b>\$ (148,491)</b>	<b>\$ (147,332)</b>	<b>\$ (1,159)</b>	<b>0.8%</b>

**OPERATIONS  
CONSOLIDATED**

**COMPARISON TO BUDGET - FISCAL YEAR 2024**

**DECEMBER 31, 2023**

**(in \$000's)**

	<b>YEAR TO DATE</b>			
	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	<b>VAR. %</b>
Passenger Revenue	\$ 35,990	\$ 38,218	\$ (2,228)	-5.8%
Other Revenue	468	303	165	54.5%
<b>Total Operating Revenue</b>	<b>\$ 36,459</b>	<b>\$ 38,521</b>	<b>\$ (2,063)</b>	<b>-5.4%</b>
Personnel costs	\$ 73,514	\$ 72,962	\$ (552)	-0.8%
Outside services	58,468	58,421	(47)	-0.1%
Materials and supplies	8,944	8,128	(816)	-10.0%
Energy	23,834	23,491	(343)	-1.5%
Risk management	3,589	3,980	391	9.8%
General & administrative	474	528	55	10.3%
Vehicle/facility leases	716	691	(25)	-3.6%
Administrative Allocation	16,124	16,124	0	0.0%
<b>Total Operating Expenses</b>	<b>\$ 185,662</b>	<b>\$ 184,324</b>	<b>\$ (1,338)</b>	<b>-0.7%</b>
<b>Operating Income (Loss)</b>	<b>\$ (149,204)</b>	<b>\$ (145,803)</b>	<b>\$ (3,400)</b>	<b>-2.3%</b>
<b>Total Non-Operating Activities</b>	<b>112</b>	<b>479</b>	<b>(367)</b>	<b>-76.6%</b>
<b>Income (Loss) before Capital Contributions</b>	<b>\$ (149,091)</b>	<b>\$ (145,324)</b>	<b>\$ (3,768)</b>	<b>2.6%</b>

OPERATIONS

BUS - DIRECTLY OPERATED (SAN DIEGO TRANSIT CORP.)

COMPARISON TO BUDGET - FISCAL YEAR 2024

DECEMBER 31, 2023

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 9,760	\$ 10,367	\$ (607)	-5.9%
Other Revenue	112	-	112	-
<b>Total Operating Revenue</b>	<b>\$ 9,872</b>	<b>\$ 10,367</b>	<b>\$ (495)</b>	<b>-4.8%</b>
Personnel costs	\$ 46,171	\$ 46,178	\$ 7	0.0%
Outside services	1,164	1,097	(67)	-6.1%
Materials and supplies	3,685	3,499	(186)	-5.3%
Energy	4,226	4,230	4	0.1%
Risk management	1,692	1,822	130	7.1%
General & administrative	235	242	7	2.7%
Vehicle/facility leases	262	203	(59)	-29.1%
Administrative Allocation	2,626	2,626	0	0.0%
<b>Total Operating Expenses</b>	<b>\$ 60,061</b>	<b>\$ 59,895</b>	<b>\$ (165)</b>	<b>-0.3%</b>
<b>Operating Income (Loss)</b>	<b>\$ (50,189)</b>	<b>\$ (49,529)</b>	<b>\$ (660)</b>	<b>-1.3%</b>
<b>Total Non-Operating Activities</b>	<b>(49)</b>	<b>318</b>	<b>(367)</b>	<b>-115.6%</b>
<b>Income (Loss) before Capital Contributions</b>	<b>\$ (50,238)</b>	<b>\$ (49,211)</b>	<b>\$ (1,027)</b>	<b>2.1%</b>

**OPERATIONS**  
**RAIL (SAN DIEGO TROLLEY INC.)**  
**COMPARISON TO BUDGET - FISCAL YEAR 2024**  
**DECEMBER 31, 2023**  
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 14,849	\$ 15,335	\$ (486)	-3.2%
Other Revenue	356	303	53	17.6%
<b>Total Operating Revenue</b>	<b>\$ 15,205</b>	<b>\$ 15,638</b>	<b>\$ (433)</b>	<b>-2.8%</b>
Personnel costs	\$ 26,912	\$ 26,356	\$ (557)	-2.1%
Outside services	4,926	4,690	(236)	-5.0%
Materials and supplies	5,234	4,590	(644)	-14.0%
Energy	14,489	14,236	(252)	-1.8%
Risk management	1,881	2,143	262	12.2%
General & administrative	231	271	40	14.8%
Vehicle/facility leases	274	303	29	9.5%
Administrative Allocation	12,056	12,056	0	0.0%
<b>Total Operating Expenses</b>	<b>\$ 66,002</b>	<b>\$ 64,643</b>	<b>\$ (1,359)</b>	<b>-2.1%</b>
<b>Operating Income (Loss)</b>	<b>\$ (50,797)</b>	<b>\$ (49,005)</b>	<b>\$ (1,792)</b>	<b>-3.7%</b>
<b>Total Non-Operating Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income (Loss) before Capital Contributions</b>	<b>\$ (50,797)</b>	<b>\$ (49,005)</b>	<b>\$ (1,792)</b>	<b>3.7%</b>

**OPERATIONS**  
**BUS - CONTRACTED SERVICES (FIXED ROUTE)**  
**COMPARISON TO BUDGET - FISCAL YEAR 2024**  
**DECEMBER 31, 2023**  
**(in \$000's)**

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 10,681	\$ 11,808	\$ (1,127)	-9.5%
Other Revenue	-	-	-	-
<b>Total Operating Revenue</b>	<b>\$ 10,681</b>	<b>\$ 11,808</b>	<b>\$ (1,127)</b>	<b>-9.5%</b>
Personnel costs	\$ 352	\$ 342	\$ (10)	-3.0%
Outside services	43,552	43,847	295	0.7%
Materials and supplies	25	40	15	36.7%
Energy	4,694	4,566	(128)	-2.8%
Risk management	-	-	-	-
General & administrative	4	5	1	13.7%
Vehicle/facility leases	9	14	5	35.0%
Administrative Allocation	1,247	1,247	0	0.0%
<b>Total Operating Expenses</b>	<b>\$ 49,884</b>	<b>\$ 50,061</b>	<b>\$ 177</b>	<b>0.4%</b>
<b>Operating Income (Loss)</b>	<b>\$ (39,203)</b>	<b>\$ (38,253)</b>	<b>\$ (950)</b>	<b>-2.5%</b>
<b>Total Non-Operating Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income (Loss) before Capital Contributions</b>	<b>\$ (39,203)</b>	<b>\$ (38,253)</b>	<b>\$ (950)</b>	<b>2.5%</b>

**OPERATIONS**  
**BUS - CONTRACTED SERVICES (PARATRANSIT)**  
**COMPARISON TO BUDGET - FISCAL YEAR 2024**  
**DECEMBER 31, 2023**  
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 701	\$ 708	\$ (8)	-1.1%
Other Revenue	-	-	-	-
<b>Total Operating Revenue</b>	<b>\$ 701</b>	<b>\$ 708</b>	<b>\$ (8)</b>	<b>-1.1%</b>
Personnel costs	\$ 79	\$ 86	\$ 8	8.9%
Outside services	8,665	8,625	(39)	-0.5%
Materials and supplies	-	-	-	-
Energy	425	458	33	7.1%
Risk management	15	15	0	0.3%
General & administrative	4	11	7	66.4%
Vehicle/facility leases	171	171	0	0.1%
Administrative Allocation	195	195	0	0.0%
<b>Total Operating Expenses</b>	<b>\$ 9,554</b>	<b>\$ 9,563</b>	<b>\$ 9</b>	<b>0.1%</b>
<b>Operating Income (Loss)</b>	<b>\$ (8,853)</b>	<b>\$ (8,854)</b>	<b>\$ 1</b>	<b>0.0%</b>
<b>Total Non-Operating Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income (Loss) before Capital Contributions</b>	<b>\$ (8,853)</b>	<b>\$ (8,854)</b>	<b>\$ 1</b>	<b>0.0%</b>

**OPERATIONS  
CORONADO FERRY**

**COMPARISON TO BUDGET - FISCAL YEAR 2024  
DECEMBER 31, 2023  
(in \$000's)**

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	-	-	-	-
<b>Total Operating Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
Personnel costs	\$ -	\$ -	\$ -	-
Outside services	162	162	-	0.0%
Materials and supplies	-	-	-	-
Energy	-	-	-	-
Risk management	-	-	-	-
General & administrative	-	-	-	-
Vehicle/facility leases	-	-	-	-
Administrative Allocation	-	-	-	0.0%
<b>Total Operating Expenses</b>	<b>\$ 162</b>	<b>\$ 162</b>	<b>\$ -</b>	<b>0.0%</b>
<b>Operating Income (Loss)</b>	<b>\$ (162)</b>	<b>\$ (162)</b>	<b>\$ -</b>	<b>0.0%</b>
<b>Total Non-Operating Activities</b>	<b>162</b>	<b>162</b>	<b>-</b>	<b>0.0%</b>
<b>Income (Loss) before Capital Contributions</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>

ADMINISTRATION  
CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2024

DECEMBER 31, 2023

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	13,601	11,930	1,671	14.0%
<b>Total Operating Revenue</b>	<b>\$ 13,601</b>	<b>\$ 11,930</b>	<b>\$ 1,671</b>	<b>14.0%</b>
Personnel costs	\$ 14,043	\$ 13,772	\$ (271)	-2.0%
Outside services	12,847	12,880	33	0.3%
Materials and supplies	27	20	(7)	-34.0%
Energy	628	617	(10)	-1.7%
Risk management	305	517	212	41.1%
General & administrative	2,166	2,495	329	13.2%
Vehicle/facility leases	162	125	(37)	-29.9%
Administrative Allocation	(16,131)	(16,131)	(0)	0.0%
<b>Total Operating Expenses</b>	<b>\$ 14,047</b>	<b>\$ 14,295</b>	<b>\$ 248</b>	<b>1.7%</b>
<b>Operating Income (Loss)</b>	<b>\$ (446)</b>	<b>\$ (2,364)</b>	<b>\$ 1,918</b>	<b>81.1%</b>
<b>Total Non-Operating Activities</b>	<b>828</b>	<b>76</b>	<b>752</b>	<b>993.2%</b>
<b>Income (Loss) before Capital Contributions</b>	<b>\$ 382</b>	<b>\$ (2,289)</b>	<b>\$ 2,671</b>	<b>-116.7%</b>



**OTHER ACTIVITIES  
CONSOLIDATED**

**COMPARISON TO BUDGET - FISCAL YEAR 2024  
DECEMBER 31, 2023  
(in \$000's)**

	<b>YEAR TO DATE</b>			
	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	<b>VAR. %</b>
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	805	698	108	15.4%
<b>Total Operating Revenue</b>	<b>\$ 805</b>	<b>\$ 698</b>	<b>\$ 108</b>	<b>15.4%</b>
Personnel costs	\$ 273	\$ 273	\$ 0	0.0%
Outside services	7	30	23	78.0%
Materials and supplies	-	0	0	-
Energy	3	4	1	27.9%
Risk management	29	45	16	34.8%
General & administrative	40	50	10	20.0%
Vehicle/facility leases	(4)	10	14	136.1%
Administrative Allocation	7	7	0	0.0%
<b>Total Operating Expenses</b>	<b>\$ 354</b>	<b>\$ 417</b>	<b>\$ 63</b>	<b>15.2%</b>
<b>Operating Income (Loss)</b>	<b>\$ 451</b>	<b>\$ 280</b>	<b>\$ 171</b>	<b>-61.0%</b>
<b>Total Non-Operating Activities</b>	<b>(234)</b>	<b>-</b>	<b>(234)</b>	<b>-</b>
<b>Income (Loss) before Capital Contributions</b>	<b>\$ 218</b>	<b>\$ 280</b>	<b>\$ (63)</b>	<b>-22.3%</b>



**Metropolitan  
Transit  
System**

## **Agenda Item No. 9**

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

February 8, 2024

**SUBJECT:**

Additional Staffing – Two (2) Bus Operations Training Instructor

**RECOMMENDATION:**

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to add two (2) Bus Operator Training Instructor to the position tables previously approved in the Fiscal Year 2024 budget.

Budget Impact

The Bus Operations Training Instructors will be in Salary Grade #6 (\$44,003 to \$83,272). The total net cost of the additional position (including both wage and benefits) would be approximately \$204,000 annually. The expense would be added into the annual Bus Operations Training budget, and first reflected in the Fiscal Year 2024 mid-year budget amendment.

**DISCUSSION:**

MTS Bus Operations has a goal of reaching 540 bus operators on staff to provide service levels similar to those operating prior to the COVID pandemic. We currently employ approximately 476 full-time bus operators.

The Training Department typically begins a new class of up to 15 Bus Operators every five (5) weeks. At the current staffing levels, taking into account new Bus Operator training, remedial training, return to work training, and annual Verification of Transit Training (VTT) classes, the Training Department has reached its maximum capacity and cannot handle larger class sizes. The two additional Instructors will allow MTS to offer a new class of up to 15 - 20 Bus Operators every three (3) weeks.

Additionally, in recent months, due to a multi-departmental approach to attracting and hiring bus operators, consisting of increased wages, advertising campaigns, and on-site hiring events, we have seen interest in the position increase. To take advantage of the additional applicants and to increase class sizes accordingly, we must hire a additional trainers to keep the student-to-teacher ratio at an appropriate level. This additional Instructors would ensure that students



receive timely and attentive training that is commensurate with Department of Motor Vehicles requirements.

Today's proposed action would authorize the CEO to create two (2) additional Bus Operations Training Instructors, and to fund it in the Fiscal Year 2024 budget.

/S /Sharon Cooney  
Sharon Cooney  
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, [Julia.Tuer@sdmts.com](mailto:Julia.Tuer@sdmts.com)



**Metropolitan  
Transit  
System**

## **Agenda Item No. 10**

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM  
BOARD OF DIRECTORS

February 8, 2024

**SUBJECT:**

External Auditing Services – Contract Award

**RECOMMENDATION:**

That the San Diego Metropolitan Transit System (MTS) authorize the Chief Executive Officer (CEO) to:

- 1) Execute MTS Doc. G2788.0-24 (in substantially the same format as Attachment A), with The Pun Group, Inc. (The Pun Group) for External Auditing Services for a five (5) year base period in the amount of \$1,143,722.35, plus three (3) 1-year options in the amount of \$771,190.85 for a total contract amount of \$1,914,913.20; and
- 2) Exercise the option years at the CEO's discretion.

**Budget Impact**

The total cost of this contract is estimated to be \$1,914,913.20. These services will be funded by the MTS General Operating Budget 902010-571130.

**Audit Oversight Committee Recommendation**

At its February 1, 2024 meeting, the Audit Oversight voted 6 to 0 (Board Members: Whitburn, Elo-Rivera, Frank, Moreno, Bush and Goble in favor) and Board Member Montgomery Steppe absent to recommend that the Board of Directors approve the staff recommendation.

**DISCUSSION:**

MTS is required to issue annual financial statements audited by an independent audit firm. In addition, MTS is required to have a financial audit of the San Diego Transit Corporation (SDTC) Retirement Plan, a Single Audit to comply with Department of Transportation (DOT) Inspector General Audit requirements on grants by recipient organizations under Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and issue several Agreed-Upon Procedures reports to comply with requirements for the various Federal, State and Local subsidy revenues MTS receives.



MTS is seeking a qualified public accounting firm to conduct these annual financial audits and compliance reports in conformity with General Accepted Accounting Principles (GAAP), Governmental Accounting Standards and Uniform Guidance for the following years:

Year	Fiscal Year	Dates
1	2024	4/1/24 – 3/31/25
2	2025	4/1/25 – 3/31/26
3	2026	4/1/26 – 3/31/27
4	2027	4/1/27 – 3/31/28
5	2028	4/1/28 – 3/31/29
6	2029	4/1/29 – 3/31/30
7	2030	4/1/30 – 3/31/31
8	2031	4/1/31 – 3/31/32

On September 25, 2023, MTS issued a Request for Proposals (RFP) for an External Auditing Services Contractor. MTS received six (6) proposals on the due date of November 3, 2023 from the following:

Proposer	Firm Certification
Crowe LLP	N/A
Davis Farr LLP	Small Business (SB)
Eide Bailly LLP	N/A
Plante & Moran, PLLC	N/A
The Pun Group, LLP	N/A
Vasquez & Company LLP	Minority Business Enterprise (MBE)

All proposals were deemed responsive and responsible and were evaluated by a committee comprised of representatives from the MTS Finance, Accounting, and Internal Auditing Departments. The proposals were evaluated on the following:

- |  |            |
|--|------------|
| 1. Qualifications of the Firm or Individual    | 30%        |
| 2. Staffing, Organization, and Management Plan | 25%        |
| 3. Work Plan                                   | 25%        |
| 4. Cost and Price                              | <u>20%</u> |
|  | Total 100% |

The following table illustrates the initials scores of the proposers:

PROPOSER	TOTAL COST (BASE + OPTION)	COST SCORE	TOTAL AVG TECH SCORE	TOTAL AVG SCORE (TOTAL POSSIBLE: 100)	RANKING
The Pun Group	\$1,978,667.20	20.00	68.30	88.30	1
Crowe	\$2,305,480.00	17.16	53.40	70.56	2
Plante & Moran	\$3,533,130.00	11.20	56.20	67.40	3
Vasquez & Company	\$2,261,452.60	17.50	46.20	63.70	4
Eide Bailly	\$2,794,292.00	14.16	46.50	60.66	5

Davis Farr	\$1,983,210.00	19.95	37.80	57.75	6
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As a result of the initial review, three (3) firms were determined to be within the competitive range (The Pun Group, Crowe, and Plante & Moran). MTS invited these firms to participate in the interview process. Interviews were held on January 12, 2024. Subsequent to the interviews, the evaluation committee rescored the firms as follows:

PROPOSER	TOTAL AVG TECH SCORE	TOTAL COST (BASE + OPTION)	COST SCORE	TOTAL AVG SCORE (TOTAL POSSIBLE: 100)	RANKING
The Pun Group	67.80	\$1,978,667.20	20.00	87.80	1
Plante & Moran	61.80	\$3,533,130.00	11.20	73.00	2
Crowe	51.80	\$2,305,480.00	17.16	68.96	3

Based on the updated scores and information gained during the interviews, The Pun Group and Plante & Moran remained the highest-ranked proposers. After a requesting a revised proposal from both firms, staff was able to reduce The Pun Group’s cost proposal by \$63,754.00 (3.2%) and Plante & Moran by \$177,975.00 (5.0%). Final scores are as follows:

PROPOSER	TOTAL COST (BASE + OPTION)	COST SCORE	TOTAL AVG TECH SCORE	TOTAL AVG SCORE (TOTAL POSSIBLE: 100)	RANKING
The Pun Group	\$1,914,913.20	20.00	67.80	87.80	1
Plante & Moran	\$3,355,155.00	11.41	61.80	73.21	2

Based on the objectives of this procurement, consideration of the evaluation criteria and The Pun Group’s technical and cost proposals, the evaluation committee determined The Pun Group presented the best overall value to MTS.

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to:

- 1) Execute MTS Doc. No. G2788.0-24 (in substantially the same format as Attachment A) with The Pun Group for a five (5) base year period in the amount of \$1,143,722.35, plus three (3) 1-year options in the amount of \$771,190.85 for a total contract amount of \$1,914,913.20; and
- 2) Exercise the option years at the CEO’s discretion

/S/ Sharon Cooney  
 Sharon Cooney  
 Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, [Julia.Tuer@sdmts.com](mailto:Julia.Tuer@sdmts.com)

Attachments: A. Draft Agreement MTS Doc. No. G2788.0-24  
 B. Cost Proposal



## CALL – IN PUBLIC COMMENT

Truth provided a public comment for agenda item Consent. A paraphrased version of Truth’s statement will be reflected in the minutes.

### PUBLIC SPEAKER DISCLAIMER

#### INSTRUCTIONS

This meeting is offered both in an in-person and virtual format. In-person speaker requests will be taken first. Speaking time will be limited to two minutes per person, unless specified by the Chairperson. Members of the public are permitted to make general public comments at the beginning of the agenda or make specific comments on any item in the agenda at the time the Board/Committee is considering the item during the meeting. Requests to speak will not be taken after the public comment period ends, unless under the Chair’s discretion.

#### BOARD OF DIRECTORS MEETING

General Public Comment at the beginning of the agenda will be limited to five speakers with the standard two-minute limit, unless otherwise directed by the Chair. Additional speakers with general public comments will be heard at the end of the meeting.

#### MEETING RECORD

A paraphrased version of this comment will be included in the minutes. The full comment can be heard by reviewing the recording posted on the respective meeting website:

<https://www.sdmts.com/about/meetings-and-agendas>.





**Metropolitan  
Transit  
System**

## **Agenda Item No. 11**

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM  
BOARD OF DIRECTORS

February 8, 2024

**SUBJECT:**

San Diego Transit Corporation (SDTC) Pension Investment Status (Jeremy Miller, with RVK Inc., and Mike Thompson)

**INFORMATION ONLY**

Budget Impact

None.

**DISCUSSION:**

San Diego Metropolitan Transit System (MTS) was created by state statute in 1975. Over the following two decades, MTS assumed responsibility for all public transit services within our jurisdictional area. This was achieved by MTS bringing three distinct entities under the MTS umbrella: MTS (administration employees such as Human Resources (HR), Finance, Planning, Marketing, Legal, Internal Audit, Information Technology (IT), Security, Capital Projects, and the Executive Office), San Diego Trolley, Inc. (SDTI) (employees operating and maintaining the trolley system), and SDTC (employees operating and maintaining the bus system). Members of the MTS Board also serve as members of the governing boards for SDTI and SDTC. MTS Board meetings are considered consolidated meetings of all three entities.

MTS and SDTI employees participate in the statewide California Public Employee Retirement System (CalPERS). However, legacy SDTC employees participate in a private retirement plan that was created before the City of San Diego transferred the SDTC entity to MTS.

Today's presentation will relate to the private SDTC Employee Retirement Plan (Plan) that MTS is responsible for. The Plan has a pool of investments to fund the current and future pension benefit of the Plan members. In 2012, the Plan was closed to new members.

The Plan's investment advisor, Jeremy Miller from RVK, will provide the Board of Directors with an update as to the performance of the Plan as well as general capital market performance. RVK's pension investment performance analysis (Attachment A) for the Plan as of June 30, 2023, includes assets with a market value of \$184.4 million. During fiscal year 2023, the Plan's assets increased by approximately \$6.9 million, primarily due to positive market investment performance partially offset by benefit payments to retirees.





The Plan's ten products achieved a combined investment return of 7.0% for the year. The Plan's returns over the past three, five and ten years were 5.0%, 4.2% and 4.8% respectively. Since inception (10/1/1982), the Plan's investments have returned 8.4%. The current actuarial target for the Plan is 6.0%.

/S /Sharon Cooney

Sharon Cooney  
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, [Julia.Tuer@sdmts.com](mailto:Julia.Tuer@sdmts.com)

Attachment: A. RVK Pension Investment Performance Analysis



# Monthly Investment Performance Analysis

San Diego Transit Corporation  
Employees Retirement Plan

Period Ended: June 30, 2023



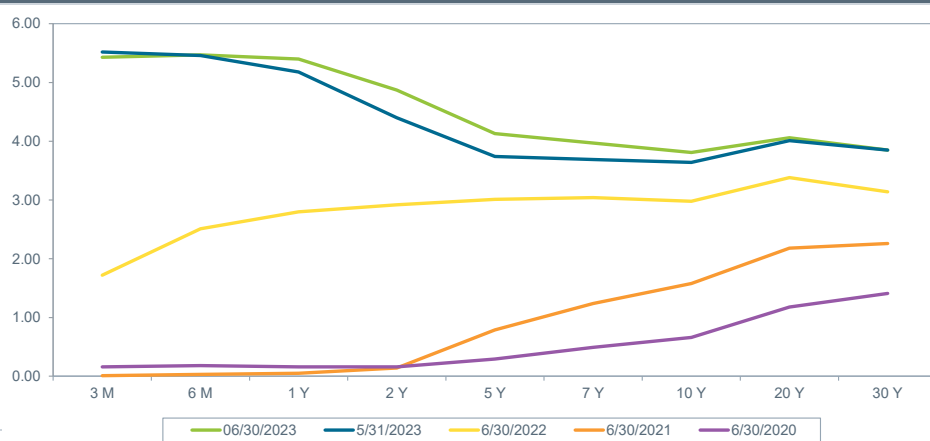
Capital Markets Review

General Market Commentary

- Global equity markets experienced positive results in June, with most US and international indexes posting mid-single digit returns for the month. Stocks traded higher largely due to encouraging inflation news and optimism of a soft landing for the US economy.
- Inflation continued to moderate, with year-over-year inflation as of May 2023 coming in at 4.00%, its lowest reading in two years and significantly lower than the 9.10% pandemic-era peak in June 2022.
- The Fed decided to pause interest rate hikes at their June meeting, following ten consecutive interest rate hikes. However, given Fed Chair Powell's comments, additional rate hikes are expected this year as the Fed attempts to continue to bring inflation down to the 2.00% target.
- Equity markets posted positive returns in June as the S&P 500 (Cap Wtd) Index returned 6.61% and the MSCI EAFE (Net) Index returned 4.55%. Emerging markets returned 3.80%, as measured by the MSCI EM (Net) Index.
- The Bloomberg US Aggregate Bond Index returned -0.36% in June, outperforming the -0.93% return by the Bloomberg US Treasury Intermediate Term Index. International fixed income markets returned 0.53%, as measured by the FTSE Non-US World Gov't Bond Index.
- Public real estate returned 5.15% in June and 4.55% over the trailing five-year period, as measured by the FTSE NAREIT Eq REITs Index (TR).
- The Cambridge US Private Equity Index returned -0.52% for the trailing one-year period and 16.16% for the trailing five-year period ending March 2023.
- Absolute return strategies returned 1.16% for the month and 3.67% over the trailing one-year period, as measured by the HFRI FOF Comp Index.
- Crude oil's price increased by 3.75% during the month but has decreased by 33.21% YoY.

Economic Indicators	Jun-23	May-23	Jun-22	10 Yr	20 Yr
Federal Funds Rate (%)	5.08	—	5.08	1.58	1.01
Breakeven Inflation - 5 Year (%)	2.17	▲	2.14	2.62	1.89
Breakeven Inflation - 10 Year (%)	2.21	▼	2.23	2.34	1.97
Breakeven Inflation - 30 Year (%)	2.23	▼	2.29	2.21	2.03
Bloomberg US Agg Bond Index - Yield (%)	4.81	▲	4.59	3.72	2.53
Bloomberg US Agg Bond Index - OAS (%)	0.49	▼	0.55	0.55	0.47
Bloomberg US Agg Credit Index - OAS (%)	1.14	▼	1.28	1.43	1.18
Bloomberg US Corp: HY Index - OAS (%)	3.90	▼	4.59	5.69	4.28
Capacity Utilization (%)	N/A	N/A	79.58	79.84	77.34
Unemployment Rate (%)	3.60	▼	3.70	3.60	5.05
PMI - Manufacturing (%)	46.00	▼	46.90	53.00	54.25
Baltic Dry Index - Shipping	1,091	▲	977	2,240	1,365
Consumer Conf (Conf Board)	109.70	▲	102.30	98.40	107.29
CPI YoY (Headline) (%)	3.00	▼	4.00	9.10	2.68
CPI YoY (Core) (%)	4.80	▼	5.30	5.90	2.69
PPI YoY (%)	-3.10	▼	-0.90	18.30	2.78
M2 YoY (%)	N/A	N/A	-4.00	5.60	7.66
US Dollar Total Weighted Index	119.89	▼	121.23	121.05	111.61
WTI Crude Oil per Barrel (\$)	71	▲	68	106	65
Gold Spot per Oz (\$)	1,906	▼	1,958	1,807	1,458

Treasury Yield Curve (%)



Treasury Yield Curve (%)	Jun-23	May-23	Jun-22	Jun-21	Jun-20
3 Month	5.43	5.52	1.72	0.01	0.16
6 Month	5.47	5.46	2.51	0.03	0.18
1 Year	5.40	5.18	2.80	0.05	0.16
2 Year	4.87	4.40	2.92	0.14	0.16
5 Year	4.13	3.74	3.01	0.79	0.29
7 Year	3.97	3.69	3.04	1.24	0.49
10 Year	3.81	3.64	2.98	1.58	0.66
20 Year	4.06	4.01	3.38	2.18	1.18
30 Year	3.85	3.85	3.14	2.26	1.41

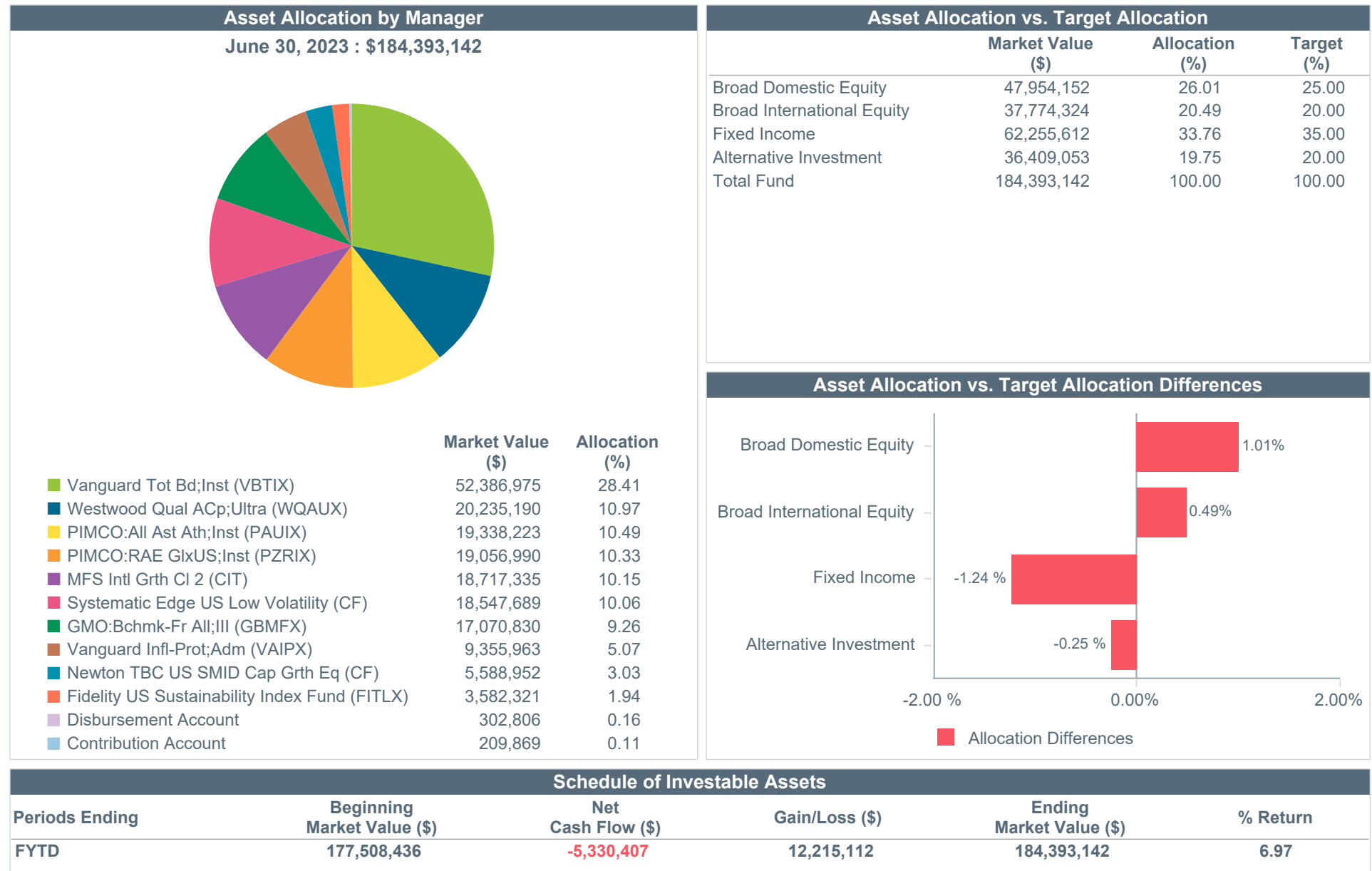
  

Market Performance (%)	MTD	QTD	CYTD	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr
S&P 500 (Cap Wtd)	6.61	8.74	16.89	19.59	14.60	12.31	13.38	12.86
Russell 2000	8.13	5.21	8.09	12.31	10.82	4.21	8.76	8.26
MSCI EAFE (Net)	4.55	2.95	11.67	18.77	8.93	4.39	6.88	5.41
MSCI EAFE SC (Net)	2.89	0.58	5.53	10.18	5.70	1.30	5.74	6.19
MSCI EM (Net)	3.80	0.90	4.89	1.75	2.32	0.93	4.95	2.95
Bloomberg US Agg Bond	-0.36	-0.84	2.09	-0.94	-3.97	0.77	0.44	1.52
ICE BofAML 3 Mo US T-Bill	0.46	1.17	2.25	3.59	1.27	1.55	1.37	0.98
NCREIF ODCE (Gross)	-2.68	-2.68	-5.77	-9.98	7.99	6.50	6.97	8.74
FTSE NAREIT Eq REITs Index (TR)	5.15	2.62	5.37	-0.13	8.91	4.55	3.49	6.42
HFRI FOF Comp Index	1.16	1.52	2.27	3.67	5.04	3.32	4.03	3.39
Bloomberg Cmdb Index (TR)	4.04	-2.56	-7.79	-9.61	17.82	4.73	3.41	-0.99

NCREIF performance is reported quarterly; MTD and QTD returns are shown as "N/A" on interim-quarter months and until available. Data shown is as of most recent quarter-end. Treasury data courtesy of the US Department of the Treasury. Economic data courtesy of Bloomberg Professional Service. The previous month's CPI YoY is used as a proxy for the current YoY return until it becomes available.



San Diego Transit Corporation Employees Retirement Plan  
AA by Manager, AA vs. Target, and Schedule of Investable Assets



Performance shown is gross of fees. Market values and performance are preliminary and subject to change. Allocations shown may not sum up to 100% exactly due to rounding. Fiscal year ends 06/30.

San Diego Transit Corporation Employees Retirement Plan  
Asset Allocation & Performance

	Allocation		Performance (%)											
	Market Value (\$)	%	MTD	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	Since Incep.	Inception Date
<b>San Diego Transit Total Fund</b>	<b>184,393,142</b>	<b>100.00</b>	<b>2.81</b>	<b>1.14</b>	<b>4.99</b>	<b>6.97</b>	<b>5.00</b>	<b>4.23</b>	<b>4.79</b>	<b>-10.44</b>	<b>8.36</b>	<b>8.88</b>	<b>8.42</b>	<b>10/01/1982</b>
Policy Index			3.18	2.89	8.37	8.80	4.46	4.93	5.19	-15.80	8.87	13.05	8.65	
Difference			-0.37	-1.75	-3.38	-1.83	0.54	-0.70	-0.40	5.36	-0.51	-4.17	-0.23	
<b>Domestic Equity</b>	<b>47,954,152</b>	<b>26.01</b>	<b>5.34</b>	<b>2.26</b>	<b>3.77</b>	<b>10.37</b>	<b>11.16</b>	<b>7.86</b>	<b>9.82</b>	<b>-7.18</b>	<b>16.35</b>	<b>13.11</b>	<b>7.81</b>	<b>03/01/2005</b>
Russell 3000 Index			6.83	8.39	16.17	18.95	13.89	11.39	12.34	-19.21	25.66	20.89	9.46	
Difference			-1.49	-6.13	-12.40	-8.58	-2.73	-3.53	-2.52	12.03	-9.31	-7.78	-1.65	
<b>International Equity</b>	<b>37,774,324</b>	<b>20.49</b>	<b>4.92</b>	<b>3.64</b>	<b>11.78</b>	<b>18.15</b>	<b>11.34</b>	<b>6.17</b>	<b>7.12</b>	<b>-11.49</b>	<b>12.03</b>	<b>9.68</b>	<b>4.66</b>	<b>03/01/2005</b>
MSCI ACW Ex US Index (USD) (Net)			4.49	2.44	9.47	12.72	7.22	3.52	4.75	-16.00	7.82	10.65	4.63	
Difference			0.43	1.20	2.31	5.43	4.12	2.65	2.37	4.51	4.21	-0.97	0.03	
<b>Fixed Income</b>	<b>62,255,612</b>	<b>33.76</b>	<b>-0.37</b>	<b>-0.96</b>	<b>2.17</b>	<b>-0.97</b>	<b>-3.83</b>	<b>0.80</b>	<b>1.41</b>	<b>-13.01</b>	<b>-1.42</b>	<b>7.74</b>	<b>3.68</b>	<b>03/01/2005</b>
Bloomberg US Agg Bond Index			-0.36	-0.84	2.09	-0.94	-3.97	0.77	1.52	-13.01	-1.55	7.51	3.03	
Difference			-0.01	-0.12	0.08	-0.03	0.14	0.03	-0.11	0.00	0.13	0.23	0.65	
<b>Alternative Investment</b>	<b>36,409,053</b>	<b>19.75</b>	<b>3.01</b>	<b>0.73</b>	<b>4.71</b>	<b>5.94</b>	<b>5.68</b>	<b>2.90</b>	<b>2.35</b>	<b>-9.27</b>	<b>10.98</b>	<b>2.11</b>	<b>2.40</b>	<b>05/01/2007</b>
Alternative Investment Custom Index			3.48	3.07	8.82	9.25	4.53	4.62	3.82	-17.33	8.78	14.05	2.29	
Difference			-0.47	-2.34	-4.11	-3.31	1.15	-1.72	-1.47	8.06	2.20	-11.94	0.11	

Performance shown is gross of fees. Market values and performance are preliminary and subject to change. Fiscal year ends 06/30. Inception dates shown represent the first full month following initial funding.

San Diego Transit Corporation Employees Retirement Plan  
Comparative Performance

	MTD	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	Since Incep.	Inception Date
<b>San Diego Transit Total Fund</b>	<b>2.81</b>	<b>1.14</b>	<b>4.99</b>	<b>6.97</b>	<b>5.00</b>	<b>4.23</b>	<b>4.79</b>	<b>-10.44</b>	<b>8.36</b>	<b>8.88</b>	<b>8.42</b>	<b>10/01/1982</b>
Policy Index	3.18	2.89	8.37	8.80	4.46	4.93	5.19	-15.80	8.87	13.05	8.65	
Difference	-0.37	-1.75	-3.38	-1.83	0.54	-0.70	-0.40	5.36	-0.51	-4.17	-0.23	
<b>Westwood Qual ACp;Ultra (WQAUX) (1)</b>	<b>5.88</b>	<b>2.61</b>	<b>3.94</b>	<b>11.91</b>	<b>15.67</b>	<b>8.99</b>	<b>10.03</b>	<b>-4.89</b>	<b>23.36</b>	<b>9.02</b>	<b>10.57</b>	<b>07/01/1986</b>
Russell 3000 Val Index (2)	6.72	4.03	4.98	11.22	14.38	7.79	9.09	-7.98	25.37	2.87	9.68	
Difference	-0.84	-1.42	-1.04	0.69	1.29	1.20	0.94	3.09	-2.01	6.15	0.89	
<b>Systematic Edge US Low Volatility (CF)</b>	<b>4.01</b>	<b>0.17</b>	<b>-0.46</b>	<b>6.28</b>	<b>8.46</b>	<b>7.91</b>	<b>9.45</b>	<b>-2.85</b>	<b>15.69</b>	<b>6.63</b>	<b>9.94</b>	<b>10/01/2012</b>
MSCI US Min Vol Index (USD) (Net)	4.48	2.50	3.68	7.37	8.35	8.42	10.21	-9.67	20.43	5.09	10.52	
Difference	-0.47	-2.33	-4.14	-1.09	0.11	-0.51	-0.76	6.82	-4.74	1.54	-0.58	
Russell 1000 Index	6.75	8.58	16.68	19.36	14.09	11.92	12.64	-19.13	26.45	20.96	13.09	
Difference	-2.74	-8.41	-17.14	-13.08	-5.63	-4.01	-3.19	16.28	-10.76	-14.33	-3.15	
<b>Fidelity US Sustainability Index Fund (FITLX)</b>	<b>6.65</b>	<b>8.80</b>	<b>17.65</b>	<b>18.71</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>7.80</b>	<b>05/01/2022</b>
MSCI US ESG Leaders Index (USD) (Gross)	6.64	8.78	17.68	18.70	14.40	12.88	12.55	-20.21	31.73	18.84	7.82	
Difference	0.01	0.02	-0.03	0.01	N/A	N/A	N/A	N/A	N/A	N/A	-0.02	
<b>Newton TBC US SMID Cap Grth Eq (CF)</b>	<b>7.07</b>	<b>4.18</b>	<b>10.66</b>	<b>15.21</b>	<b>-0.70</b>	<b>7.75</b>	<b>11.79</b>	<b>-32.84</b>	<b>-3.24</b>	<b>70.19</b>	<b>15.05</b>	<b>04/01/2009</b>
Russell 2500 Grth Index	7.89	6.41	13.38	18.58	6.56	7.00	10.38	-26.21	5.04	40.47	14.52	
Difference	-0.82	-2.23	-2.72	-3.37	-7.26	0.75	1.41	-6.63	-8.28	29.72	0.53	
<b>PIMCO:RAE GlxUS;Inst (PZRIX)</b>	<b>6.06</b>	<b>4.04</b>	<b>10.44</b>	<b>16.44</b>	<b>12.96</b>	<b>4.12</b>	<b>5.54</b>	<b>-8.72</b>	<b>12.77</b>	<b>2.30</b>	<b>5.65</b>	<b>03/01/2012</b>
FTSE RAFI Dvl'd Ex US 1000 Index	5.54	3.78	10.95	18.22	13.91	5.17	6.27	-8.43	16.13	3.61	6.18	
Difference	0.52	0.26	-0.51	-1.78	-0.95	-1.05	-0.73	-0.29	-3.36	-1.31	-0.53	
MSCI ACW Ex US Index (USD) (Net)	4.49	2.44	9.47	12.72	7.22	3.52	4.75	-16.00	7.82	10.65	4.50	
Difference	1.57	1.60	0.97	3.72	5.74	0.60	0.79	7.28	4.95	-8.35	1.15	
<b>MFS Intl Grth CI 2 (CIT)</b>	<b>3.81</b>	<b>3.26</b>	<b>13.08</b>	<b>19.77</b>	<b>9.46</b>	<b>7.80</b>	<b>8.51</b>	<b>-14.09</b>	<b>10.61</b>	<b>16.51</b>	<b>8.00</b>	<b>03/01/2013</b>
MSCI ACW Ex US Grth Index (USD) (Net)	3.80	1.94	10.70	13.26	3.96	4.06	5.61	-23.05	5.09	22.20	5.19	
Difference	0.01	1.32	2.38	6.51	5.50	3.74	2.90	8.96	5.52	-5.69	2.81	
<b>Vanguard Tot Bd;Inst (VBTIX)</b>	<b>-0.37</b>	<b>-0.89</b>	<b>2.26</b>	<b>-0.85</b>	<b>-4.00</b>	<b>0.81</b>	<b>N/A</b>	<b>-13.07</b>	<b>-1.77</b>	<b>7.80</b>	<b>0.45</b>	<b>07/01/2016</b>
Vanguard Spl B US Agg Flt Adj Index	-0.34	-0.86	2.12	-0.85	-3.97	0.82	1.54	-13.07	-1.58	7.75	0.47	
Difference	-0.03	-0.03	0.14	0.00	-0.03	-0.01	N/A	0.00	-0.19	0.05	-0.02	
<b>Vanguard Infl-Prot;Adm (VAIPX)</b>	<b>-0.45</b>	<b>-1.56</b>	<b>1.93</b>	<b>-1.68</b>	<b>-0.13</b>	<b>2.47</b>	<b>2.11</b>	<b>-11.80</b>	<b>5.78</b>	<b>11.07</b>	<b>2.69</b>	<b>08/01/2010</b>
Bloomberg US Trsy US TIPS Index	-0.34	-1.42	1.87	-1.40	-0.12	2.49	2.08	-11.85	5.96	10.99	2.67	
Difference	-0.11	-0.14	0.06	-0.28	-0.01	-0.02	0.03	0.05	-0.18	0.08	0.02	

Performance shown is gross of fees, preliminary and subject to change. Manager inception dates shown represent the first full month following initial funding. Fiscal year ends 06/30.

San Diego Transit Corporation Employees Retirement Plan  
Comparative Performance

	MTD	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	Since Incep.	Inception Date
<b>PIMCO:All Ast Ath;Inst (PAUIX)</b>	<b>2.16</b>	<b>-0.81</b>	<b>4.01</b>	<b>2.77</b>	<b>5.94</b>	<b>2.87</b>	<b>2.63</b>	<b>-14.83</b>	<b>16.57</b>	<b>5.58</b>	<b>3.96</b>	<b>06/01/2008</b>
All Asset Custom Index (EqI Wtd) (3)	1.86	1.92	5.83	6.53	3.31	4.22	4.24	-10.42	6.46	9.89	4.38	
Difference	0.30	-2.73	-1.82	-3.76	2.63	-1.35	-1.61	-4.41	10.11	-4.31	-0.42	
HFRI FOF: Cnsvt Index	0.62	0.85	1.78	3.47	6.01	3.89	3.45	0.08	7.62	6.47	2.08	
Difference	1.54	-1.66	2.23	-0.70	-0.07	-1.02	-0.82	-14.91	8.95	-0.89	1.88	
Consumer Price Index+5%	0.73	2.32	5.34	8.12	11.07	9.09	7.85	11.78	12.39	6.43	7.41	
Difference	1.43	-3.13	-1.33	-5.35	-5.13	-6.22	-5.22	-26.61	4.18	-0.85	-3.45	
<b>GMO:Bchmk-Fr All;III (GBMFX)</b>	<b>3.99</b>	<b>2.54</b>	<b>5.51</b>	<b>9.99</b>	<b>5.42</b>	<b>2.98</b>	<b>N/A</b>	<b>-1.23</b>	<b>3.91</b>	<b>-1.60</b>	<b>3.09</b>	<b>04/01/2014</b>
60% MSCI ACW (Net)/40% Bbrg US Agg Idx	3.34	3.36	9.11	9.44	5.00	5.45	6.04	-16.02	10.20	13.49	5.35	
Difference	0.65	-0.82	-3.60	0.55	0.42	-2.47	N/A	14.79	-6.29	-15.09	-2.26	
HFRI FOF: Cnsvt Index	0.62	0.85	1.78	3.47	6.01	3.89	3.45	0.08	7.62	6.47	3.16	
Difference	3.37	1.69	3.73	6.52	-0.59	-0.91	N/A	-1.31	-3.71	-8.07	-0.07	
Consumer Price Index+5%	0.73	2.32	5.34	8.12	11.07	9.09	7.85	11.78	12.39	6.43	7.94	
Difference	3.26	0.22	0.17	1.87	-5.65	-6.11	N/A	-13.01	-8.48	-8.03	-4.85	

Performance shown is gross of fees, preliminary and subject to change. Manager inception dates shown represent the first full month following initial funding. Fiscal year ends 06/30.

**San Diego Transit Corporation Employees Retirement Plan  
Fee Schedule**

	<b>Fee Schedule</b>	<b>Market Value As of 06/30/2023 (\$)</b>	<b>Estimated Annual Fee (\$)</b>	<b>Estimated Annual Fee (%)</b>
Westwood Qual ACp;Ultra (WQAUX)	0.45 % of Assets	20,235,190	91,058	0.45
Systematic Edge US Low Volatility (CF)	0.40 % of First \$20 M 0.30 % of Next \$80 M 0.20 % Thereafter	18,547,689	74,191	0.40
Fidelity US Sustainability Index Fund (FITLX)	0.11 % of Assets	3,582,321	3,941	0.11
Newton TBC US SMID Cap Grth Eq (CF)	0.90 % of First \$25 M 0.75 % Thereafter	5,588,952	50,301	0.90
PIMCO:RAE GlxUS;Inst (PZRIX)	0.57 % of Assets	19,056,990	108,625	0.57
MFS Intl Grth CI 2 (CIT)	0.75 % of Assets	18,717,335	140,380	0.75
Vanguard Tot Bd;Inst (VBTIX)	0.04 % of Assets	52,386,975	18,335	0.04
Vanguard Infl-Prot;Adm (VAIPX)	0.10 % of Assets	9,355,963	9,356	0.10
PIMCO:All Ast Ath;Inst (PAUIX)	0.94 % of Assets	19,338,223	181,779	0.94
GMO:Bchmk-Fr All;III (GBMFX)	1.16 % of Assets	17,070,830	198,022	1.16
Contribution Account	0.18 % of Assets	209,869	378	0.18
Disbursement Account	0.18 % of Assets	302,806	545	0.18
<b>San Diego Transit Total Fund</b>		<b>184,393,142</b>	<b>876,910</b>	<b>0.48</b>

Mutual fund fees are sourced from Morningstar and/or the investment manager. The expense ratio for Vanguard Tot Bd;Inst (VBTIX) is 0.035%.



## San Diego Transit Corporation Employees Retirement Plan Addendum

### Performance Related and Miscellaneous Comments

- Performance is gross of fees.
- Performance is annualized for periods greater than one year.
- Manager inception dates shown represent the first full month following initial funding.
- Fiscal year ends 06/30.
- The Alternative Investment performance shown is a blend of gross and net of fees, due to gross of fees performance for PAAMCO Pacific Hedged Strategy (CF) being unavailable.
- PIMCO:All Ast Ath;Inst (PAUIX) performance prior to 08/2011 is represented by PIMCO:All Asset;Inst (PAAIX).
- PIMCO:RAE GixUS;Inst (PZRIX) performance prior to 06/2015 is represented by Research Affiliates Global AC Ex-US, LP (CF).
- Effective 01/02/2019, The Boston Company was rebranded under the Mellon Corporation.
- Vanguard Infl-Prot;Adm (VAIPX) performance prior to 05/2019 is represented by Vanguard Infl-Prot;Inst (VIPIX). Prior to 06/2012, performance is represented by Vanguard Infl-Prot;Adm (VAIPX).
- During 02/2023, PAAMCO Pacific Hedged Strategy (CF) was fully liquidated.

### Custom Hybrid Comments

- The Policy Index is calculated monthly and currently consists of 25% Russell 3000 Index, 20% MSCI ACW Ex US Index (USD) (Net), 35% Bloomberg US Agg Bond Index and 20% of the 60% MSCI ACW (Net)/40% Bbrg Gbl Agg Idx. Prior to 05/2020, consisted of 25% Russell 3000 Index, 20% MSCI ACW Ex US Index (USD) (Net), 32.50% Bloomberg US Agg Bond Index and 22.50% of the 60% MSCI ACW (Net)/40% Bbrg Gbl Agg Idx.
- Performance shown for Alternative Investment Custom Index represents 60% MSCI ACW (Net)/40% Bbrg Gbl Agg Idx from 07/2018 through present; and prior to 07/2018, consists of the HFRI FOF: Cnsvt Index.
- Performance shown for Westwood Qual ACp;Ultra (WQAUX) (1) represents Westwood Qual ACp;Ultra (WQAUX) from 10/2021 through present; Westwood All Cap Val (CF) from 08/2011 through 09/2021; beginning of month market value weighted average of Westwood LargeCap Value (CF) and Westwood SMidCap Equity (CF) from 07/2008 through 07/2011; Westwood LargeCap Value (CF) from 10/2004 through 06/2008; beginning of month market value weighted average of Westwood LargeCap Value (CF) and Westwood SmallCap Growth (CF) from 01/1997 through 09/2004; and Westwood LargeCap Value (CF) from 07/1986 through 12/1996.
- Performance shown for Russell 3000 Val Index (2) represents Russell 3000 Val Index from 08/2011 through present; beginning of month market value weighted average of Westwood LargeCap Value (CF) and Westwood SMidCap Equity (CF) applied to the Russell 1000 Val Index and Russell 2500 Val Index, respectively, from 07/2008 through 07/2011; Russell 1000 Val Index from 10/2004 through 06/2008; beginning of month market value weighted average of Westwood LargeCap Value (CF) and Westwood SmallCap Growth (CF) applied to the Russell 1000 Val Index and Russell 2000 Grth Index, respectively, from 01/1997 through 09/2004; and Russell 1000 Val Index from 01/1986 through 12/1996.
- Performance shown for All Asset Custom Index (EqI Wtd) (3) represents All Asset Custom Index (EqI Wtd) from 01/2014 through present; and All Asset Composite Index from 10/1997 through 12/2013.

**San Diego Transit Corporation Employees Retirement Plan  
Addendum**

**Custom Hybrid Comments (Continued)**

- The All Asset Custom Index (Eql Wtd) is an equal-weighted hybrid created independently by RVK specifically for PIMCO's All Asset strategies, and it consists of the following benchmarks:

1. *Short Term Strategies*: ICE BofAML 1 Yr T-Bill Index
2. *US Core and Long Maturity Bond Strategies*: Bloomberg US Agg Bond Index
3. *EM and Gbl Bond Strategies*: PIMCO GLADI Index\*
4. *Crdt Strategies*: ICE BofAML US Hi Yld Master II Index
5. *Inflation Related Strategies*: Bloomberg US Trsy US TIPS Index
6. *US Equity Strategies*: Russell 3000 Index
7. *Global Equity Strategies*: MSCI ACW Index (USD) (Net)
8. *Alternative Strategies*: ICE BofAML 3 Mo US T-Bill Index+3%

\* Performance for the PIMCO Gbl Advantage Bond Index (London Close) prior to 01/01/2004 consists of the JPM EMBI Gbl Dvf'd Index (USD) (TR).

PORTLAND

BOISE

CHICAGO

NEW YORK

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RVK

# San Diego Transit Corporation - Investment Manager Fiscal Year 2023 Update

Board of Directors



# Investment Structure as of 6/30/2023

Asset Allocation vs. Target Allocation			
	Market Value (\$)	Allocation (%)	Target (%)
Broad Domestic Equity	47,954,152	26.0	25.0
Broad International Equity	37,774,324	20.5	20.0
Fixed Income	62,255,612	33.8	35.0
Alternatives (Multi-Asset)	36,409,053	19.7	20.0
<b>Total Fund</b>	<b>184,393,142</b>	<b>100</b>	<b>100</b>

- Plan is diversified across four broad asset classes
- Goal is to maximize return, while assuming a prudent risk level
  - Closed Plan to non-management participants (2011/2012)
  - Risk Profile as measured by Volatility (higher % = riskier portfolio) has been meaningfully reduced since Plan closed
    - 6/30/2011: 3-Year Plan Risk = 16% Volatility (Percentile Rank: 31<sup>st</sup> of 100)
    - 6/30/2023: 3-Year Plan Risk = 11% Volatility (Percentile Rank: 76<sup>th</sup> of 100)
- Liability structure (mature plan, with net outflows) would suggest an Asset structure that is more conservative, diversified and liquid
  - Assets exist to satisfy the Liabilities, as capital preservation is necessary in mature plan, and thus less emphasis on equity allocation
  - Management fees meaningfully reduced through passive investing

# Investment Details as of 6/30/2023

Fund	Asset Class	Strategy	Market Value (\$)	Allocation (%)	Target (%)
Westwood All Cap Value	US Equity	Active	20,235,190	11.0	
Fidelity US Sustainability Index	US Equity	Passive	3,582,321	1.9	
Systematic Edge US Low Volatility	US Equity	Active	18,547,689	10.1	
BNYM Newton US SMID Growth	US Equity	Active	5,588,952	3.0	
<b>Total US Equity</b>			<b>47,954,152</b>	<b>26.0</b>	<b>25.0</b>
PIMCO RAE	Int'l Equity	Active	19,056,990	10.3	
MFS Int'l Growth	Int'l Equity	Active	18,717,335	10.2	
<b>Total International Equity</b>			<b>37,774,324</b>	<b>20.5</b>	<b>20.0</b>
Vanguard Total Bond	Fixed Income	Passive	52,386,975	28.4	
Vanguard Inflation-Protection	Fixed Income	Active	9,355,963	5.1	
<b>Total Fixed Income<sup>1</sup></b>			<b>62,255,612</b>	<b>33.8</b>	<b>35.0</b>
PIMCO All Asset All Auth❖	GTAA	Active	19,338,223	10.5	
GMO Benchmark-Free	GTAA	Active	17,070,830	9.3	
<b>Total Alternatives<sup>2</sup></b>			<b>36,409,053</b>	<b>19.7</b>	<b>20.0</b>
<b>TOTAL FUND</b>			<b>184,393,142</b>	<b>100</b>	<b>100</b>

<sup>1</sup>Includes residual cash in the Contribution & Disbursement Accounts

<sup>2</sup>Excludes \$6,688 in residual PAAMCO illiquid SPV assets

- Assets are allocated across 10 different products
  - ❖ As of year-end 2023 PIMCO All Asset All Authority has been removed with assets reallocated to a Vanguard Treasury Money Market (VUSXX) fund
- Product diversification reduces overall portfolio risks
- Allocation sizes for active managers are controlled, reducing concentration risks
- Direct ESG allocation via Fidelity US Sustainability Index

## FY 2023 Performance

- Strong rebound for both U.S. and International stocks but concentrated in growth (technology), especially in the first two quarters of 2023
- Bonds continued to underperform as rates continued to rise
- Plan returned **7.0%** over the 2023 fiscal year
- Assumed Actuarial annual rate of return is 6.00%
- Outperformed the Actuarial rate by 1.0% in fiscal year 2023

# Long Term Performance Details

As of 6/30/2023

	Allocation		Performance (%)				Inception Date
	Market Value (\$)	%	1 Year	5 Years	10 Years	41 Year	
<b>San Diego Transit Total Fund</b>	<b>184,393,142</b>	<b>100%</b>	<b>7.0</b>	<b>4.2</b>	<b>4.8</b>	<b>8.4</b>	<b>10/01/1982</b>
Domestic Equity	47,954,152	26.0%	10.4	7.9	9.8		
International Equity	37,774,324	20.5%	18.2	6.2	7.1		
Fixed Income	62,255,612	33.8%	-1.0	0.8	1.4		
Alternative Investment	36,409,053	19.7%	5.9	2.9	2.4		

- Year to year returns will fluctuate significantly, some years above and some years below the Actuarial rate of return, but over the long-run the SDTC portfolio has outperformed the 6.00% Actuarial return hurdle



# Investment Structure Summary

- Plan is well diversified across a variety of managers and broad asset classes
- Asset Allocation is more conservative by design given that the Plan is closed
  - Focus is on satisfying liabilities
  - Balance capital appreciation vs. capital preservation
- Management fees are kept low with the use of passive investments
- Portfolio is well positioned for the future given the liability structure of the Plan
- Fiscal Year 2024 return for the Plan is 4.9% through 12/31/2023

# Questions / Comments

PORTLAND

BOISE

CHICAGO

NEW YORK

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**Metropolitan  
Transit  
System**

## **Agenda Item No. 12**

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

February 8, 2024

**SUBJECT:**

San Diego Transit Corporation (SDTC) Employee Retirement Plan's Actuarial Valuation as of July 1, 2023 (Anne Harper and Alice Alsberghe with Cheiron Inc., and Mike Thompson)

**RECOMMENDATION:**

That the San Diego Metropolitan Transit System (MTS) Board of Directors receive the SDTC Employee Retirement Plan's (Plan) Actuarial Valuation as of July 1, 2023 (Attachment A) and adopt the pension contribution amount of \$20,174,660 for fiscal year 2025.

Budget Impact

Board adoption would result in the annual pension contribution of \$20,174,660 for fiscal year 2025, consisting of both employer and employee contributions.

Executive Committee Recommendation

At its February 1, 2024 meeting, the Audit Oversight voted 6 to 0 (Board Members: Whitburn, Elo-Rivera, Frank, Moreno, Bush and Goble in favor) and Board Member Montgomery Steppe absent to recommend that the Board of Directors approve the staff recommendation.

**DISCUSSION:**

The Actuarial Valuation of the Plan as of July 1, 2023, was completed in December 2023 by Cheiron, Inc., and the entire report is included as Attachment A. The purpose of the actuarial valuation is to measure, describe, and identify the following as of the valuation date:

- The financial condition of the Plan,
- Past and expected trends in the financial progress of the Plan, and
- Compute the total annual pension contribution amount.

The Plan's funding policy is to contribute an amount equal to the sum of:

- The normal cost,
- Expected administrative expenses, and

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San Diego Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc. and San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations). MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego. MTS is also the For-Hire Vehicle administrator for nine cities.



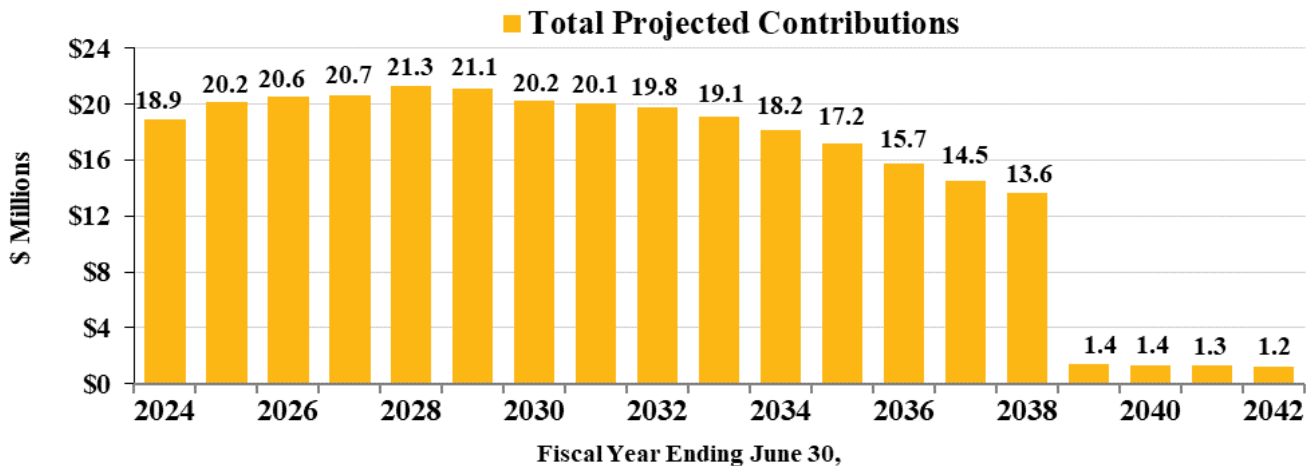
- Amortization of the unfunded actuarial liability.

This valuation has calculated a total contribution of \$20,174,660, an increase of 6.5% from fiscal year 2024, which would be used for the fiscal year 2025 budget.

As reflected in the following table, contributions are increasing year over year by approximately \$1,228,400.

<b>Total Contribution Reconciliation</b>	
<b>Fiscal Year 2024</b>	<b>18,946,198</b>
Change due to actuarial investment experience	641,732
Change due to liability experience	618,295
Change due to other miscellaneous factors	(31,565)
<b>Fiscal Year 2025</b>	<b>20,174,660</b>

Given the updated projected rates of return and the closed nature of the Plan, the Plan contributions are projected to continue to stabilize over the next few years, and the Unfunded Actuarial Liability will be fully paid off by fiscal year 2038.



Anne Harper and Alice Alsberghe of Cheiron, Inc. will provide an overview of the report in more detail and be available for any questions.

/S/ Sharon Cooney  
 Sharon Cooney  
 Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, [Julia.Tuer@sdmts.com](mailto:Julia.Tuer@sdmts.com)

Attachment: A. Actuarial Valuation Report as of July 1, 2023



# Retirement Plans of San Diego Transit Corporation

## Actuarial Valuation Report as of July 1, 2023

Produced by Cheiron  
December 2023

## TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
Letter of Transmittal .....	i
Foreword .....	iii
Section I     Executive Summary .....	1
Section II    Assessment and Disclosure of Risk .....	11
Section III   Assets .....	18
Section IV    Liabilities .....	23
Section V     Contributions.....	27
 <u>Appendices</u>	
Appendix A   Membership Information .....	30
Appendix B   Actuarial Assumptions and Methods .....	41
Appendix C   Summary of Plan Provisions.....	49
Appendix D   Glossary .....	65

***Via Electronic Mail***

December 18, 2023

Mr. Larry Marinesi  
San Diego Transit Corporation  
1255 Imperial Avenue, Suite 1000  
San Diego, California 92101-7490

Dear Mr. Marinesi,

At your request, we have conducted an actuarial valuation of the Retirement Plans of San Diego Transit Corporation (“Plan,” “SDTC”) as of July 1, 2023. This report contains information on the Plan’s assets, liabilities, and contribution levels. It also contains an assessment and disclosures of the Plan’s risks. In the Foreword, we refer to the general approach employed in the preparation of this report.

The purpose of this report is to present the results of the annual actuarial valuation of the Plans. This report is for the use of the Retirement Board and the San Diego Metropolitan Transit System (“MTS”) Board and its auditors in preparing financial reports in accordance with applicable law and accounting requirements.

In preparing our report, we relied on information (some oral and some written) supplied by the plan administrator. This information includes, but is not limited to, the Plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

The assumptions used in calculating the liabilities found in this report reflect the results of an Experience Study approved by the Budget Development Committee in October 2021 and the San Diego Metropolitan Transit System’s (MTS) Board of Directors in November 2021.

Future results may differ significantly from the current results presented in this report due to such factors as the following: plan experience differing from that anticipated by the assumptions; changes in assumptions; changes in methods; and changes in plan provisions or applicable law.

This report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable law and regulations. Furthermore, as credentialed actuaries, we meet the U.S. Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

This report was prepared exclusively for the Retirement Board and MTS Board for the purposes described herein. Other uses of this valuation report are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

Sincerely,  
Cheiron



Anne D. Harper, FSA, EA, MAAA  
Principal Consulting Actuary



Alice I. Alsberghe, ASA, EA, MAAA  
Consulting Actuary



Cheiron has performed the actuarial valuation of the Retirement Plans of San Diego Transit Corporation as of July 1, 2023. The valuation report is organized as follows:

- In Section I, the **Executive Summary**, we describe the purpose of an actuarial valuation, summarize the key results found in this valuation, and disclose important trends.
- The **Main Body** of the report presents details on the Plan's:
  - Section II – Assessment and Disclosure of Risk
  - Section III – Assets
  - Section IV – Liabilities
  - Section V – Contributions
- In the **Appendices**, we conclude our report with detailed information describing plan membership (Appendix A), actuarial assumptions and methods employed in the valuation (Appendix B), a summary of pertinent plan provisions (Appendix C), and a glossary of key actuarial terms (Appendix D).

Cheiron utilizes ProVal, an actuarial valuation application leased from Winklevoss Technologies (WinTech), to calculate liabilities and project benefit payments. We have relied on WinTech as the developer of ProVal. We have reviewed ProVal and have a basic understanding of it and have used ProVal in accordance with its original intended purpose. We have not identified any material inconsistencies in assumptions or output of ProVal that would affect this report. The deterministic and stochastic projections shown in this report were developed using R-Scan, our proprietary stochastic projection tool for assessing probabilities of different outcomes. We have relied on Cheiron colleagues who developed the tool, and we have used the tool in accordance with its purpose.

The primary purpose of the actuarial valuation and this report is to measure, describe, and identify the following as of the valuation date:

- The financial condition of the Plan,
- Past and expected trends in the financial progress of the Plan, and
- The total contribution amount (employer and employee) to be made during Fiscal Year 2024-2025.

In the balance of this Executive Summary, we present (A) the basis upon which this year's valuation was completed, (B) the key results of this valuation including a summary of all key financial results, (C) changes in Plan cost, (D) an examination of historical trends, and (E) the future expected financial trends for the Plan.

## **A. Valuation Basis**

This valuation determines total employer and employee contributions for the plan year.

The Plan's funding policy is to contribute an amount equal to the sum of:

- The normal cost under the Entry Age Normal Cost Method,
- Expected administrative expenses, and
- Amortization of the Unfunded Actuarial Liability (UAL) based on level dollar payments.

The employee will contribute according to the Plan schedules below. Member contribution rates in the future may change in response to collective bargaining. It will be the responsibility of the employer to contribute the remaining portion of the total contribution determined in this report.

- IBEW members contribute 8% of compensation (since April 2016)
- ATU drivers and clerical members contribute 8% of compensation (since December 2017)
- Non-Contract members hired before July 1, 2013 contribute 8% of compensation (since January 2017)
- PEPRA: New Members must contribute half of the normal cost of the Plan, rounded to the nearest 0.25%. For the FY 2023-2024, PEPRA members are contributing 9.50% of pay and the employer pays the remaining cost of the Plan. The PEPRA member rate, calculated in the July 1, 2023 actuarial valuation and effective FY 2024-2025, has decreased to 9.00% of pay as a result of the demographic shifts. The development of the PEPRA member rate can be found in Section V in the body of this report.

The SDTC Plans are closed to new entrants, except for Non-Contract members. A closed plan has very different dynamics as active plan membership declines and grows older and a larger portion of the Plan's liability shifts to payees. This dynamic shortens the investment horizon thus mitigating investment risk becomes more important. If the asset mix changes to reflect the expected pattern of benefit payments, it will become more conservative and the expected return on plan assets will decrease. Thus, adjusting the Plan's investment rate of return to be consistent with the expected trending decrease of future asset returns should continue to be monitored.

The true cost of the Plan is a function of actual Plan experience, not the actuarial assumptions. It is important to set realistic assumptions to mitigate the risk of Plan contribution volatility. In Section II of this report, we provide a detailed assessment and disclosure of the Plan's risks.

This valuation was prepared based on the Plan provisions as summarized in Appendix C. There have been no changes in plan provisions since the prior valuation. The results of this valuation do not include members participating in the defined contribution plans.

## B. Key Results of this Valuation

The key results of the July 1, 2023 actuarial valuation are as follows:

- The actuarially determined contribution shown in this report is the total contribution required from both the employer and the employees. The total contribution increased from \$18.9 million to \$20.2 million, an increase of about \$1.2 million from the July 1, 2022 valuation. This increase is primarily due to the recognition of the prior year's net asset losses as well as unfavorable liability experience.

Based on the July 1, 2022 actuarial valuation, the contribution was expected to increase to approximately \$19.4 million. See Table I-2 for a reconciliation of the contribution cost from last year to this year that includes all components of the change.

- During the plan year ending June 30, 2023, the return on Plan assets was 6.5% based on the Market Value of Assets (MVA) compared to the 6.0% assumed rate of return. A return over 6.0% would result in an actuarial gain, and a return lower than 6.0% would result in an actuarial loss. The favorable investment experience resulted in an actuarial gain on the market value of assets of \$0.9 million.
- The Actuarial Value of Assets (AVA) recognizes 20% of the difference between the expected and actual return, referred to as "Unexpected Earnings", on the Market Value of Assets (MVA) for each of the prior five years. The return on the AVA was return of 2.8% for June 30, 2023 which is less than the 6.0% assumed rate of return. The asset experience resulted in an actuarial loss of \$6.1 million.

There are \$13.1 million in net deferred asset losses in the July 1, 2023 actuarial valuation compared to \$19.0 million in the previous valuation. See Table III-3 and III-4 for the detailed calculations.

- The Actuarial Liability was more than expected by \$4.9 million. The liability experience loss was primarily driven by active member salary increases and retiree benefits that were higher than expected and mortality experience for members in pay status.
- The Plan's funded ratio, the ratio of actuarial (smoothed) assets over the Actuarial Liability, decreased from 58.1% last year to 57.2% as of July 1, 2023. However, the funded ratio based on the Market Value of Assets increased from 52.5% to 53.4%, because the asset gains for FYE 2023 are recognized immediately with the MVA.
- The Unfunded Actuarial Liability (UAL) is the excess of the Plan's Actuarial Liability over the Actuarial Value of Assets. The Plan's UAL increased from \$141.2 million to \$146.6 million as of July 1, 2023.

Below we present Table I-1, which summarizes all the key results of the valuation with respect to membership, assets and liabilities, and contributions. The results are presented and compared for both the current and prior plan year.

<b>Table I-1</b>			
<b>Summary of Principal Plan Results</b>			
	<b>July 1, 2022</b>	<b>July 1, 2023</b>	<b>% Change</b>
<b><u>Participant Counts</u></b>			
Active Participants	331	310	-6.3%
Participants Receiving a Benefit	1,058	1,066	0.8%
Inactive Participants	184	175	-4.9%
Total	1,573	1,551	-1.4%
Projected Plan Member Payroll <sup>1</sup> for Fiscal Year 2023 and 2024	\$ 23,023,954	\$ 22,728,817	-1.3%
<b><u>Assets and Liabilities</u></b>			
Actuarial Liability (AL)	\$ 337,148,571	\$ 342,852,868	1.7%
Actuarial Value of Assets (AVA)	195,924,568	196,279,951	0.2%
Unfunded Actuarial Liability (UAL)	\$ 141,224,003	\$ 146,572,917	3.8%
Market Value of Assets (MVA)	\$ 176,877,426	\$ 183,172,692	3.6%
Funded Ratio (AVA)	58.1%	57.2%	-0.9%
Funded Ratio (MVA)	52.5%	53.4%	1.0%
<b><u>Contributions</u></b>			
	<b>FY 2023-2024</b>	<b>FY 2024-2025</b>	
Total Normal Cost <sup>2</sup>	\$ 4,012,243	\$ 3,960,536	-1.3%
Total UAL Contribution	14,933,955	16,214,124	8.6%
Total Contribution (middle of year)	\$ 18,946,198	\$ 20,174,660	6.5%

<sup>1</sup> Based on valuation data projected using half-year of salary increases but excludes payroll for members expected to leave employment or retire during the year.

<sup>2</sup> Includes assumed administrative expenses as of the beginning of the valuation year of \$282,000 and \$289,050 for both July 1, 2022 and July 1, 2023, respectively.

### C. Changes in Plan Cost

Table I-2 below summarizes the impact of actuarial experience on Plan cost.

<b>Table I-2</b>		
<b>Total Contribution Reconciliation</b>		
<b>Fiscal Year 2023-2024, middle of year</b>	<b>\$</b>	<b>18,946,198</b>
Total Change due to actuarial investment experience		641,732
Investment experience from FYE 2023	(19,676)	
Expected increase from deferred investment losses 2019-2022	661,408	
Change due to liability experience		618,295
Change due to effect of closed plan on benefits earned		(160,729)
Change due to other miscellaneous factors		<u>129,164</u>
<b>Fiscal Year 2024-2025, middle of year</b>	<b>\$</b>	<b>20,174,660</b>

An analysis of the cost **changes from the prior valuation** reveals the following:

- The Actuarial Value of Assets recognizes the annual unexpected gains or losses in the Market Value of Assets over a five-year period. Actuarial gains and losses are based on the assumed rate of return. The actual return on Actuarial Value of Assets (AVA) was 2.8%, compared to the expected return of 6.00%, resulting in an actuarial loss of \$6,141,232 which is paid over a 14-year period. The actuarial asset experience increased the total contribution by \$641,732.

The asset gain on the Market Value of Assets for the plan year ending June 30, 2023 was \$941,479 and resulted in a \$19,676 decrease to the total contribution. While the partial recognition of previous year's net deferred assets losses increased the contribution by \$661,408.

- Actual demographic experience will always differ from the actuarial assumptions. Salary and demographic experience of the Plan – rates of retirement, death, disability, and termination – were different than expected based on the actuarial assumptions, causing an increase in the contribution of \$618,295. The liability experience loss was primarily driven by salary increases and retiree benefits being higher than expected and retiree mortality experience.
- Closing the Plan to most new entrants decreases the total amount of benefits that are being earned each year as members continue to leave employment through retirements, terminations, disabilities, and death, and thus cease to earn additional benefits. This decreased the Plan contribution by \$160,729.
- The net effect of other miscellaneous factors, including administrative expenses experience and the timing of contributions, increased the Plan contributions by \$129,164.

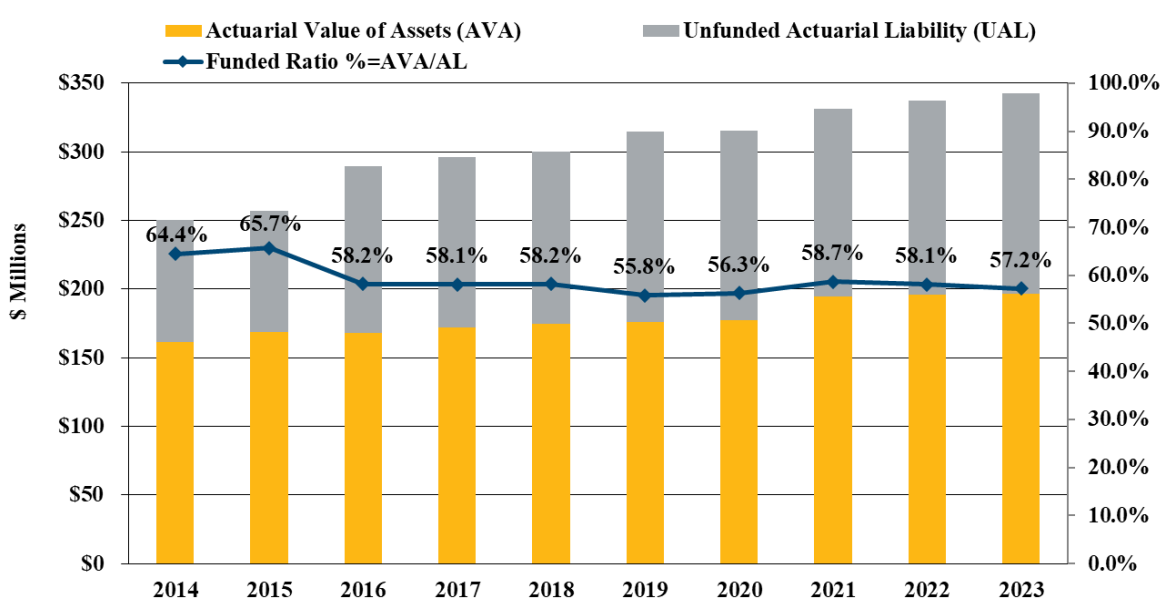
## D. Historical Trends

For most retirement plans the greatest attention is given to the current valuation results – in particular, the size of the current Unfunded Actuarial Liability (UAL) and the total contribution – however, it is important to remember that each valuation is merely a snapshot in the long-term progress of a pension fund. It is important to judge a current year’s valuation results relative to historical trends, as well as trends expected into the future.

### Assets and Liabilities

The chart below presents the Actuarial Value of Assets (gold bars), Unfunded Actuarial Liability (gray bars), and Funded Ratio (navy line). The top of the bars (sum of gold and gray bars) depicts the total Actuarial Liability. Over the 10-year period shown, both the Actuarial Liability and Actuarial Value of Assets have been increasing, however, the Actuarial Liability has grown at a slightly faster pace than the Actuarial Value of Assets. It is important to note that the assumed rate of return at the beginning of the period was 7.50% and has been gradually reduced over the 10-year period to 6.00% as of July 1, 2021, which has been a major source of the decrease in the funded ratio.

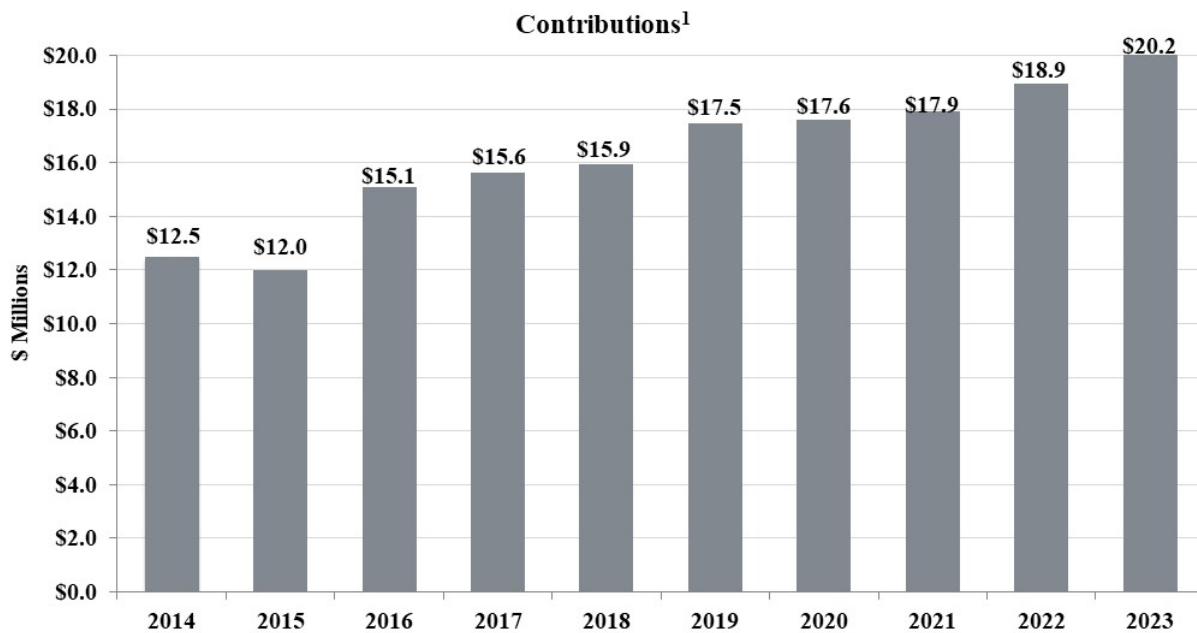
The funded ratio decreased from 64.4% in 2014 to 58.2% in 2016, primarily due to a reduction in the assumed rate of return from 7.50% to 7.00%, as well as increases in assumed life expectancy. From 2016 to 2018, the funded ratio remained relatively stable around 58%, then decreased to 55.8% in 2016 due to a further reduction to 6.75% in the assumed rate of return. There was an increase in the funded ratio in 2021 even though the assumed rate of return was reduced from 6.75% to 6.00%. The significant return on assets as of June 30, 2021, and an additional \$7.8 million contribution from the CARES Act more than offset the impact of the assumption changes. From 2021 to 2023, the funding ratio decreased by 1.5% due to both unfavorable liability and actuarial asset experience.



## Contributions

The chart below shows a history of the Plan's actuarially determined total contribution. In 2016, the investment rate of return was reduced from 7.50% to 7.00% and mortality assumptions were updated for improved life expectancy. Investment experience on the AVA was the primary source of the contribution increases during for the next four years. However, in 2019, there was a further reduction in the assumed rate of return to 6.75% which also increased the contribution level to \$17.5 million. In 2021, the assumption changes, including a reduction in the assumed rate of return to 6.00%, were the primary source for the increase in the total contribution but were partially offset by the additional CARES Act contribution and favorable investment experience. From 2021 to 2023, the contribution level increased to \$20.2 million due to combined actuarial asset and liability losses.

A reconciliation of the contributions from the 2022 to 2023 valuations can be found in Table I-2 of this report.

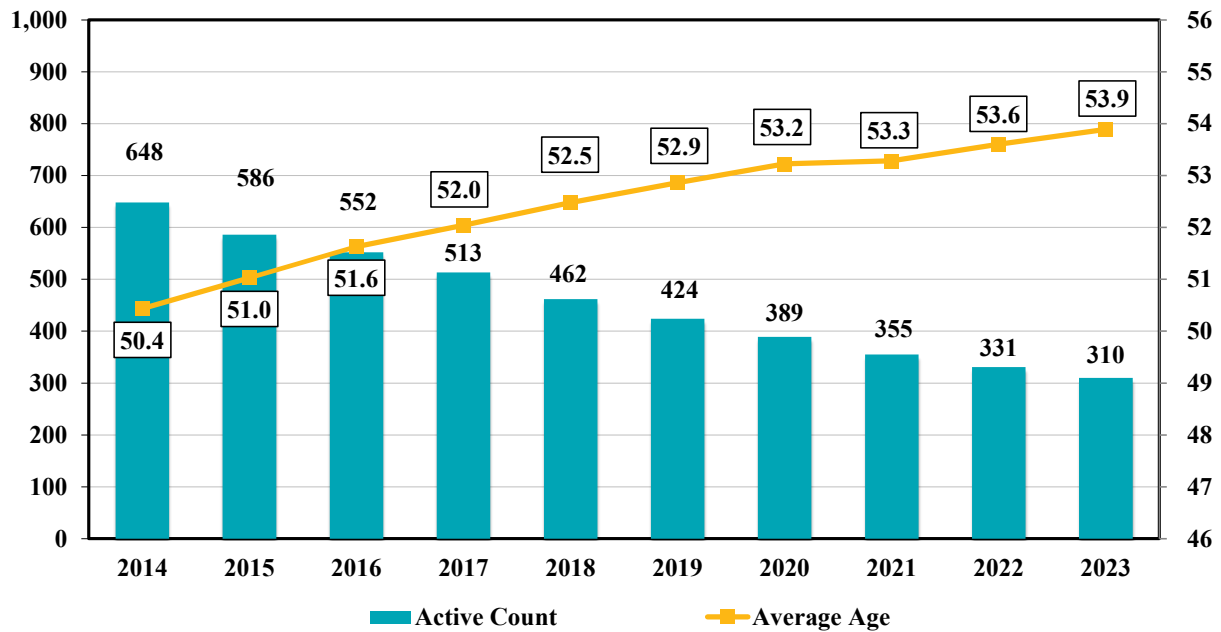


<sup>1</sup> Beginning with 2015, contribution amounts are mid-year values for the upcoming fiscal year.



**Active Participant Trends**

The number and average age of active Plan members for the last 10 years is shown in the chart below. Because the plan has been mostly closed to new entrants since 2012, the membership has declined by 52% from 648 to 310 actives over this period. In addition, the average age of an active member has increased by almost four years during the period shown. These trends are expected to continue, as new bargained employees participate in the defined contribution plan.

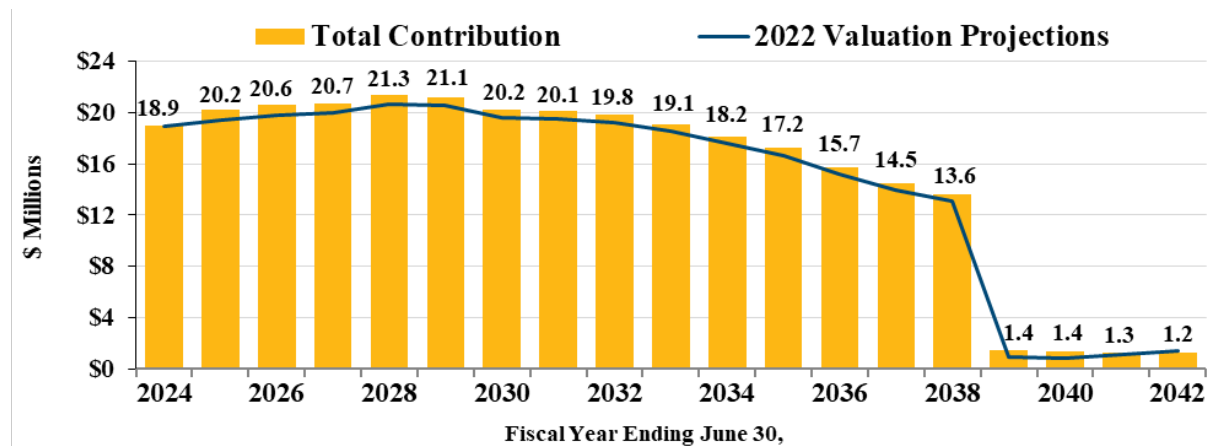


### E. Future Expected Financial Trends

The analysis of projected financial trends is an important component of this valuation. In this section, we present our assessment of the implications of the July 1, 2023 valuation results in terms of benefit security (assets over liabilities) and contributions over the next 19 years.

The projections in this section assume that the Plan will achieve the 6.00% investment return assumption and all other actuarial assumptions will be met each year, which is highly unlikely. We also assume the current funding method and amortization policy will remain in place throughout the projection period.

Contributions are shown for the Fiscal Year End that they are expected to be made. For example, the actuarially determined contribution from the July 1, 2023 valuation of \$20.2 million is expected to be made during the period July 1, 2024 through June 30, 2025.

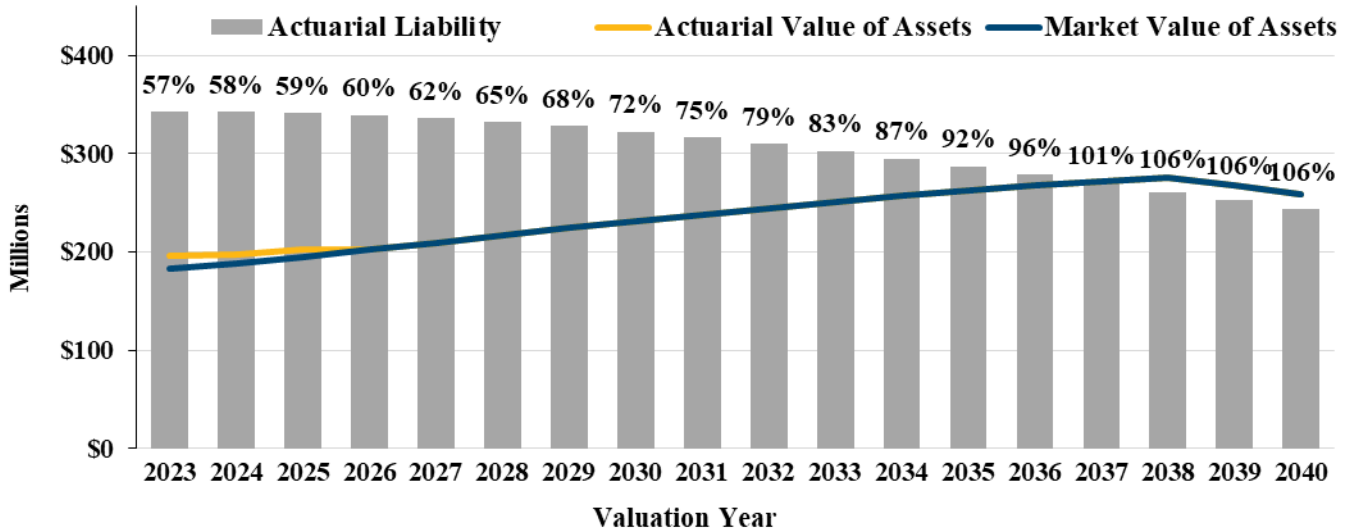


The Plan’s projected contributions are very similar to those projected in the 2022 valuation, shown by the blue line. The graph shows that the Plan’s contribution are expected to gradually increase over the next three years from \$20.2 million to \$21.3 million in FYE 2028 as the \$13.1 million in net deferred asset losses are recognized. The steady decline in the contribution thereafter is due to the decrease in the annual benefits that are earned as the number of active members decline since the Plan is closed to most new entrants and also fully paying off previous years’ actuarial losses.

During Fiscal Year 2037-38 (which will be based on results from the July 1, 2036 valuation), the last payment for the Plan’s expected UAL will be made. After that point, employer contributions are expected to stabilize and are based on the normal cost and expected administrative expenses because the UAL is paid off. PEPPA mandates that employees and employers must continue to contribute at least the normal cost portion unless the plan is 120% funded and has met certain legal requirements as well.

**Asset and Liability Projections:**

This graph shows the projection of assets and liabilities assuming that assets will earn the 6.00% assumption each year during the projection period. The percentages at the top of the graph represent the funded ratio based on the Actuarial Value of Assets.



The funded status is expected to gradually increase over the projection period. The Plan is projected to be fully funded with the July 1, 2037 valuation, assuming the actuarial assumptions are achieved. The projected funded status increases over 100% funded to 106% because of the aforementioned minimum contribution requirement of the normal cost. However, it is the actual return on Plan assets that will determine the future funding status and contributions to the Plan.

Actuarial valuations are based on a set of assumptions about future economic and demographic experience. These assumptions represent a reasonable estimate of future experience, but actual future experience will undoubtedly be different and may be significantly different. This section of the report is intended to identify the primary risks to the plan, provide some background information about those risks, and provide an assessment of those risks.

## Identification of Risks

The fundamental risk to a pension plan is that the contributions needed to pay the benefits become unaffordable. While we believe it is unlikely that the Plan by itself would become unaffordable, the contributions needed to support the Plan may differ significantly from expectations. While there are a number of factors that could lead to contribution amounts deviating from expectations, we believe the primary sources are:

- Investment risk,
- Inflation risk, and
- Contribution risk.

Other risks that we have not identified may also turn out to be important.

*Investment Risk* is the potential for investment returns to be different than expected. Lower investment returns than anticipated will increase the Unfunded Actuarial Liability (UAL) necessitating higher contributions in the future unless there are other gains that offset these investment losses. In contrast, higher investment returns than anticipated may create a potentially significant surplus that could be difficult to use until all benefits have been paid. Expected future investment returns and their potential volatility are determined by the Plan's asset allocation.

*Inflation risk* is the potential for actual inflation to be different than expected. Retirement benefits under the plan for the Non-Contract retirees who retired on or after June 30, 1999, are potentially increased annually for inflation with certain caps. Higher inflation than expected could result in the payment of greater benefits, and lower inflation than expected could result in the payment of lower benefits.

*Contribution risk* is the potential for actual future actuarially determined contributions to deviate from expected future contributions to an extent that they become unaffordable. The Plan's funding policy is to determine an Actuarially Determined Contribution (ADC) equal to the sum of the normal cost, amortization of the UAL, and the Plan's expected administrative expenses. The UAL is amortized in level dollar payments with several layers with differing amortization periods. The UAL is currently expected to be fully paid for as of the July 1, 2037 actuarial valuation. However, as 2037 gets closer and the Plan's remaining amortization period shortens, a significant loss or change in assumption may cause a large increase in the ADC. While the funding policy can be changed when such a situation occurs, any reduction in the ADC will result in a slower recovery in funded status.

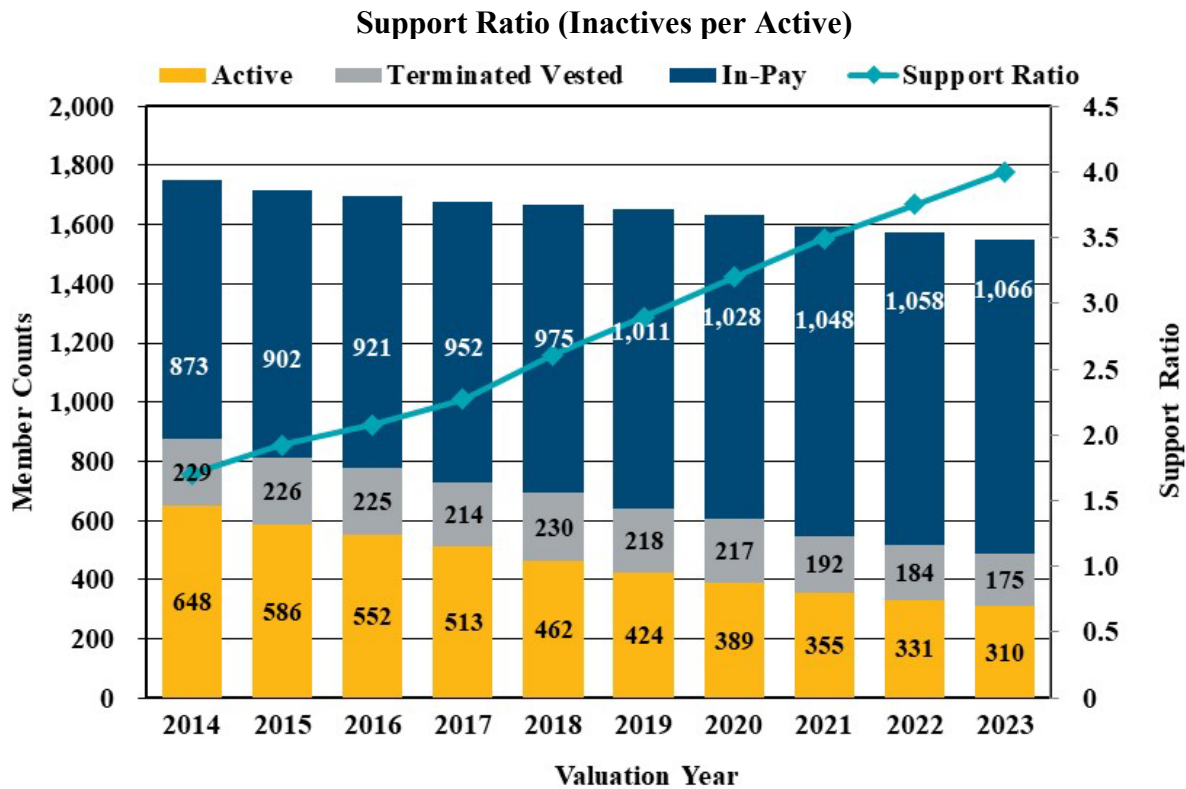
## Plan Maturity Measures

The future financial condition of a mature pension plan is more sensitive to each of the risks identified above than a less mature plan. Before assessing each of these risks, it is important to understand the maturity of the plan.

Plan maturity can be measured in a variety of ways, but they all get at one basic dynamic – the larger the plan is compared to the contribution or revenue base that supports it, the more sensitive the plan will be to risk. Given that the Plan has been closed to most new entrants since 2012, measures specific to the Plan show significant increases in maturity and risk. However, for the Metropolitan Transit System, this risk is declining relative to the total employment base.

### Support Ratio (Inactives per Active)

One simple measure of plan maturity is the ratio of the number of inactive members (those receiving benefits or entitled to a deferred benefit) to the number of active members. For a closed plan, the Support Ratio is expected to increase significantly as the active members retire or terminate and there are no new entrants replacing them. The chart below shows the growth in the Support Ratio for the Plan for the past 10 years.

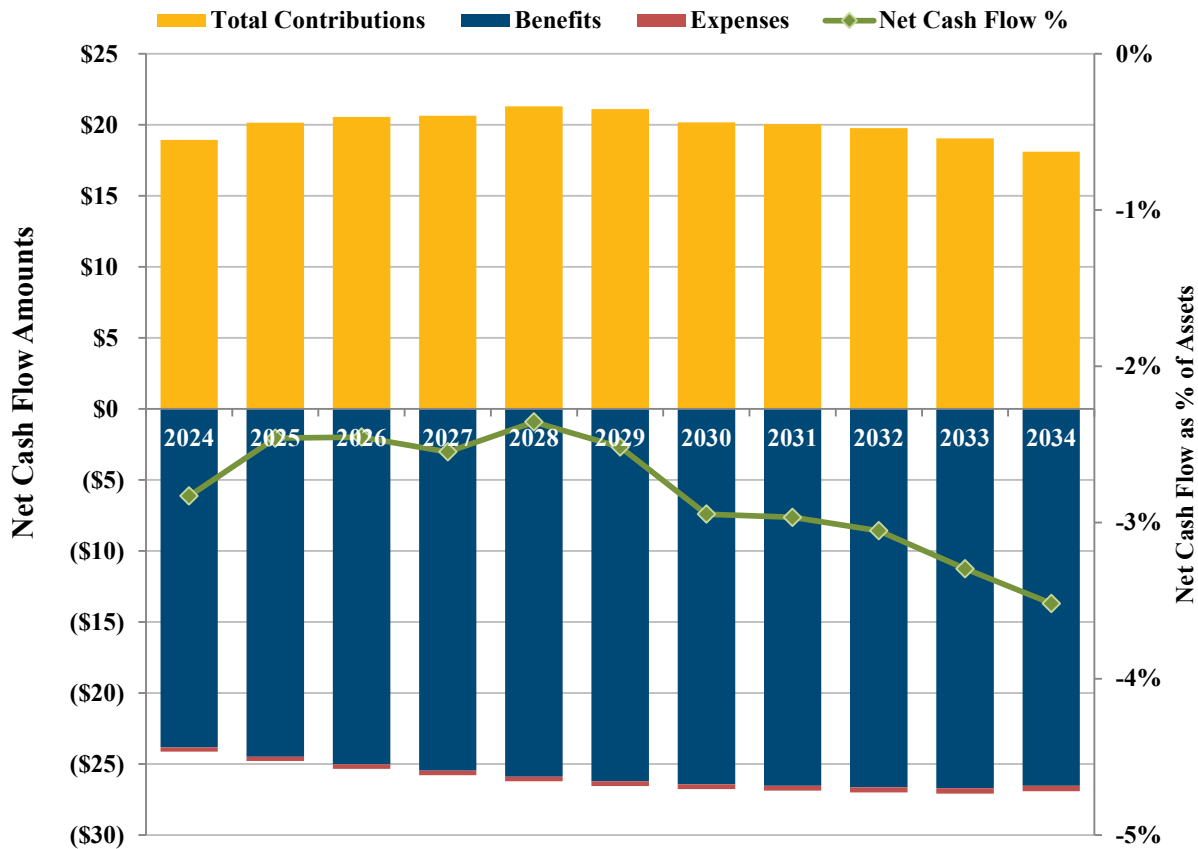


### Net Cash Flow

The net cash flow of the plan as a percentage of the beginning of year assets indicates the sensitivity of the plan to short-term investment returns. Net cash flow is equal to contributions less benefit payments and administrative expenses. Mature plans can have large amounts of benefit payments compared to contributions, particularly if they are well funded.

The chart below shows the projected net cash flow for the next 10 fiscal years. The bars represent the dollar amounts of the different components of the projected net cash flow, and the line represents the net cash flow as a percentage of the assets as of the beginning of the fiscal year.

**Projected Net Cash Flow**



The net cash flow has been negative since at least 2013. The net cash flow is expected to become less negative as contributions increase over the next five years. Then as the Plan becomes better funded, benefit payments increase and contributions slowly decline, the net cash flow starts to become increasingly negative.

The first issue the negative cash flow presents to the Plan is a need for liquidity in the investments so that benefits can be paid. When the cash flow was positive or close to neutral, benefits could be paid out of contributions without liquidating investments. As net cash flow becomes increasingly

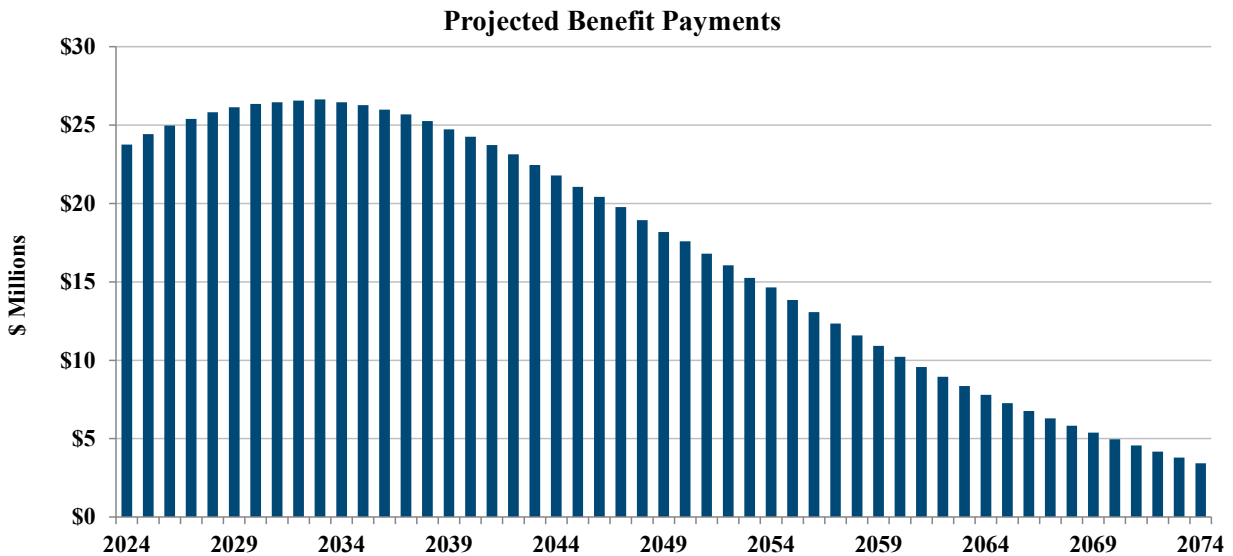
negative, the benefit payments will require liquidation of some investments (at least to the extent the bond portfolio does not generate sufficient cash income).

The other change of note is the sensitivity to short-term investment returns. Investment losses in the short term are compounded by the net withdrawal from the plan leaving a smaller asset base to recover from the investment losses. On the other hand, large investment gains in the short term also tend to have a longer beneficial effect as any future losses are relative to a smaller liability base due to the negative cash flow.

### Assessing Costs and Risks

A closed pension plan will ultimately either end up with excess assets after all benefits have been paid or run out of assets before all benefits have been paid. If the Plan develops surplus assets, it may be able to reduce the risk in its investment portfolio, immunize investments, or purchase annuities to settle the remaining obligation. However, such an approach may not be the objective for MTS, and if the surplus assets exceed the additional amounts needed to purchase annuities or immunize the portfolio, it is not clear how they could be used once all benefits have been paid.

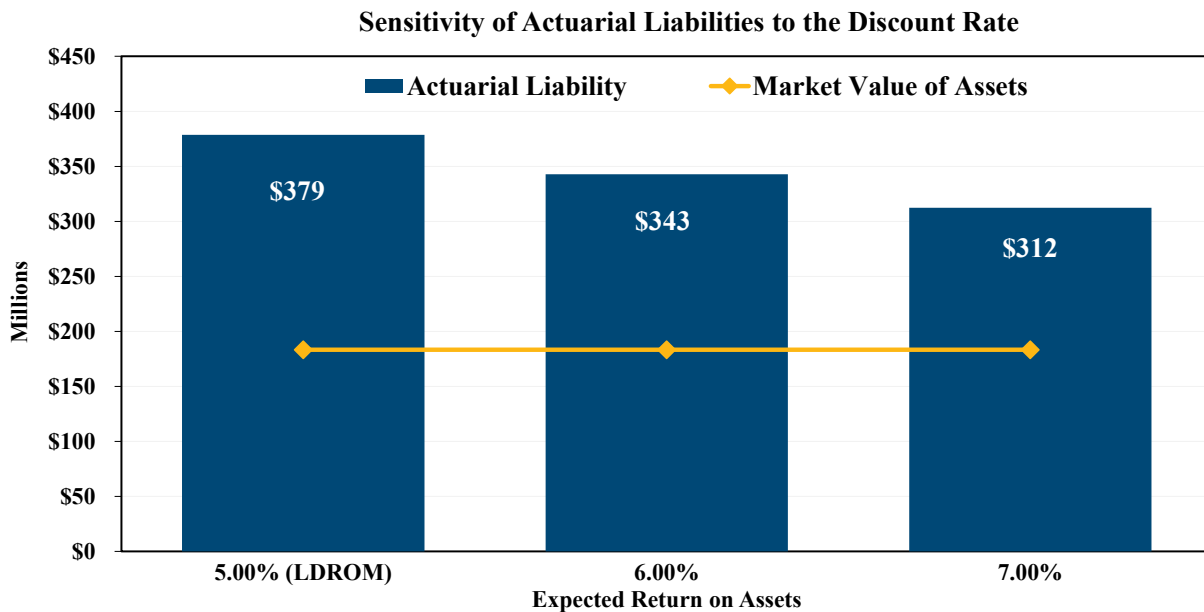
If the Plan, on the other hand, were to run out of assets, MTS would be forced to pay benefits directly on a pay-as-you-go basis. As long as MTS can afford the pay-as-you-go costs, benefits would remain secure. The chart below shows a projection of expected benefit payments for the closed plan.



**Sensitivity to Discount Rates (Investment Returns)**

The chart below compares the Market Value of Assets (gold line) to the Actuarial Liability (blue bars) using the discount rates equal to the current expected rate of return and 100 basis points above and below the expected rate of return (which is also the LDRM). The low-default-risk obligation measure (LDRM) is the Actuarial Liability using a discount rate derived from low-default-risk fixed income securities that approximately match the benefit payments of the plan. The revised Actuarial Standard of Practice No. 4 requires the disclosure of this measurement.

**Present Value of Future Benefits versus Assets**



The Plan invests in a diversified portfolio with the objective of maximizing investment returns at a reasonable level of risk. If investments return 6.00% annually, the Plan would need approximately \$343 million in assets today to pay all benefits attributable to past service compared to current assets of \$183 million. If investment returns are only 5.00%, the Plan would need approximately \$379 million in assets today, and if investment returns are 7.00%, the Plan would only need \$312 million in assets.

The lowest risk portfolio for a pension plan with fixed cash flows would be composed entirely of low-default-risk fixed income securities whose cash flows match the benefit cash flows of the Plan. As of June 30, 2023, using the FTSE Pension Liability Index (rounded to the nearest 0.25%), we estimate that such a portfolio would have an expected return of 5.00%, and the Plan would need \$379 million to pay all benefits attributed to past service. This amount is the LDRM. The \$36 million difference between the LDRM and the Actuarial Liability at 6.00% represents the expected savings from bearing the risk of investing in the Plan’s diversified portfolio. Alternatively, it also represents the cost of significantly minimizing the investment risk.

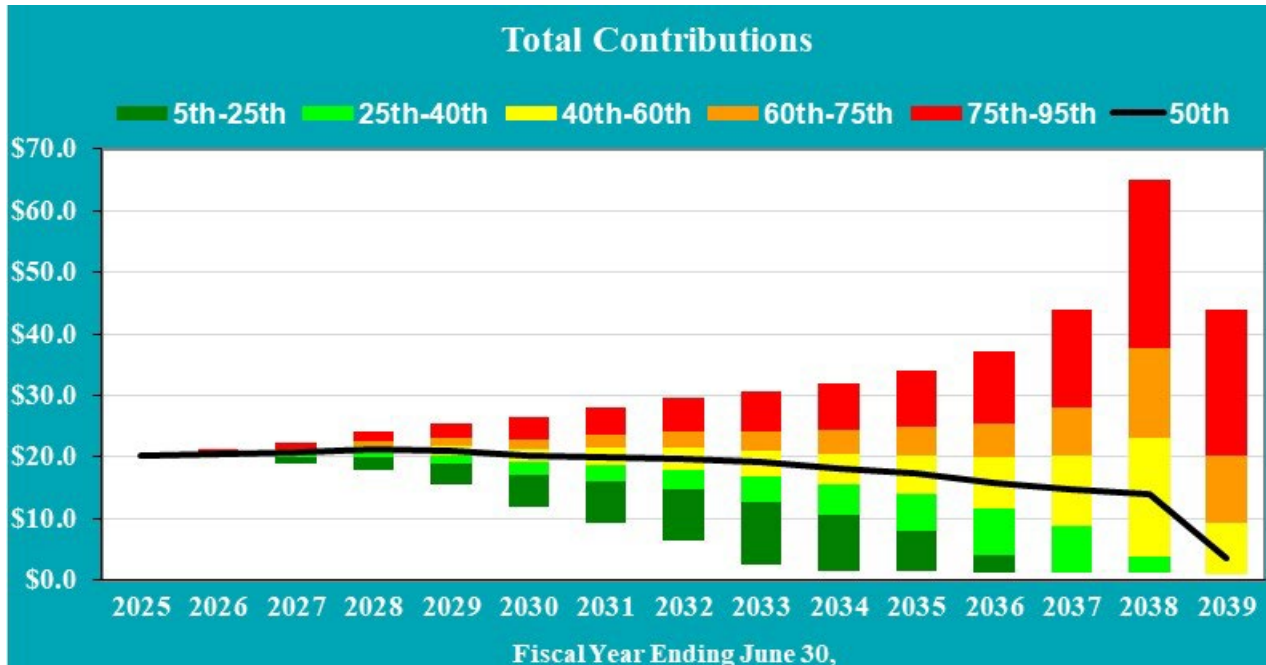


Because the Plan invests in a diversified portfolio and not the LDRM portfolio, the reported funded status is higher, and expected employer contributions are lower. Benefit security for members of the Plan depends on a combination of the Plan’s assets, the investment returns generated on those assets, and the ability of the Plan to make any needed future contributions. An LDRM portfolio would generate more predictable but lower expected investment returns, potentially changing the level of reliance on future MTS contributions to secure benefits.

### Stochastic Projections

Stochastic projections show the range of probable outcomes of various measurements. The charts on the following pages show the projected range of the total contributions and of the funded ratio on an actuarial value of assets basis. The range in both scenarios is driven by the volatility of investment returns (a 9.7% standard deviation of annual returns from RVK’s Asset Allocation Study dated March 2023). The stochastic projections of investment returns are based on an assumption that each future year’s investment return is independent from all other years and is identically distributed according to a lognormal distribution. This assumption may result in an unrealistically wide range of compound investment returns over longer periods of time.

**Stochastic Projection of Total Contributions (in millions)**

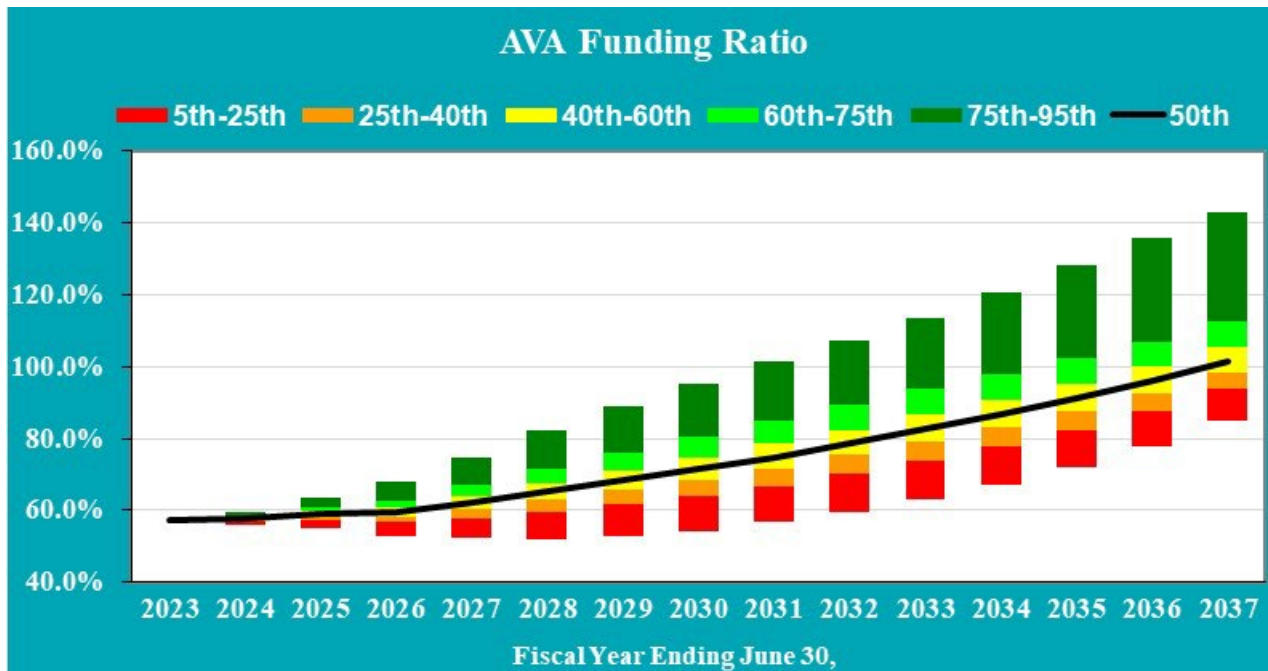


The stochastic projection of contributions shows the probable range of future contributions. The baseline contributions (black line), which is based on the median simulations using an average return of 6.00%, aligns with the projections discussed in Subsection E of the Executive Summary of this report. In the most pessimistic scenario shown, the 95<sup>th</sup> percentile, the

projected contributions are almost \$65 million in FYE 2038. Conversely, in the most optimistic scenario shown, the 5th percentile, the projected contribution amount declines to about \$1 million in FYE 2039.

The contribution range in the outer years becomes wider since the amortization periods for any actuarial gains or losses are short and fully paid for by 2039.

**Stochastic Projection of Funded Ratio based on the Actuarial Value of Assets**



While the baseline funded ratio (black line) is projected to be around 100% at the end of the 15-year period shown here, there is a wide range of potential outcomes. Good investment returns have the likelihood of bringing the funded ratio well over 100%. Due to the sound funding policy of the Plan, even in scenarios with unfavorable investment returns, the Plan is projected to remain above 50% funded, as long as actuarially determined contributions continue to be made.

Pension Plan assets play a key role in the financial operation of the Plan and in the decisions the Board may make with respect to future deployment of those assets. The level of assets, the allocation of assets among asset classes, and the methodology used to measure assets will likely impact benefit levels, contributions, and the ultimate security of participants' benefits.

In this section, we present detailed information on Plan assets including:

- **Disclosure** of Plan assets as of June 30, 2022 and June 30, 2023,
- Statement of the **changes** in market values during the year,
- Development of the **Actuarial Value of Assets**.

### **Disclosure**

There are two types of asset values disclosed in the valuation, the Market Value of Assets, and the Actuarial Value of Assets. The market value represents a snapshot value that provides the principal basis for measuring financial performance from one year to the next. Market values, however, can fluctuate widely with corresponding swings in the marketplace. As a result, market values are usually not as suitable for long-range planning as are the Actuarial Value of Assets that reflect smoothing of annual investment returns.

Table III-1 discloses and compares each component of the Market Value of Assets as of June, 30, 2022 and June 30, 2023.

<b>Table III-1</b>		
<b>Statement of Assets at Market Value</b>		
	<b>June 30, 2022</b>	<b>June 30, 2023</b>
<b>Investments</b>		
Common Stock	\$ 58,668,033	\$ 61,854,033
Mutual Funds	56,340,502	59,799,632
Corporate Debt / Bond Funds	52,671,200	52,385,530
Closely Held Instruments	7,694	484
US Treasury Obligations	9,006,975	9,355,832
Short-Term Investments	813,377	601,832
Total Investments	<u>\$ 177,507,781</u>	<u>\$ 183,997,343</u>
<b>Receivables</b>		
Dividends and Interest	\$ 909	\$ 3,495
Other Receivables	0	31,825
Total Receivables	<u>\$ 909</u>	<u>\$ 35,320</u>
<b>Payables</b>		
Due to Plan Sponsor	\$ 541,246	\$ 634,237
Other Payables	90,018	225,734
Total Payables	<u>\$ 631,264</u>	<u>\$ 859,971</u>
<b>Market Value of Assets</b>	<b>\$ 176,877,426</b>	<b>\$ 183,172,692</b>

## Changes in Market Value

The components of asset change are:

- Contributions (employer and employee)
- Investment income (realized and unrealized), net of investment expenses
- Benefit payments
- Administrative Expenses

Table III-2 shows the components of a change in the Market Value of Assets during FYE 2022 and FYE 2023.

<b>Table III-2</b>		
<b>Changes in Market Values</b>		
	<b>June 30, 2022</b>	<b>June 30, 2023</b>
<b>Contributions</b>		
Employer's Contribution	15,838,082	16,157,770
Members' Contributions	<u>1,621,654</u>	<u>1,719,444</u>
Total Contributions	17,459,736	17,877,214
<b>Investment Income</b>		
Interest	1,949	38,083
Dividends	6,977,161	4,490,000
Miscellaneous	0	0
Realized & Unrealized Gain/(Loss)	(29,442,846)	7,074,461
Investment Expenses	<u>(296,142)</u>	<u>(199,423)</u>
Net Investment Income	(22,759,878)	11,403,121
<b>Disbursements</b>		
Benefit Payments	(22,029,157)	(22,630,610)
Administrative Expenses	<u>(265,106)</u>	<u>(354,459)</u>
Total Disbursements	(22,294,263)	(22,985,069)
<b>Net Increase (Decrease)</b>	(27,594,405)	6,295,266
<b>Net Assets Held in Trust for Benefits</b>		
Beginning of Year	<u>204,471,831</u>	<u>176,877,426</u>
End of Year	<u>176,877,426</u>	<u>183,172,692</u>
Approximate Return	-11.3%	6.5%

### **Actuarial Value of Assets (AVA)**

The Actuarial Value of Assets represents a “smoothed” value developed by the actuary to reduce the volatile results, which could develop due to short-term fluctuations in the Market Value of Assets. For this Plan, the Actuarial Value of Assets is calculated on a modified market-related value. The Market Value of Assets is adjusted to recognize, over a five-year period, investment earnings which are greater than (or less than) the assumed investment return. The actuarial value is constrained to fall within 20% of the market value.

**Table III-3  
Development of Actuarial Value of Assets  
as of June 30, 2023**

<u>Plan Year</u>	(a) <u>Expected Earnings</u>	(b) <u>Actual Earnings</u>	(c) = (b) – (a) <u>Unexpected Earnings</u>	(d) <u>Phase-In Factor</u>	(c) x (d) <u>Phase-In Adjustment</u>
2018 -19	11,481,373	8,415,801	(3,065,572)	0%	0
2019 -20	11,343,578	24,666	(11,318,912)	20%	(2,263,782)
2020 -21	11,328,702	34,664,950	23,336,248	40%	9,334,499
2021 -22	12,125,387	(22,759,878)	(34,885,265)	60%	(20,931,159)
2022 -23	10,461,642	11,403,121	941,479	80%	753,183
1. Total Unrecognized Asset Gains/(Losses)					(13,107,259)
2. Market Value of Assets as of June 30, 2023					183,172,692
3. Actuarial Value of Assets as of June 30, 2023: [(2) - (1)]					196,279,951
4. Ratio of Actuarial Value to Market Value [(3) ÷ (2)]					107%

## **Investment Performance**

The following table calculates the investment related gain/loss for the plan year on both a market value and an actuarial value basis. The market value gain/loss is an appropriate measure for comparing the actual asset performance to the valuation's long-term assumption. The rate of return assumption was 6.00% for the July 1, 2022 actuarial valuation.

<b>Table III-4 Asset Gain/(Loss)</b>		
	<b>Market Value</b>	<b>Actuarial Value</b>
<b>As of June 30, 2022</b>	<b>\$ 176,877,426</b>	<b>\$ 195,924,568</b>
Employer Contributions	16,157,770	16,157,770
Employee Contributions	1,719,444	1,719,444
Benefit Payments	(22,630,610)	(22,630,610)
Administrative Expenses	(354,459)	(354,459)
Expected Investment Earnings at 6.00%	10,461,642	11,604,470
<b>Expected Value as of June 30, 2023</b>	<b>\$ 182,231,213</b>	<b>\$ 202,421,183</b>
Actuarial Gain/(Loss) on Assets	941,479	(6,141,232)
<b>Actual Value as of June 30, 2023</b>	<b>\$ 183,172,692</b>	<b>\$ 196,279,951</b>
Return	6.5%	2.8%
Variance from Expected Return of 6.00%	0.5%	-3.2%

In this section, we present detailed information on Plan liabilities including:

- **Disclosure** of Plan liabilities at July 1, 2022 and July 1, 2023,
- Statement of **changes** in these liabilities during the year.

## **Disclosure**

Several types of liabilities are calculated and presented in this report. Each type is distinguished by the people ultimately using the figures and the purpose for which they are using them. Note that these liabilities are not appropriate for settlement purposes, including the purchase of annuities and the payment of lump sums.

- **Present Value of Future Benefits:** Used for measuring all future Plan obligations; the obligations of the Plan earned as of the valuation date and those to be earned in the future by current Plan participants, under the current Plan provisions.
- **Actuarial Liability:** Used for funding calculations, this liability is calculated taking the total Present Value of Future Benefits and subtracting all future normal costs. The method used for this Plan is called the Entry Age Normal (EAN) funding method.
- **Unfunded Actuarial Liability:** The excess of the Actuarial Liability over the Actuarial Value of Assets.



Table IV-1 discloses each of these liabilities for the current and prior valuations.

<b>Table IV-1</b>		
<b>Liabilities and Unfunded Actuarial Liability</b>		
	<b>July 1, 2022</b>	<b>July 1, 2023</b>
1. Present Value of Future Benefits		
Active Participant Benefits		
ATU/Drivers	\$ 56,871,565	\$ 55,441,138
IBEW/Mechanics	28,757,046	29,633,090
ATU/Clerical	2,074,727	2,152,220
Non-Contract/Admin <sup>1</sup>	26,488,209	28,069,668
Total	<b>\$ 114,191,547</b>	<b>\$ 115,296,116</b>
2. Inactive Actuarial Liability		
ATU/Drivers	\$ 125,463,264	\$ 128,086,052
IBEW/Mechanics	33,332,983	33,899,436
ATU/Clerical	5,999,971	5,186,826
Non-Contract/Admin <sup>1</sup>	81,693,824	83,207,265
Total	<b>\$ 246,490,042</b>	<b>\$ 250,379,579</b>
3. Active Actuarial Liability		
ATU/Drivers	\$ 45,266,486	\$ 44,696,858
IBEW/Mechanics	23,667,959	24,822,227
ATU/Clerical	1,746,716	1,834,465
Non-Contract/Admin <sup>1</sup>	19,977,368	21,119,739
Total	<b>\$ 90,658,529</b>	<b>\$ 92,473,289</b>
4. Total Actuarial Liability, [(2) + (3)]	\$ 337,148,571	\$ 342,852,868
5. Plan Assets (Actuarial Value)	<u>195,924,568</u>	<u>196,279,951</u>
6. Unfunded Actuarial Liability (UAL), [(4) - (5)]	<b>\$ 141,224,003</b>	<b>\$ 146,572,917</b>

<sup>1</sup> Includes PEPRAs members.

Table IV-2 below analyzes the increases or decreases in the liabilities since the last valuation.

### **Changes in Liabilities**

Each of the liabilities disclosed in the prior table are expected to change at each valuation. The components of that change (as shown in Table IV-2 below), depending upon which liability is analyzed, can include:

- Benefits accrued since the last valuation
- Plan amendments changing benefits
- Passage of time which adds interest to the prior liability
- Benefits paid to retirees since the last valuation
- Actuarial gains or losses from participants retiring, terminating, or dying at rates different than expected
- A change in actuarial assumptions
- A change in the actuarial funding method or software

<b>Table IV-2</b>		
<b>Changes in Actuarial Liability</b>		
Actuarial Liability at July 1, 2023	\$	342,852,868
Actuarial Liability at July 1, 2022	\$	<u>337,148,571</u>
Liability Increase (Decrease)	\$	5,704,297
Change due to:		
Assumption Changes		0
Accrual of Benefits		3,615,035
Actual Benefit Payments		(22,630,610)
Interest		19,776,787
Actuarial (Gain)/Loss		<u>4,943,085</u>
Liability Increase (Decrease)	\$	5,704,297

Unfunded liabilities will change (as shown in Table IV-3 below) because of the changes in liabilities on the previous page, and also due to changes in Plan assets resulting from:

- Contributions different than expected
- Investment earnings different than expected
- Expenses different than expected

<b>Table IV-3</b>		
<b>Development of Actuarial Gain / (Loss)</b>		
1. Unfunded Actuarial Liability (UAL) at Start of Year (not less than zero)	\$	141,224,003
2. Expected UAL Payment		(14,505,139)
3. Interest on (1) and (2) to End of Year		7,603,131
4. Increase in UAL due to Assumption Change		<u>0</u>
5. Expected Unfunded Actuarial Liability at End of Year, [(1) + (2) + (3) + (4)]	\$	134,321,995
6. Actual Unfunded Actuarial Liability at End of Year (not less than zero)	\$	146,572,917
7. <b>Actuarial Gain/(Loss), [(5) – (6)]</b>	<b>\$</b>	<b>(12,250,922)</b>
(a) Liability Gain/(Loss)		(4,943,085)
(b) Asset Gain/(Loss) on Actuarial Value		(6,141,232)
(c) Contribution Timing Delay Gain/(Loss)		(1,100,586)
(d) Administrative Expenses More than Expected		(66,019)

In the process of evaluating the financial condition of any pension plan, the actuary analyzes the assets and liabilities to determine what level (if any) of contributions are needed to properly maintain the funding status of the Plan. Typically, the actuarial process will use a funding technique that will result in a pattern of contributions that are both stable and predictable.

Based on the assumptions and cost method, Plan assets are currently below the target level of assets determined by the cost method; consequently, there is an Unfunded Actuarial Liability. As a result, the required Plan contribution consists of three components: The normal cost, the amortization of the Unfunded Actuarial Liability (UAL) and assumed administrative expenses.

The normal cost represents the cost of the additional benefits earned during the plan year by active Plan members. The amortization of the unfunded liability represents a payment designed to bring the Plan's assets up to the target level set by the actuarial cost method. Currently, the amortization of UAL represents about three-fourths of the total contribution.

As the UAL is paid overtime, the Plan contribution is expected to decrease to a level near the normal cost plus administrative expenses. The normal cost itself will be changing since the Plan is closed to new members other than Non-Contract employees.

The table below presents the total Plan contributions (both employer and employee) for the current and prior valuations.

<b>Table V-1</b>		
<b>Development of Annual Contribution</b>		
	<b>July 1, 2022</b>	<b>July 1, 2023</b>
1. Total Actuarial Liability	\$ 337,148,571	\$ 342,852,868
2. Plan Assets (Actuarial Value)	\$ <u>195,924,568</u>	\$ <u>196,279,951</u>
3. Unfunded Actuarial Liability (UAL), [(1) - (2)]	\$ 141,224,003	\$ 146,572,917
4. UAL Amortization Payment	\$ 14,505,139	\$ 15,748,549
5. Total Plan Normal Cost	\$ 3,615,035	\$ 3,557,763
6. Expected Administrative Expenses	\$ <u>282,000</u>	\$ <u>289,050</u>
7. Total Cost (beginning of year), [(4) + (5) + (6)]	\$ 18,402,174	\$ 19,595,362
8. Total Cost (interest adjusted to middle of year)	\$ 18,946,198	\$ 20,174,660

Table V-2 presents the calculation of the UAL payments for the Plan under the amortization policy adopted in 2012.

<b>Table V-2</b>						
<b>Development of the Amortization Payment (BOY) as of July 1, 2023</b>						
<b>Type of Base</b>	<b>Date Established</b>	<b>Initial Balance</b>	<b>Initial Amortization</b>	<b>Outstanding Balance</b>	<b>Remaining Amortization</b>	<b>Amortization Amount</b>
Initial Unfunded						
1. Actuarial Liability	7/1/2012	\$ 87,613,245	25	\$ 65,533,377	14	\$ 6,651,323
2. Actuarial Loss	7/1/2013	6,555,553	15	2,935,615	5	657,457
3. Actuarial Gain	7/1/2014	(2,132,368)	15	(1,108,491)	6	(212,666)
4. Actuarial Loss	7/1/2015	740,624	15	434,709	7	73,464
5. Assumption Changes	7/1/2016	29,699,872	21	23,779,753	14	2,413,531
6. Actuarial Loss	7/1/2016	4,978,340	15	3,233,301	8	491,205
7. Actuarial Loss	7/1/2017	5,880,935	15	4,168,432	9	578,162
8. Method Changes	7/1/2018	(640,322)	19	(537,484)	14	(54,552)
9. Actuarial Loss	7/1/2018	5,453,907	15	4,168,364	10	534,290
10. Assumption Changes	7/1/2019	7,536,766	18	6,500,238	14	659,743
11. Actuarial Loss	7/1/2019	9,988,472	15	8,152,387	11	975,156
12. Actuarial Loss	7/1/2020	3,425,437	15	2,964,320	12	333,562
13. Assumption Changes	7/1/2021	10,215,184	16	9,395,504	14	953,599
14. Actuarial Gain	7/1/2021	(5,703,358)	15	(5,198,592)	13	(553,994)
15. Actuarial Loss	7/1/2022	10,345,013	15	9,900,562	14	1,004,859
16. Actuarial Loss	7/1/2023	12,250,922	14	<u>12,250,922</u>	14	<u>1,243,410</u>
<b>TOTAL</b>				<b>\$ 146,572,917</b>		<b>\$ 15,748,549</b>
				<b>Total UAL Payment, Middle of Year</b>		<b>\$ 16,214,124</b>

Table V-3 presents the development of the PEPRA Member Contribution Rate. PEPRA Members must contribute half of the total normal cost rate of the Plan, rounded to the nearest 0.25%, as shown in the table below.

<b>Table V-3</b>		
<b>Development of the PEPRA Member Contribution Rate</b>		
<b>Valuation Date</b>	<b>July 1, 2022</b>	<b>July 1, 2023</b>
Effective Date	FY 2023-2024	FY 2024-2025
Assumed Rate of Return	6.00%	6.00%
Total Normal Cost Rate	18.81%	18.07%
50/50 Cost Sharing Rate for Members	9.40%	9.03%
<b>Member Contribution Rate</b> <i>(rounded to nearest quarter %)</i>	<b>9.50%</b>	<b>9.00%</b>
Active PEPRA Membership Statistics		
Number	23	26
Average Age	46.8	44.4
Average Service	7.1	6.0
Average Age at Hire Date	39.7	38.4

Data pertaining to active and inactive Members and their beneficiaries as of the valuation date was supplied by the Plan Administrator on electronic media. As is usual in studies of this type, Member data was neither verified nor audited; however, it was reviewed to ensure that it complies with generally accepted actuarial standards.

### Summary of Participant Data

#### Active Participants

<b>Non-Contract/Admin</b>	<b>July 1, 2022</b>	<b>July 1, 2023</b>
Number	47	45
Average Age	51.2	52.3
Average Service	18.0	18.9
Average Pay	\$ 82,441	\$ 85,940
<b>Non-Contract/PEPRA</b>	<b>July 1, 2022</b>	<b>July 1, 2023</b>
Number	23	26
Average Age	46.8	44.4
Average Service	7.1	6.0
Average Pay	\$ 71,110	\$ 76,165
<b>ATU/Clerical</b>	<b>July 1, 2022</b>	<b>July 1, 2023</b>
Number	9	9
Average Age	53.0	54.0
Average Service	15.4	16.4
Average Pay	\$ 56,094	\$ 56,224
<b>ATU/Drivers</b>	<b>July 1, 2022</b>	<b>July 1, 2023</b>
Number	171	152
Average Age	55.3	55.7
Average Service	18.4	18.7
Average Pay	\$ 70,855	\$ 76,771
<b>IBEW/Mechanics</b>	<b>July 1, 2022</b>	<b>July 1, 2023</b>
Number	81	78
Average Age	53.5	54.5
Average Service	22.7	23.7
Average Pay	\$ 73,474	\$ 76,804
<b>Total</b>	<b>July 1, 2022</b>	<b>July 1, 2023</b>
Number	331	310
Average Age	53.6	53.9
Average Service	18.5	18.8
Average Pay	\$ 72,758	\$ 77,463

## Summary of Participant Data

### Deferred Participants

Terminated Vested	July 1, 2022	July 1, 2023
Number	184	175
Average Age	55.2	55.4
Average Annual Benefit	\$ 9,249	\$ 9,366

### In-Pay Participants

Service Retired	July 1, 2022	July 1, 2023
Number	807	817
Average Age	71.4	71.7
Average Annual Benefit	\$ 24,269	\$ 24,829
Beneficiaries	July 1, 2022	July 1, 2023
Number	178	181
Average Age	72.9	73.7
Average Annual Benefit	\$ 11,698	\$ 11,787
Disabled	July 1, 2022	July 1, 2023
Number	73	68
Average Age	70.9	71.8
Average Annual Benefit	\$ 10,121	\$ 10,170
Total	July 1, 2022	July 1, 2023
Number	1,058	1,066
Average Age	71.6	72.0
Average Annual Benefit	\$ 21,178	\$ 21,680



**Status Reconciliation - All Divisions**  
**Changes in Plan Membership as of July 1, 2023**

	Active	Terminated Vested	Disabled	Retired	Beneficiaries	Total
<b>Participant count as of July 1, 2022</b>	<b>331</b>	<b>184</b>	<b>73</b>	<b>807</b>	<b>178</b>	<b>1,573</b>
New Entrants	5					5
Rehires						0
Disabilities						0
Retirements/ Domestic Relations Order (DRO)	(18)	(17)		35	0	0
Vested Terminations	(8)	8				0
Died, with Beneficiaries' Benefit Payable			(2)	(7)	9	0
Transfers						0
Died, without Beneficiary, and Other Terminations			(3)	(18)	(1)	(22)
Beneficiary Deaths					(5)	(5)
Data Corrections						0
Total Change	(21)	(9)	(5)	10	3	(22)
<b>Participant count as of July 1, 2023</b>	<b>310</b>	<b>175</b>	<b>68</b>	<b>817</b>	<b>181</b>	<b>1,551</b>

**Status Reconciliation - Non-Contract/Administrative<sup>1</sup>**  
**Changes in Plan Membership as of July 1, 2023**

	Active	Terminated Vested	Disabled	Retired	Beneficiaries	Total
<b>Participant count as of July 1, 2022</b>	<b>70</b>	<b>23</b>	<b>1</b>	<b>136</b>	<b>35</b>	<b>265</b>
New Entrants	5					5
Rehires						0
Disabilities						0
Retirements/ Domestic Relations Order (DRO)	(1)	(5)		6		0
Vested Terminations	(3)	3				0
Died, with Beneficiaries' Benefit Payable				(2)	2	0
Transfers						0
Died, without Beneficiary, and Other Terminations				(3)		(3)
Beneficiary Deaths					(1)	(1)
Data Corrections				1		1
Total Change	<u>1</u>	<u>(2)</u>	<u>0</u>	<u>2</u>	<u>1</u>	<u>2</u>
<b>Participant count as of July 1, 2023</b>	<b>71</b>	<b>21</b>	<b>1</b>	<b>138</b>	<b>36</b>	<b>267</b>

<sup>1</sup> Includes 23 active individuals participating in PEPRAs.

**Status Reconciliation - Clerical**  
**Changes in Plan Membership as of July 1, 2023**

	Active	Terminated Vested	Disabled	Retired	Beneficiaries	Total
<b>Participant count as of July 1, 2022</b>	<b>9</b>	<b>9</b>	<b>1</b>	<b>34</b>	<b>6</b>	<b>59</b>
New Entrants						0
Rehires						0
Disabilities						0
Retirements/ Domestic Relations Order (DRO)		(1)		1		0
Vested Terminations						0
Died, with Beneficiaries' Benefit Payable						0
Transfers						0
Died, without Beneficiary, and Other Terminations				(5)		(5)
Beneficiary Deaths						0
Data Corrections						0
Total Change	0	(1)	0	(4)	0	(5)
<b>Participant count as of July 1, 2023</b>	<b>9</b>	<b>8</b>	<b>1</b>	<b>30</b>	<b>6</b>	<b>54</b>

**Status Reconciliation - ATU/Drivers**  
**Changes in Plan Membership as of July 1, 2023**

	Active	Terminated Vested	Disabled	Retired	Beneficiaries	Total
<b>Participant count as of July 1, 2022</b>	<b>171</b>	<b>114</b>	<b>60</b>	<b>513</b>	<b>103</b>	<b>961</b>
New Entrants						0
Rehires						0
Disabilities						0
Retirements/ Domestic Relations Order (DRO)	(15)	(9)		24		0
Vested Terminations	(4)	4				0
Died, with Beneficiaries' Benefit Payable			(2)	(5)	7	0
Transfers						0
Died, without Beneficiary, and Other Terminations			(2)	(10)	(1)	(13)
Beneficiary Deaths					(3)	(3)
Data Corrections				(2)		(2)
Total Change	(19)	(5)	(4)	7	3	(18)
<b>Participant count as of July 1, 2023</b>	<b>152</b>	<b>109</b>	<b>56</b>	<b>520</b>	<b>106</b>	<b>943</b>

**Status Reconciliation - IBEW/Mechanics**  
**Changes in Plan Membership as of July 1, 2023**

	Active	Terminated Vested	Disabled	Retired	Beneficiaries	Total
<b>Participant count as of July 1, 2022</b>	<b>81</b>	<b>38</b>	<b>11</b>	<b>124</b>	<b>34</b>	<b>288</b>
New Entrants						0
Rehires						0
Disabilities						0
Retirements/ Domestic Relations Order (DRO)	(2)	(2)		4		0
Vested Terminations	(1)	1				0
Died, with Beneficiaries' Benefit Payable						0
Transfers						0
Died, without Beneficiary, and Other Terminations			(1)			(1)
Beneficiary Deaths					(1)	(1)
Data Corrections				1		1
Total Change	(3)	(1)	(1)	5	(1)	(1)
<b>Participant count as of July 1, 2023</b>	<b>78</b>	<b>37</b>	<b>10</b>	<b>129</b>	<b>33</b>	<b>287</b>

**Age / Service Distribution Of Active Participants - Non-Contract/Administrative<sup>1</sup> (Counts)**  
As of July 1, 2023

Age	Service												Total	
	Under 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & up		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	1	1	1	0	0	0	0	0	0	0	0	3
30 to 34	0	0	0	0	0	0	2	0	0	0	0	0	0	2
35 to 39	0	0	0	0	0	5	1	5	0	0	0	0	0	11
40 to 44	1	0	0	0	1	1	4	3	0	0	0	0	0	10
45 to 49	0	0	1	0	0	2	2	1	2	3	0	0	0	11
50 to 54	0	0	0	1	0	0	4	1	2	1	0	0	0	9
55 to 59	0	0	0	1	1	1	1	1	0	1	0	1	1	7
60 to 64	0	0	0	0	0	3	2	4	1	2	1	1	1	14
65 to 69	0	0	0	0	0	0	2	1	0	1	0	0	0	4
70 & up	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>12</b>	<b>18</b>	<b>16</b>	<b>5</b>	<b>8</b>	<b>1</b>	<b>2</b>		<b>71</b>

<sup>1</sup> Includes 26 active individuals participating in PEPRAs.

**Age / Service Distribution Of Active Participants - Non-Contract/Administrative<sup>1</sup> (Average Salary)**  
As of July 1, 2023

Age	Service												Total	
	Under 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & up		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
25 to 29	0	0	50,003	71,510	74,371	0	0	0	0	0	0	0	0	\$65,295
30 to 34	0	0	0	0	0	0	89,998	0	0	0	0	0	0	\$89,998
35 to 39	0	0	0	0	0	74,851	75,341	83,353	0	0	0	0	0	\$78,760
40 to 44	88,234	0	0	0	69,742	104,007	71,753	107,646	0	0	0	0	0	\$87,193
45 to 49	0	0	46,093	0	0	84,217	84,306	83,910	105,796	88,127	0	0	0	\$85,729
50 to 54	0	0	0	77,299	0	0	80,379	104,520	75,911	75,502	0	0	0	\$81,184
55 to 59	0	0	0	50,355	91,763	75,734	100,006	76,001	0	61,000	0	111,796	0	\$80,951
60 to 64	0	0	0	0	0	69,041	85,034	79,706	74,371	112,776	64,102	91,763	0	\$82,272
65 to 69	0	0	0	0	0	0	79,283	75,502	0	107,187	0	0	0	\$85,314
70 & up	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
<b>Total</b>	<b>\$88,234</b>	<b>\$0</b>	<b>\$48,048</b>	<b>\$66,388</b>	<b>\$78,625</b>	<b>\$77,463</b>	<b>\$81,173</b>	<b>\$87,404</b>	<b>\$87,557</b>	<b>\$91,703</b>	<b>\$64,102</b>	<b>\$101,780</b>		<b>\$82,360</b>

<sup>1</sup> Includes 26 active individuals participating in PEPRAs.

**Age / Service Distribution Of Active Participants - ATU/Clerical (Counts)**  
As of July 1, 2023

Age	Service												Total	
	Under 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & up		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	0	0	0	0	0	0	1	0	0	0	0	0	0	1
40 to 44	0	0	0	0	0	0	0	1	0	0	0	0	0	1
45 to 49	0	0	0	0	0	0	1	0	0	0	0	0	0	1
50 to 54	0	0	0	0	0	0	2	0	0	0	0	0	0	2
55 to 59	0	0	0	0	0	0	1	0	1	0	0	0	0	2
60 to 64	0	0	0	0	0	0	0	0	0	1	0	0	0	1
65 to 69	0	0	0	0	0	0	0	0	0	0	0	0	0	0
70 & up	0	0	0	0	0	0	0	1	0	0	0	0	0	1
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9</b>

**Age / Service Distribution Of Active Participants - ATU/Clerical (Average Salary)**  
As of July 1, 2023

Age	Service												Total	
	Under 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & up		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
30 to 34	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
35 to 39	0	0	0	0	0	0	54,327	0	0	0	0	0	0	\$54,327
40 to 44	0	0	0	0	0	0	0	49,623	0	0	0	0	0	\$49,623
45 to 49	0	0	0	0	0	0	86,203	0	0	0	0	0	0	\$86,203
50 to 54	0	0	0	0	0	0	50,769	0	0	0	0	0	0	\$50,769
55 to 59	0	0	0	0	0	0	49,623	0	50,691	0	0	0	0	\$50,157
60 to 64	0	0	0	0	0	0	0	0	0	64,386	0	0	0	\$64,386
65 to 69	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
70 & up	0	0	0	0	0	0	0	49,623	0	0	0	0	0	\$49,623
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$58,338</b>	<b>\$49,623</b>	<b>\$50,691</b>	<b>\$64,386</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$56,224</b>

**Age / Service Distribution Of Active Participants - ATU/Drivers (Counts)**  
**As of July 1, 2023**

Age	Service												Total	
	Under 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & up		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	0	0	0	0	0	0	5	2	0	0	0	0	0	7
40 to 44	0	0	0	0	0	0	7	7	1	0	0	0	0	15
45 to 49	0	0	0	0	0	0	3	10	2	0	0	0	0	15
50 to 54	0	0	0	0	0	0	4	11	9	1	0	0	0	25
55 to 59	0	0	0	0	0	0	12	12	9	4	1	0	0	38
60 to 64	0	0	0	0	0	0	11	7	5	7	3	2	0	35
65 to 69	0	0	0	0	0	0	6	2	3	2	1	0	0	14
70 & up	0	0	0	0	0	0	0	0	0	1	1	1	0	3
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>48</b>	<b>51</b>	<b>29</b>	<b>15</b>	<b>6</b>	<b>3</b>		<b>152</b>

**Age / Service Distribution Of Active Participants - ATU/Drivers (Average Salary)**  
**As of July 1, 2023**

Age	Service												Total	
	Under 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & up		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
30 to 34	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
35 to 39	0	0	0	0	0	0	74,779	73,099	0	0	0	0	0	\$74,299
40 to 44	0	0	0	0	0	0	67,040	80,253	84,773	0	0	0	0	\$74,388
45 to 49	0	0	0	0	0	0	66,165	67,915	70,532	0	0	0	0	\$67,914
50 to 54	0	0	0	0	0	0	87,444	83,087	75,455	90,977	0	0	0	\$81,352
55 to 59	0	0	0	0	0	0	81,689	75,823	72,813	82,094	90,457	0	0	\$78,008
60 to 64	0	0	0	0	0	0	71,500	90,751	73,135	74,356	87,127	73,862	0	\$77,629
65 to 69	0	0	0	0	0	0	74,219	71,075	87,224	79,817	65,410	0	0	\$76,727
70 & up	0	0	0	0	0	0	0	0	0	69,972	71,752	83,613	0	\$75,113
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$75,073</b>	<b>\$78,203</b>	<b>\$75,434</b>	<b>\$77,964</b>	<b>\$81,500</b>	<b>\$77,113</b>		<b>\$76,771</b>



**Age / Service Distribution Of Active Participants - IBEW/Mechanics (Counts)**  
As of July 1, 2023

Age	Service												Total	
	Under 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & up		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	1	1	0	0	0	0	0	2
35 to 39	0	0	0	0	0	0	6	5	0	0	0	0	0	11
40 to 44	0	0	0	0	0	0	2	1	1	0	0	0	0	4
45 to 49	0	0	0	0	0	0	0	0	2	5	0	0	0	7
50 to 54	0	0	0	0	0	0	1	0	2	2	4	0	0	9
55 to 59	0	0	0	0	0	0	0	4	3	2	3	0	0	12
60 to 64	0	0	0	0	0	0	0	5	6	3	6	4	0	24
65 to 69	0	0	0	0	0	0	1	3	0	0	2	1	0	7
70 & up	0	0	0	0	0	0	0	1	1	0	0	0	0	2
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11</b>	<b>20</b>	<b>15</b>	<b>12</b>	<b>15</b>	<b>5</b>		<b>78</b>

**Age / Service Distribution Of Active Participants - IBEW/Mechanics (Average Salary)**  
As of July 1, 2023

Age	Service												Total	
	Under 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & up		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
30 to 34	0	0	0	0	0	0	85,377	85,377	0	0	0	0	0	\$85,377
35 to 39	0	0	0	0	0	0	75,139	85,377	0	0	0	0	0	\$79,792
40 to 44	0	0	0	0	0	0	80,862	85,377	85,377	0	0	0	0	\$83,119
45 to 49	0	0	0	0	0	0	0	0	80,862	74,467	0	0	0	\$76,294
50 to 54	0	0	0	0	0	0	85,377	0	67,134	80,862	80,862	0	0	\$78,313
55 to 59	0	0	0	0	0	0	0	57,711	85,377	80,862	73,057	0	0	\$72,322
60 to 64	0	0	0	0	0	0	0	76,179	77,712	73,057	79,357	85,377	0	\$78,499
65 to 69	0	0	0	0	0	0	76,347	66,084	0	0	80,862	76,347	0	\$73,238
70 & up	0	0	0	0	0	0	0	48,891	57,448	0	0	0	0	\$53,170
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$78,151</b>	<b>\$72,826</b>	<b>\$77,414</b>	<b>\$76,246</b>	<b>\$78,699</b>	<b>\$83,571</b>		<b>\$76,804</b>

## **A. Contribution Allocation Procedure**

The contribution allocation procedure primarily consists of an actuarial cost method, an asset smoothing method, and an amortization method as described below. This contribution allocation procedure, combined with reasonable assumptions, produces a Reasonable Actuarially Determined Contribution as defined in Actuarial Standard of Practice No. 4. The contribution allocation procedure was selected to balance benefit security, intergenerational equity, and the stability of actuarially determined contributions. The selection also considered the demographics of plan members, the funding goals and objectives of the Board, and the need to accumulate assets to make benefit payments when due.

### **1. Actuarial Cost Method**

The actuarial funding method used to determine the normal cost and the Unfunded Actuarial Liability is the individual entry age to final decrement cost method. This method is consistent with the method required under the GASB accounting statements. Under this cost method, the normal cost is calculated as the amount necessary to fund Members' benefits as a level percentage of total payroll over their projected working lives. At each valuation date, the Actuarial Liability is equal to the difference between the liability for the Members' total projected benefit and the present value of future normal cost contributions. The total normal cost is calculated as the sum of the individual normal costs for each active member (individual entry age method). The Unfunded Actuarial Liability (UAL) is the difference between the Actuarial Liability and the Actuarial Value of Assets (AVA).

### **2. Amortization Method**

The initial Unfunded Actuarial Liability as of July 1, 2012 is amortized in level dollar payments over a 25-year period ending June 30, 2037. Changes in the Unfunded Actuarial Liability due to Plan amendments, changes in actuarial assumptions or methods will be amortized in level dollar payments over a separate period that ends on June 30, 2037, consistent with the amortization of the remaining June 30, 2012 UAL. Changes in the Unfunded Actuarial Liability due to actuarial gains and losses are amortized over closed separate 15-year periods in level dollar payments. In order for SDTC to achieve its goal of full funding by 2037, once the amortization of future gains and losses extends beyond June 30, 2037, the period will be reduced to end on June 30, 2037. However, as the targeted full funding date of June 30, 2037 approaches, changes to the amortization policy may be made at the MTS Board's discretion to mitigate volatility or unsustainable increases in the UAL payment.

Though, the Retirement Board may make exceptions, in general, the intent is to follow the guidelines published by the California Actuarial Advisory Panel and the Government Finance Officers' Association.

### **3. Actuarial Value of Plan Assets**

For the purposes of determining contributions, a smoothed Actuarial Value of Assets (AVA) is used that dampens the effects of volatility in the Market Value of Assets on the pattern of contributions. The AVA is determined using an adjusted market value. Under this method, a preliminary AVA is determined as the Market Value of Assets on the valuation date less a decreasing fraction ( $4/5$ ,  $3/5$ ,  $2/5$ ,  $1/5$ ) of the gain or loss in each of the preceding four years. The gain or loss for a given year is the difference between the actual investment return (on a market-to-market basis) and the assumed investment return based on the Market Value of Assets at the beginning of the year and actual cash flow. The AVA is adjusted, if necessary, to remain between 80% and 120% of the market value.

## B. Actuarial Assumptions

The economic and demographic assumptions are based on the experience study covering the period from July 1, 2015 through June 30, 2020 that was adopted at the MTS Board of Directors Meeting in November 2021. The rationale for all the assumptions can also be found in the experience study report dated September 2021. All assets and liabilities are computed as of the valuation date, July 1, 2023.

### 1. Rate of Return

The annual rate of return on all Plan assets is assumed to be 6.00% net of investment expenses.

### 2. Cost of Living

The cost of living as measured by the Consumer Price Index (CPI) will increase at the rate of 2.50% per year.

### 3. Post Retirement COLA

Benefits for Non-Contract retirees assumed to increase after retirement at the rate of 2.0% per year.

### 4. Pay for Benefits

In most cases, pay for benefits is based on a two-year average of each Participant's pay during the two years preceding the valuation date. Special procedures are used in some cases, as noted for full-time Participants.

<u>Unit</u>	<u>Pay for Continuing Participants</u>	<u>Pay for New Participants</u>
Drivers	The larger of gross pay or 1,800 hours times the member's hourly rate	
Mechanics	2,150 hours times the Participant's hourly rate	
Clerical	Gross pay	The larger of gross pay or 2,100 hours times the Participant's hourly rate
Non-Contract	Gross pay	The larger of gross pay or 2,080 hours times the Participant's hourly rate

Part-time Participants are assumed to work 1,040 hours in the calculations shown above.

## 5. Merit Pay (Longevity and Promotion) Increases

Assumed pay increases for active Participants consist of increases due to inflation (cost-of-living adjustments) and those due to longevity and promotion. Based on an analysis of pay levels and service, we developed the following assumptions:

Longevity and Promotion Increases				
Service	ATU	IBEW	Clerical	Non-Contract
	Drivers	Mechanics		
0	6.00%	7.50%	10.00%	3.50%
1	6.00%	7.50%	10.00%	3.50%
2	6.00%	7.50%	0.25%	3.50%
3	6.00%	7.50%	0.25%	3.50%
4	6.00%	7.50%	0.25%	3.50%
5	6.00%	7.50%	0.25%	3.50%
6	6.00%	7.50%	0.25%	3.50%
7	6.00%	7.50%	0.25%	3.50%
8	0.50%	7.50%	0.25%	3.50%
9	0.50%	7.50%	0.25%	3.50%
10+	0.50%	0.50%	0.25%	0.25%

In addition, annual adjustments in pay due to inflation will equal the CPI, for an additional annual increase of 2.50%. The combination of rates is compounded rather than using an additive method.

## 6. Active Participant Mortality

Rates of mortality for all active ATU and IBEW Participants are given by Cheiron's ATU Non-Annuitant mortality with generational improvements from the base year 2016 using Scale MP-2020. Sample rates are shown in the table below:

Age	Male	Female
25	0.040%	0.033%
30	0.049%	0.038%
35	0.056%	0.051%
40	0.064%	0.072%
45	0.079%	0.101%
50	0.113%	0.151%
55	0.174%	0.239%
60	0.272%	0.365%
65	0.408%	0.524%

Rates of mortality for all active Clerical and Non-Contract Participants are given by 2010 Public General Employee mortality with generational improvements from the base year 2010 using Scale MP-2020.

## 7. Healthy Inactive Participant and Beneficiary Mortality

Rates of mortality for healthy inactive ATU and IBEW Participants, spouses, and surviving spouses are given by Cheiron's ATU Healthy-Annuitant mortality with generational improvements from the base year 2016 using Scale MP-2020. Sample rates are shown in the table below:

Age	Male	Female
55	0.898%	0.520%
60	1.123%	0.762%
65	1.309%	1.103%
70	1.983%	1.633%
75	3.272%	2.631%
80	5.595%	4.433%
85	9.647%	7.691%
90	15.707%	13.411%
95	22.864%	20.609%

Rates of mortality for healthy inactive Clerical and Non-Contract Participants, spouses, and surviving spouses are given by 2010 Public General Healthy Annuitant Amount Weighted mortality with generational improvements from the base year 2010 using Scale MP-2020.

## 8. Disabled Participant Mortality

Rates of mortality for disabled members are given by Cheiron's ATU Disabled Annuitant mortality with generational improvements from the base year 2016 using Scale MP-2020.

## 9. Mortality Improvement

Mortality is assumed to improve in future years in accordance with the MP-2020 generational improvement tables.

## 10. Disability

Among ATU Drivers and IBEW Mechanics uses an 80% male/20% female blend of the standard CalPERS Public Agency Table, with sample rates below. Disabled Participants are assumed not to return to active service. No disability is assumed for Clerical and Non-Contract Participants.

Disability	
Age	Rate
25	0.016%
30	0.020%
35	0.045%
40	0.109%
45	0.158%
50	0.166%
55	0.156%
60	0.143%
65	0.120%
70	0.098%
75+	0.099%

## 11. Plan Expenses

Expected Plan administrative expenses as of the valuation date of \$289,050 are included in the total annual cost, increasing each year with the assumed rate of inflation.

## 12. Family Composition

100% of active Participants are assumed married. Male spouses are assumed four years older than their wives are.

### 13. Service Retirement

Rates of service retirement among Participants eligible to retire are given by the following table:

Age	ATU Drivers	IBEW Mechanics	Clerical/Non Contract
52 <sup>1</sup>	0%	0%	0%
53-54	0%	0%	7.5%
55	10%	5%	7.5%
56-59	7.5%	5%	10%
60-61	10%	10%	10%
62	15%	10%	30%
63	15%	10%	25%
64	20%	15%	25%
65-66	40%	45%	25%
67-69	25%	20%	25%
70 and older	100%	100%	100%

<sup>1</sup> Non-Contract retirement assumption at age 52 is for PEPRAs participants only, 0% otherwise.

### 14. Termination

Service-based or age-based termination rates are shown below by group. For all Participants, termination rates are assumed zero once a participant is eligible for retirement.

Termination for ATU Driver, IBEW Mechanic, and Non-Contract Participants are assumed to occur in accordance with the service-based rates shown in the following table:

Service	ATU Driver	IBEW Mechanic	Non- Contract
0	10.0%	10.0%	5.0%
1-6	4.0%	4.0%	5.0%
7+	3.0%	3.0%	5.0%



Termination for Clerical Participants is assumed to occur in accordance with the age-based rates shown in the following table:

Clerical	
Age	Rate
20-24	25.0%
25-29	15.0%
30-34	13.0%
35-39	11.0%
40-44	10.0%
45-49	9.0%
50 and older	9.0%

### **15. Employment Status**

No future transfers among Participant groups are assumed.

### **16. Changes in Actuarial Methods and Assumptions since the Prior Valuation**

None.

## A. Definitions

### Average Monthly

**Final Earnings:** Average Monthly Final Earnings means the average monthly compensation during the consecutive months that produces a Participant's highest average compensation, computed by dividing the Compensation Earnable for such period by the number of months in such period.

- For ATU, IBEW, and Clerical Participants, the averaging period is 36 consecutive months.
- For Non-Contract Participants, the number of consecutive months is 12.
- Public Employees' Pension Reform Act (PEPRA): For Non-Contract Participants hired on and after January 1, 2013, the number of consecutive months is 36.
- Those months during which the Participant did not receive compensation from the Employer equivalent to one-half the regular working days will be excluded. The average is then based on that portion of the averaging period remaining after the excluded months.
- PEPRA: It is possible that exclusions for months in which the Participant did not work full-time may be subject to change.
- Use the total of the Periodic Pensionable Earnings from the highest three calendar (payroll) years. These years need not be consecutive years. There shall be no skips and drops within the three calendar (payroll) years. Add the total Periodic Pensionable Earnings to Terminal Earnings and then divide by 36.

**Compensation:** Compensation means the remuneration for services paid by the Employer. The monetary value of board, lodgings, fuel, car allowance, laundry, or other advantages furnished to a Participant is not included.

PEPRA: For Participants joining the Plan on or after January 1, 2013, only base compensation up to the Social Security-integrated PEPRA compensation limit (\$151,446 for 2024 and \$146,042 for 2023) will count for computing Plan benefits and employee and employer contributions; in particular, all or most overtime will be excluded.

Compensation  
Earnable:

Compensation Earnable is the compensation actually received by a Participant during a period of employment. For ATU and Non-Contract Participants, any bonus or retroactive wage increases are treated as compensation when received rather than when the services are performed. For IBEW Participants, Compensation Earnable is limited to 2,140 hours of straight time equivalent hours in any 12-month period.

In addition, the value of any vacation or sick leave accumulated but unused when benefits begin is excluded from Compensation Earnable and from Average Monthly Final Earnings.

PEPRA: For Participants joining the Plan on and after January 1, 2013, it is likely that some sources of compensation, such as those underlined above, may be excluded from benefit and contribution computations for these new Participants.

Credited Years  
Of Service:

In general, Credited Years of Service is continuous service with the San Diego Transit Corporation and its predecessor company from the last date of employment through the date of retirement, death, disability, or other termination of service.

As of November 10, 1997, part-time ATU employees receive one Credited Year of Service for every 2,080 hours of service worked as a part-time employee after December 1, 1990.

For Non-Contract Participants, Credited Years of Service includes any year commencing on or after July 1, 1982 in which the Participant completes at least 1,000 Hours of Service. In addition, Credited Years of Service for Non-Contract Participants will exclude any period of service after the Participant's Normal Retirement Date.

A Participant who is disabled and recovers from disability and reenters the Plan as an active Participant will not receive Credited Years of Service for the period of disability.

**B. Membership**

All full-time and certain part-time IBEW employees hired prior to May 1, 2011, will become Participants on their date of hire. IBEW employees hired on and after May 1, 2011, will become Participants of a separate defined contribution plan and will not be Participants of this Plan.

All full-time and certain part-time ATU employees hired prior to November 1, 2012, will become Participants on their date of hire. ATU

employees hired on and after November 1, 2012, will become Participants of a separate defined contribution plan and will not be Participants of this Plan. All Non-Contract employees become Participants after earning one Credited Year of Service.

PEPRA: Any Participant joining the Plan for the first time on or after January 1, 2013, is a New Participant.

### **C. Retirement Benefit**

**Eligibility:** Clerical and Non-Contract Participants are eligible for normal service retirement upon attaining age 63 and completing five or more Credited Years of Service and eligible for early service retirement upon attaining age 53 and completing five or more Credited Years of Service.

ATU and IBEW Participants are eligible for normal service retirement upon attaining age 63 (65 for IBEW) and completing five or more Credited Years of Service and eligible for early service retirement upon attaining age 55 and completing five or more Credited Years of Service.

PEPRA: New Participants are eligible to retire upon attaining age 52 and completing five or more Credited Years of Service.

**Benefit Amount:** The monthly service retirement benefit is the Participant's Average Monthly Final Earnings multiplied by the percentage figures shown in the tables below.

- For ATU and Clerical Participants terminating prior to October 1, 2005, ATU/Clerical Table A-1 is used; for ATU and Clerical Participants terminating on and after October 1, 2005, ATU/Clerical Table A-2 is used. Prior to July 1, 2006, the benefit from the table is limited to 60%.
- For IBEW Participants terminating prior to January 1, 2007, IBEW Table A-1 is used; for IBEW Participants terminating on and after January 1, 2007, IBEW Table A-2 is used.
- For Non-Contract participants terminating prior to July 1, 2000, Non-Contract Table A-1 is used; for Non-Contract participants terminating on and after July 1, 2000, Non-Contract Table A-2 is used.

For Participants with fractions of a year of age or service, the Participant's age or service will be rounded to the completed quarter year, and the percentage multiplier will be computed from the table using interpolation.

ATU participants who are active from November 10, 1997, to December 31, 1998, and from November 10, 1997, to December 31, 1999, receive an additional 2.5% and 2.5%, respectively. However, the multiplier from Table A-1 or A-2, as augmented by the additional 2.5% increments, is still limited to 60% prior to July 1, 2006 and 70% thereafter.

Non-Contract Participants who are active as of July 1, 1994, and July 1, 1995, receive an additional 6% and 2%, respectively. However, the benefit multiplier, as augmented by the additional 6% and 2% increments, is still limited to 60% under Table A-1 and 70% under Table A-2.

A Participant who is disabled and recovers from disability and reenters the Plan as an active Participant will have this benefit amount reduced by the actuarial equivalent of the benefits paid during the period of disability.

PEPRA: For New Participants, the benefit multiplier will be 1% at age 52, increasing by 0.1% for each year of age to 2.5% at 67. In between exact ages, the multiplier will increase by 0.025% for each quarter year increase in age.

Form of Benefit: The normal form of benefit is an annuity payable for the life of the Participant, with no continuation of benefits to a beneficiary after death. The retirement benefit will be paid as a 50% Joint and Survivor benefit actuarially equivalent to the normal form for participants who have been married for at least one year. Otherwise, the normal form will be paid.

Because Participants will be making employee contributions, the Participant's beneficiaries may be eligible to receive a refund of accumulated contributions that exceed the benefits paid out to the Participant (if any) upon death.

The ATU and IBEW benefits have been amended from time to time to remove the actuarial reduction in benefits for previously retired Participants whose spouses have died before them. However, these adjustments are retroactive only, and they do not apply to benefits paid to currently active Participants.

ATU and IBEW Participants may elect an Alternative Retirement Formula if they terminate employment before early retirement but after 10 Credited Years of Service or were hired between April 1, 1968, and March 31, 1971, and desire to retire at their Normal Retirement Date. These Participants are eligible for a deferred benefit commencing at age 65 based on Table B.

Tables A-1 and A-2 for each employee group, as well as Table B, can be found at the end of Appendix C herein.

#### **D. Disability Retirement Benefit**

Eligibility: A Participant is eligible for a Disability Retirement Benefit if:

- The Participant has earned five Credited Years of Service (ATU, IBEW, Clerical and Non-Contract), and
- The Participant is unable to perform the duties of his or her job with the Corporation, cannot be transferred to another job with the Corporation, and has submitted satisfactory medical evidence of permanent disqualification from his or her job.

Benefit Amount: The Disability Retirement Benefit is a monthly benefit equal to the lesser of:

1. 1.5% times Credited Years of Service at Disability Retirement Date times the Participant's Average Monthly Final Earnings; and,
2. The Normal Retirement Benefit calculated using the Average Monthly Final Earnings at Disability Retirement Date and the projected Credited Years of Service to Normal Retirement Date.

The benefit is reduced by 50% of the amount of any earned income from other sources in excess of 50% of the Participant's Average Monthly Earnings during the 12 months prior to disability; this reduction applies to all IBEW and Non-Contract Participants, but only to ATU Participants hired after June 30, 1983.

PEPRA: Note that the Disability Retirement Benefit for New Participants is based on the new definition of Compensation, which is subject to a maximum and excludes overtime.

Form of Benefit: The normal form of benefit is an annuity commencing at disability and payable for the life of the Participant, with no continuation of benefits to a beneficiary after death. The Disability Retirement Benefit will be paid as a 50% Joint and Survivor benefit actuarially equivalent to the normal form for participants who have been married for at least one year. Otherwise, the normal form will be paid.

Because Participants will be making employee contributions, the Participant's beneficiaries may be eligible to receive a refund of accumulated contributions that exceed the benefits paid out to the Participant (if any) upon death.

The ATU and IBEW benefits have been amended from time to time to remove the actuarial reduction in benefits for previously retired Participants whose spouses have died before them. However, these adjustments are retroactive only, and they do not apply to benefits paid to currently active Participants.

## **E. Pre-Retirement Death Benefit**

**Eligibility:** A vested Participant is entitled to elect coverage of a pre-retirement spouse's benefit.

For years, if a Participant is age 55 or under, the cost of the coverage is paid by the Company. For the years, a Participant is over age 55 and has elected this coverage, the cost of this coverage is paid by the Participant in the form of a reduced benefit upon retirement. The reduction is 3.5¢ per \$10 of monthly benefit for each year of coverage.

There is no cost for this benefit for any ATU, Clerical, or Non-Contract Participant whose monthly benefit commences after November 27, 1990. There is no cost for this benefit for any IBEW Participant whose monthly benefit commences after December 3, 1996.

In order for the spouse to be eligible for this benefit, the participant must be married to the spouse for one year prior to death, unless death occurs from accidental causes.

**Benefit Amount:** For a Participant who is eligible to retire at death, the pre-retirement death benefit is 50% of the benefit that would have been payable had the Participant retired immediately prior to his or her death and elected to receive a 50% Joint and Survivor annuity.

For a Participant who dies before being eligible to retire, the pre-retirement death benefit is 50% of the benefit that would have been payable had the Participant survived to his or her earliest retirement date, retired, elected to receive a 50% Joint and Survivor annuity, and died immediately.

PEPRA: Note that the Pre-Retirement Death Benefit for New Participants is based on the new definition of compensation, which is subject to a maximum and excludes overtime.

**Form of Benefit:** For a Participant who is eligible to retire at death, the death benefit begins when the Participant dies and continues for the life of the surviving spouse.

For a Participant who dies before being eligible to retire, the death benefit begins when the Participant would have reached his or her earliest retirement date and continues for the life of the surviving spouse.

Because Participants will be making employee contributions, the Participant's beneficiaries may be eligible to receive a refund of accumulated contributions that exceed the benefits paid out to the Participant or spouse (if any) upon death.

## **F. Termination Benefit**

**Eligibility:** A Participant is eligible for a termination benefit after earning five Credited Years of Service.

**Benefit Amount:** The termination benefit is computed in the same manner as the Normal Retirement Benefit, but it is based on Credited Years of Service and Average Monthly Final Earnings on the date of termination.

Effective July 1, 2000, Non-Contract participants who terminate prior to eligibility for early service retirement will have their benefits actuarially reduced if they begin receiving benefits before Normal Retirement Age.

PEPRA: For New Participants, the benefit multiplier will be 1% at age 52, increasing by 0.1% for each year of age to 2.5% at 67. In between exact ages, the multiplier will increase by 0.025% for each quarter year increase in age. Note also that the Termination Benefit for New Participants is based on the new definition of compensation, which is subject to a maximum and excludes overtime.

We assume a refund of employee contributions, with no interest, if termination occurs before five years of service.

**Form of Benefit:** The Participant will be eligible to commence benefits at the later of termination and earliest retirement eligibility age.

The normal form of benefit is an annuity payable for the life of the Participant, with no continuation of benefits to a beneficiary after death. The retirement benefit will be paid as a 50% Joint and Survivor benefit actuarially equivalent to the normal form for participants who have been married for at least one year. Otherwise, the normal form will be paid.

Because Participants will be making employee contributions, the Participant's beneficiaries may be eligible to receive a refund of accumulated contributions that exceed the benefits paid out to the Participant (if any) upon death.



The ATU and IBEW benefits have been amended from time to time to remove the actuarial reduction in benefits for previously retired Participants whose spouses have died before them. However, these adjustments are retroactive only, and they do not apply to benefits paid to currently active Participants.

### **G. Cost-of-Living Adjustments**

**Eligibility:** An annual Cost-of-Living Adjustment (COLA) has been added for Non-Contract Participants who were actively employed on or after June 30, 1999. One time only (ad hoc) COLAs were granted to ATU and IBEW Participants in 1991 and 1992.

**Benefit Amount:** For Non-Contract Participants, the cumulative COLA is the increase in the Consumer Price Index (CPI) since the Participant began receiving benefits.

The COLA is subject to the following limits for Non-Contract Participants:

- The cumulative COLA cannot exceed 2% compounded annually for all years since the Participant's benefits began;
- The annual COLA is zero if the CPI increase in that year is less than 1%;
- The annual COLA is limited to 6% of the initial benefit amount in any year; and,
- A Participant's benefit cannot be reduced below the benefit level when payments commenced.

### **H. Voluntary Early Retirement Program**

The Plan provided enhanced benefits to ATU participants who voluntarily elected early retirement during the window period from July 1, 1998 through February 20, 1998.

The Plan provided enhanced benefits to certain IBEW participants who voluntarily elected early retirement during the window period from July 1, 2004, through December 31, 2004.

## **I. DROP Program**

The Plan provided DROP benefits to a number of ATU participants who elected retirement from July 1, 2002, through December 31, 2002.

## **J. Funding**

- IBEW members contributed 3% of compensation to the Plan in April 2013 and 4% of compensation in April 2014. The contribution rate increased to 6% of compensation in April 2015 and increased to 8% of compensation in April 2016.
- ATU drivers and clerical members contributed 3% of compensation in July 2013. The contribution rate increased to 5% of compensation in July 2014, to 6% in July 2015, and to 7% of compensation in July 2016. The contribution rate increased to 8% of compensation in December 2017.
- Non-Contract members hired before January 1, 2013, contributed 2% of compensation to the Plan prior to January 2014. The Non-Contract member contributions increased to 4% of compensation in January 2014, to 6% of in January 2015, and increased to 7% of compensation on January 1, 2016. As of January 1, 2017, the member contribution rate increased to 8% of compensation.
- New members under PEPRA must contribute half of the normal cost of the Plan, rounded to the nearest 0.25%. Effective January 1, 2013, PEPRA members were paying 6.25% of pay and the employer has been paying the remaining cost of the Plan. The PEPRA employee contribution rate increases to 7.75% of pay based on the results of July 1, 2021 valuation, 9.50% of pay based on the results of this July 1, 2022 valuation, and 9.00% of pay based on the results of this July 1, 2023 valuation.

The Corporation pays the actuarial cost of the Plan as reduced by Member contributions. Member contribution rates in the future may change in response to collective bargaining.

## **K. Changes in Plan Provisions since the Prior Valuation**

PEPRA employee contributions decreased from 9.50% of pay to 9.00% of pay.

**ATU/Clerical Table A-1: Retirement Benefit Multipliers**

Credited Years Of Service	Age at Retirement								
	55	56	57	58	59	60	61	62	63+
5	5.9%	6.3%	6.7%	7.2%	7.8%	8.3%	8.9%	9.5%	10.1%
6	7.1%	7.5%	8.1%	8.7%	9.3%	10.0%	10.7%	11.4%	12.1%
7	8.2%	8.8%	9.4%	10.1%	10.9%	11.7%	12.4%	13.3%	14.1%
8	9.4%	10.1%	10.8%	11.6%	12.4%	13.3%	14.2%	15.1%	16.1%
9	10.6%	11.3%	12.1%	13.0%	14.0%	15.0%	16.0%	17.0%	18.1%
10	11.8%	12.6%	13.5%	14.4%	15.5%	16.7%	17.8%	18.9%	20.1%
11	12.9%	13.8%	14.8%	15.9%	17.1%	18.3%	19.5%	20.8%	22.2%
12	14.1%	15.1%	16.2%	17.3%	18.6%	20.0%	21.3%	22.7%	24.2%
13	15.3%	16.3%	17.5%	18.8%	20.2%	21.7%	23.1%	24.6%	26.2%
14	16.5%	17.6%	18.9%	20.2%	21.7%	23.3%	24.9%	26.5%	28.2%
15	17.6%	18.9%	20.2%	21.7%	23.3%	25.0%	26.7%	28.4%	30.2%
16	18.8%	20.1%	21.5%	23.1%	24.8%	26.7%	28.4%	30.3%	32.2%
17	20.0%	21.4%	22.9%	24.5%	26.4%	28.3%	30.2%	32.2%	34.3%
18	21.2%	22.6%	24.2%	26.0%	27.9%	30.0%	32.0%	34.1%	36.3%
19	22.3%	23.9%	25.6%	27.4%	29.5%	31.7%	33.8%	36.0%	38.3%
20	23.5%	25.2%	26.9%	28.9%	31.0%	33.3%	35.5%	37.9%	40.3%
21	24.7%	26.4%	28.3%	30.3%	32.6%	35.0%	37.3%	39.7%	42.3%
22	25.9%	27.7%	29.6%	31.8%	34.1%	36.7%	39.1%	41.6%	44.3%
23	27.0%	28.9%	31.0%	33.2%	35.7%	38.3%	40.9%	43.5%	46.3%
24	28.2%	30.2%	32.3%	34.6%	37.2%	40.0%	42.6%	45.4%	48.4%
25	29.4%	31.4%	33.7%	36.1%	38.8%	41.7%	44.4%	47.3%	50.4%
26	30.6%	32.7%	35.0%	37.5%	40.3%	43.3%	46.2%	49.2%	52.4%
27	31.7%	34.0%	36.4%	39.0%	41.9%	45.0%	48.0%	51.1%	54.4%
28	32.9%	35.2%	37.7%	40.4%	43.4%	46.7%	49.8%	52.0%	56.4%
29	34.1%	36.5%	39.1%	41.9%	45.0%	48.3%	50.0%	55.0%	58.4%
30	35.3%	37.7%	40.4%	43.4%	46.5%	50.0%	51.0%	55.5%	60.0%
31	36.5%	39.0%	41.7%	44.8%	48.1%	51.0%	51.5%	56.0%	60.0%
32	37.6%	40.2%	43.1%	46.2%	49.6%	51.5%	52.0%	56.5%	60.0%
33	38.8%	41.5%	44.4%	47.6%	50.0%	52.0%	52.5%	57.0%	60.0%
34	40.0%	42.8%	45.8%	49.1%	51.0%	52.5%	53.0%	57.5%	60.0%
35 or more	41.2%	44.0%	47.1%	50.0%	51.5%	53.0%	53.5%	58.0%	60.0%

**ATU/Clerical Table A-2: Retirement Benefit Multipliers**

Credited Years Of Service	Age at Retirement										
	Clerical		55	56	57	58	59	60	61	62	63+
	53	54									
5	8.71%	9.33%	10.00%	10.26%	10.52%	10.78%	11.05%	11.31%	11.57%	11.83%	12.09%
6	10.45%	11.20%	12.00%	12.31%	12.62%	12.94%	13.26%	13.57%	13.88%	14.20%	14.51%
7	12.19%	13.06%	14.00%	14.36%	14.73%	15.09%	15.47%	15.83%	16.20%	16.56%	16.93%
8	13.94%	14.93%	16.00%	16.42%	16.83%	17.25%	17.68%	18.10%	18.51%	18.93%	19.34%
9	15.68%	16.79%	18.00%	18.47%	18.94%	19.40%	19.89%	20.36%	20.83%	21.29%	21.76%
10	17.42%	18.66%	20.00%	20.52%	21.04%	21.56%	22.10%	22.62%	23.14%	23.66%	24.18%
11	19.16%	20.53%	22.00%	22.57%	23.14%	23.72%	24.31%	24.88%	25.45%	26.03%	26.60%
12	20.90%	22.39%	24.00%	24.62%	25.25%	25.87%	26.52%	27.14%	27.77%	28.39%	29.02%
13	22.65%	24.26%	26.00%	26.68%	27.35%	28.03%	28.73%	29.41%	30.08%	30.76%	31.43%
14	24.39%	26.12%	28.00%	28.73%	29.46%	30.18%	30.94%	31.67%	32.40%	33.12%	33.85%
15	26.13%	27.99%	30.00%	30.78%	31.56%	32.34%	33.15%	33.93%	34.71%	35.49%	36.27%
16	27.87%	29.86%	32.00%	32.83%	33.66%	34.50%	35.36%	36.19%	37.02%	37.86%	38.69%
17	29.61%	31.72%	34.00%	34.88%	35.77%	36.65%	37.57%	38.45%	39.34%	40.22%	41.11%
18	31.36%	33.59%	36.00%	36.94%	37.87%	38.81%	39.78%	40.72%	41.65%	42.59%	43.52%
19	33.10%	35.45%	38.00%	38.99%	39.98%	40.96%	41.99%	42.98%	43.97%	44.95%	45.94%
20	34.84%	37.32%	40.00%	41.04%	42.08%	43.12%	44.20%	45.24%	46.28%	47.32%	48.36%
21	36.58%	39.19%	42.00%	43.09%	44.18%	45.28%	46.41%	47.50%	48.59%	49.69%	50.78%
22	38.32%	41.05%	44.00%	45.14%	46.29%	47.43%	48.62%	49.76%	50.91%	52.05%	53.20%
23	40.07%	42.92%	46.00%	47.20%	48.39%	49.59%	50.83%	52.03%	53.22%	54.42%	55.61%
24	41.81%	44.78%	48.00%	49.25%	50.50%	51.74%	53.04%	54.29%	55.54%	56.78%	58.03%
25	43.55%	46.65%	50.00%	51.30%	52.60%	53.90%	55.25%	56.55%	57.85%	59.15%	60.45%
26	45.29%	48.52%	52.00%	53.35%	54.70%	56.06%	57.46%	58.81%	60.16%	61.52%	62.87%
27	47.03%	50.38%	54.00%	55.40%	56.81%	58.21%	59.67%	61.07%	62.48%	63.88%	65.29%
28	48.78%	52.25%	56.00%	57.46%	58.91%	60.37%	61.88%	63.34%	64.79%	66.25%	67.70%
29	50.52%	54.11%	58.00%	59.51%	61.02%	62.52%	64.09%	65.60%	67.11%	68.61%	70.00%
30	52.26%	55.98%	60.00%	61.56%	63.12%	64.68%	66.30%	67.86%	69.42%	70.00%	70.00%
31	54.00%	57.85%	62.00%	63.61%	65.22%	66.84%	68.51%	70.00%	70.00%	70.00%	70.00%
32	55.74%	59.71%	64.00%	65.66%	67.33%	68.99%	70.00%	70.00%	70.00%	70.00%	70.00%
33	57.49%	61.58%	66.00%	67.72%	69.43%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
34	59.23%	63.44%	68.00%	69.77%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
35 or more	60.97%	65.31%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%

**IBEW Table A-1: Retirement Benefit Multipliers**

Credited Years Of Service	Age at Retirement										
	55	56	57	58	59	60	61	62	63	64	65+
5	5.2%	5.5%	5.9%	6.3%	6.7%	7.2%	7.8%	8.3%	8.9%	9.5%	10.1%
6	6.2%	6.6%	7.1%	7.5%	8.1%	8.7%	9.3%	10.0%	10.7%	11.4%	12.1%
7	7.2%	7.7%	8.2%	8.8%	9.4%	10.1%	10.9%	11.7%	12.4%	13.3%	14.1%
8	8.2%	8.8%	9.4%	10.1%	10.8%	11.6%	12.4%	13.3%	14.2%	15.1%	16.1%
9	9.3%	9.9%	10.6%	11.3%	12.1%	13.0%	14.0%	15.0%	16.0%	17.0%	18.1%
10	10.2%	11.0%	11.8%	12.6%	13.5%	14.4%	15.5%	16.7%	17.8%	18.9%	20.1%
11	11.2%	12.1%	12.9%	13.8%	14.8%	15.9%	17.1%	18.3%	19.5%	20.8%	22.2%
12	12.3%	13.2%	14.1%	15.1%	16.2%	17.3%	18.6%	20.0%	21.3%	22.7%	24.2%
13	13.3%	14.3%	15.3%	16.3%	17.5%	18.8%	20.2%	21.7%	23.1%	24.6%	26.2%
14	14.4%	15.4%	16.5%	17.6%	18.9%	20.2%	21.7%	23.3%	24.9%	26.5%	28.2%
15	15.4%	16.5%	17.6%	18.9%	20.2%	21.7%	23.3%	25.0%	26.7%	28.4%	30.2%
16	16.4%	17.6%	18.8%	20.1%	21.5%	23.1%	24.8%	26.7%	28.4%	30.3%	32.2%
17	17.5%	18.7%	20.0%	21.4%	22.9%	24.5%	26.4%	28.3%	30.2%	32.2%	34.3%
18	18.5%	19.8%	21.2%	22.6%	24.2%	26.0%	27.9%	30.0%	32.0%	34.1%	36.3%
19	19.6%	20.9%	22.3%	23.9%	25.6%	27.4%	29.5%	31.7%	33.8%	36.0%	38.3%
20	20.6%	22.0%	23.5%	25.2%	26.9%	28.9%	31.0%	33.3%	35.5%	37.9%	40.3%
21	21.6%	23.1%	24.7%	26.4%	28.3%	30.3%	32.6%	35.0%	37.3%	39.7%	42.3%
22	22.7%	24.2%	25.9%	27.7%	29.6%	31.8%	34.1%	36.7%	39.1%	41.6%	44.3%
23	23.7%	25.3%	27.0%	28.9%	31.0%	33.2%	35.7%	38.3%	40.9%	43.5%	46.3%
24	24.8%	26.4%	28.2%	30.2%	32.3%	34.6%	37.2%	40.0%	42.6%	45.4%	48.4%
25	25.8%	27.5%	29.4%	31.4%	33.7%	36.1%	38.8%	41.7%	44.4%	47.3%	50.4%
26	26.9%	28.6%	30.6%	32.7%	35.0%	37.5%	40.3%	43.3%	46.2%	49.2%	52.4%
27	27.9%	29.7%	31.7%	34.0%	36.4%	39.0%	41.9%	45.0%	48.0%	51.1%	54.4%
28	29.0%	30.9%	32.9%	35.2%	37.7%	40.4%	43.4%	46.7%	49.8%	52.0%	56.4%
29	30.0%	32.0%	34.1%	36.5%	39.1%	41.9%	45.0%	48.3%	50.0%	55.0%	58.4%
30	31.1%	33.1%	35.3%	37.7%	40.4%	43.4%	46.5%	50.0%	51.0%	55.5%	60.0%
31	32.1%	34.2%	36.5%	39.0%	41.7%	44.8%	48.1%	51.0%	51.5%	56.0%	60.0%
32	33.2%	35.3%	37.6%	40.2%	43.1%	46.2%	49.6%	51.5%	52.0%	56.5%	60.0%
33	34.3%	36.5%	38.8%	41.5%	44.4%	47.6%	50.0%	52.0%	52.5%	57.0%	60.0%
34	35.4%	37.6%	40.0%	42.8%	45.8%	49.1%	51.0%	52.5%	53.0%	57.5%	60.0%
35 or more	36.5%	38.7%	41.2%	44.0%	47.1%	50.0%	51.5%	53.0%	53.5%	58.0%	60.0%

**IBEW Table A-2: Retirement Benefit Multipliers**

Credited Years Of Service	Age at Retirement								
	55	56	57	58	59	60	61	62	63+
5	10.00%	10.26%	10.52%	10.78%	11.05%	11.31%	11.57%	11.83%	12.09%
6	12.00%	12.31%	12.62%	12.94%	13.26%	13.57%	13.88%	14.20%	14.51%
7	14.00%	14.36%	14.73%	15.09%	15.47%	15.83%	16.20%	16.56%	16.93%
8	16.00%	16.42%	16.83%	17.25%	17.68%	18.10%	18.51%	18.93%	19.34%
9	18.00%	18.47%	18.94%	19.40%	19.89%	20.36%	20.83%	21.29%	21.76%
10	20.00%	20.52%	21.04%	21.56%	22.10%	22.62%	23.14%	23.66%	24.18%
11	22.00%	22.57%	23.14%	23.72%	24.31%	24.88%	25.45%	26.03%	26.60%
12	24.00%	24.62%	25.25%	25.87%	26.52%	27.14%	27.77%	28.39%	29.02%
13	26.00%	26.68%	27.35%	28.03%	28.73%	29.41%	30.08%	30.76%	31.43%
14	28.00%	28.73%	29.46%	30.18%	30.94%	31.67%	32.40%	33.12%	33.85%
15	30.00%	30.78%	31.56%	32.34%	33.15%	33.93%	34.71%	35.49%	36.27%
16	32.00%	32.83%	33.66%	34.50%	35.36%	36.19%	37.02%	37.86%	38.69%
17	34.00%	34.88%	35.77%	36.65%	37.57%	38.45%	39.34%	40.22%	41.11%
18	36.00%	36.94%	37.87%	38.81%	39.78%	40.72%	41.65%	42.59%	43.52%
19	38.00%	38.99%	39.98%	40.96%	41.99%	42.98%	43.97%	44.95%	45.94%
20	40.00%	41.04%	42.08%	43.12%	44.20%	45.24%	46.28%	47.32%	48.36%
21	42.00%	43.09%	44.18%	45.28%	46.41%	47.50%	48.59%	49.69%	50.78%
22	44.00%	45.14%	46.29%	47.43%	48.62%	49.76%	50.91%	52.05%	53.20%
23	46.00%	47.20%	48.39%	49.59%	50.83%	52.03%	53.22%	54.42%	55.61%
24	48.00%	49.25%	50.50%	51.74%	53.04%	54.29%	55.54%	56.78%	58.03%
25	50.00%	51.30%	52.60%	53.90%	55.25%	56.55%	57.85%	59.15%	60.45%
26	52.00%	53.35%	54.70%	56.06%	57.46%	58.81%	60.16%	61.52%	62.87%
27	54.00%	55.40%	56.81%	58.21%	59.67%	61.07%	62.48%	63.88%	65.29%
28	56.00%	57.46%	58.91%	60.37%	61.88%	63.34%	64.79%	66.25%	67.70%
29	58.00%	59.51%	61.02%	62.52%	64.09%	65.60%	67.11%	68.61%	70.00%
30	60.00%	61.56%	63.12%	64.68%	66.30%	67.86%	69.42%	70.00%	70.00%
31	62.00%	63.61%	65.22%	66.84%	68.51%	70.00%	70.00%	70.00%	70.00%
32	64.00%	65.66%	67.33%	68.99%	70.00%	70.00%	70.00%	70.00%	70.00%
33	66.00%	67.72%	69.43%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
34	68.00%	69.77%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
35 or more	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%

**Non-Contract Table A-1: Retirement Benefit Multipliers**

Credited Years Of Service	Age at Retirement										
	53	54	55	56	57	58	59	60	61	62	63+
5	5.2%	5.5%	5.9%	6.3%	6.7%	7.2%	7.8%	8.3%	8.9%	9.5%	10.1%
6	6.2%	6.6%	7.1%	7.5%	8.1%	8.7%	9.3%	10.0%	10.7%	11.4%	12.1%
7	7.2%	7.7%	8.2%	8.8%	9.4%	10.1%	10.9%	11.7%	12.4%	13.3%	14.1%
8	8.2%	8.8%	9.4%	10.1%	10.8%	11.6%	12.4%	13.3%	14.2%	15.1%	16.1%
9	9.3%	9.9%	10.6%	11.3%	12.1%	13.0%	14.0%	15.0%	16.0%	17.0%	18.1%
10	10.2%	11.0%	11.8%	12.6%	13.5%	14.4%	15.5%	16.7%	17.8%	18.9%	20.1%
11	11.2%	12.1%	12.9%	13.8%	14.8%	15.9%	17.1%	18.3%	19.5%	20.8%	22.2%
12	12.3%	13.2%	14.1%	15.1%	16.2%	17.3%	18.6%	20.0%	21.3%	22.7%	24.2%
13	13.3%	14.3%	15.3%	16.3%	17.5%	18.8%	20.2%	21.7%	23.1%	24.6%	26.2%
14	14.4%	15.4%	16.5%	17.6%	18.9%	20.2%	21.7%	23.3%	24.9%	26.5%	28.2%
15	15.4%	16.5%	17.6%	18.9%	20.2%	21.7%	23.3%	25.0%	26.7%	28.4%	30.2%
16	16.4%	17.6%	18.8%	20.1%	21.5%	23.1%	24.8%	26.7%	28.4%	30.3%	32.2%
17	17.5%	18.7%	20.0%	21.4%	22.9%	24.5%	26.4%	28.3%	30.2%	32.2%	34.3%
18	18.5%	19.8%	21.2%	22.6%	24.2%	26.0%	27.9%	30.0%	32.0%	34.1%	36.3%
19	19.6%	20.9%	22.3%	23.9%	25.6%	27.4%	29.5%	31.7%	33.8%	36.0%	38.3%
20	20.6%	22.0%	23.5%	25.2%	26.9%	28.9%	31.0%	33.3%	35.5%	37.9%	40.3%
21	21.6%	23.1%	24.7%	26.4%	28.3%	30.3%	32.6%	35.0%	37.3%	39.7%	42.3%
22	22.7%	24.2%	25.9%	27.7%	29.6%	31.8%	34.1%	36.7%	39.1%	41.6%	44.3%
23	23.7%	25.3%	27.0%	28.9%	31.0%	33.2%	35.7%	38.3%	40.9%	43.5%	46.3%
24	24.8%	26.4%	28.2%	30.2%	32.3%	34.6%	37.2%	40.0%	42.6%	45.4%	48.4%
25	25.8%	27.5%	29.4%	31.4%	33.7%	36.1%	38.8%	41.7%	44.4%	47.3%	50.4%
26	26.9%	28.6%	30.6%	32.7%	35.0%	37.5%	40.3%	43.3%	46.2%	49.2%	52.4%
27	27.9%	29.7%	31.7%	34.0%	36.4%	39.0%	41.9%	45.0%	48.0%	51.1%	54.4%
28	29.0%	30.9%	32.9%	35.2%	37.7%	40.4%	43.4%	46.7%	49.8%	52.0%	56.4%
29	30.0%	32.0%	34.1%	36.5%	39.1%	41.9%	45.0%	48.3%	50.0%	55.0%	58.4%
30	31.1%	33.1%	35.3%	37.7%	40.4%	43.4%	46.5%	50.0%	51.0%	55.5%	60.0%
31	32.1%	34.2%	36.5%	39.0%	41.7%	44.8%	48.1%	51.0%	51.5%	56.0%	60.0%
32	33.2%	35.3%	37.6%	40.2%	43.1%	46.2%	49.6%	51.5%	52.0%	56.5%	60.0%
33	34.3%	36.5%	38.8%	41.5%	44.4%	47.6%	50.0%	52.0%	52.5%	57.0%	60.0%
34	35.4%	37.6%	40.0%	42.8%	45.8%	49.1%	51.0%	52.5%	53.0%	57.5%	60.0%
35 or more	36.5%	38.7%	41.2%	44.0%	47.1%	50.0%	51.5%	53.0%	53.5%	58.0%	60.0%

**Non-Contract Table A-2: Retirement Benefit Multipliers**

Credited Years Of Service	Age at Retirement										
	53	54	55	56	57	58	59	60	61	62	63+
5	8.71%	9.33%	10.00%	10.26%	10.52%	10.78%	11.05%	11.31%	11.57%	11.83%	12.09%
6	10.45%	11.20%	12.00%	12.31%	12.62%	12.94%	13.26%	13.57%	13.88%	14.20%	14.51%
7	12.19%	13.06%	14.00%	14.36%	14.73%	15.09%	15.47%	15.83%	16.20%	16.56%	16.93%
8	13.94%	14.93%	16.00%	16.42%	16.83%	17.25%	17.68%	18.10%	18.51%	18.93%	19.34%
9	15.68%	16.79%	18.00%	18.47%	18.94%	19.40%	19.89%	20.36%	20.83%	21.29%	21.76%
10	17.42%	18.66%	20.00%	20.52%	21.04%	21.56%	22.10%	22.62%	23.14%	23.66%	24.18%
11	19.16%	20.53%	22.00%	22.57%	23.14%	23.72%	24.31%	24.88%	25.45%	26.03%	26.60%
12	20.90%	22.39%	24.00%	24.62%	25.25%	25.87%	26.52%	27.14%	27.77%	28.39%	29.02%
13	22.65%	24.26%	26.00%	26.68%	27.35%	28.03%	28.73%	29.41%	30.08%	30.76%	31.43%
14	24.39%	26.12%	28.00%	28.73%	29.46%	30.18%	30.94%	31.67%	32.40%	33.12%	33.85%
15	26.13%	27.99%	30.00%	30.78%	31.56%	32.34%	33.15%	33.93%	34.71%	35.49%	36.27%
16	27.87%	29.86%	32.00%	32.83%	33.66%	34.50%	35.36%	36.19%	37.02%	37.86%	38.69%
17	29.61%	31.72%	34.00%	34.88%	35.77%	36.65%	37.57%	38.45%	39.34%	40.22%	41.11%
18	31.36%	33.59%	36.00%	36.94%	37.87%	38.81%	39.78%	40.72%	41.65%	42.59%	43.52%
19	33.10%	35.45%	38.00%	38.99%	39.98%	40.96%	41.99%	42.98%	43.97%	44.95%	45.94%
20	34.84%	37.32%	40.00%	41.04%	42.08%	43.12%	44.20%	45.24%	46.28%	47.32%	48.36%
21	36.58%	39.19%	42.00%	43.09%	44.18%	45.28%	46.41%	47.50%	48.59%	49.69%	50.78%
22	38.32%	41.05%	44.00%	45.14%	46.29%	47.43%	48.62%	49.76%	50.91%	52.05%	53.20%
23	40.07%	42.92%	46.00%	47.20%	48.39%	49.59%	50.83%	52.03%	53.22%	54.42%	55.61%
24	41.81%	44.78%	48.00%	49.25%	50.50%	51.74%	53.04%	54.29%	55.54%	56.78%	58.03%
25	43.55%	46.65%	50.00%	51.30%	52.60%	53.90%	55.25%	56.55%	57.85%	59.15%	60.45%
26	45.29%	48.52%	52.00%	53.35%	54.70%	56.06%	57.46%	58.81%	60.16%	61.52%	62.87%
27	47.03%	50.38%	54.00%	55.40%	56.81%	58.21%	59.67%	61.07%	62.48%	63.88%	65.29%
28	48.78%	52.25%	56.00%	57.46%	58.91%	60.37%	61.88%	63.34%	64.79%	66.25%	67.70%
29	50.52%	54.11%	58.00%	59.51%	61.02%	62.52%	64.09%	65.60%	67.11%	68.61%	70.00%
30	52.26%	55.98%	60.00%	61.56%	63.12%	64.68%	66.30%	67.86%	69.42%	70.00%	70.00%
31	54.00%	57.85%	62.00%	63.61%	65.22%	66.84%	68.51%	70.00%	70.00%	70.00%	70.00%
32	55.74%	59.71%	64.00%	65.66%	67.33%	68.99%	70.00%	70.00%	70.00%	70.00%	70.00%
33	57.49%	61.58%	66.00%	67.72%	69.43%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
34	59.23%	63.44%	68.00%	69.77%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
35 or more	60.97%	65.31%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%



**Table B: Alternate Retirement Formula Multipliers**

<b>Credited Years Of Service</b>	<b>Percentage</b>
10	20.1%
11	22.2%
12	24.2%
13	26.2%
14	28.2%
15	30.2%
16	32.2%
17	34.3%
18	36.3%
19	38.3%
20	40.3%
21	42.3%
22	44.3%
23	46.3%
24	48.4%
25	50.4%
26	52.4%
27	54.4%
28	56.4%
29	58.4%
30	60.4%
31	62.5%
32	64.5%
33	66.5%
34	68.5%
35 or more	70.5%

**1. Actuarial Assumptions**

Assumptions as to the occurrence of future events affecting pension costs such as mortality, withdrawal, disability, retirement, changes in compensation, and rates of investment return.

**2. Actuarial Cost Method**

A procedure for determining the actuarial present value of pension plan benefits and expenses and for developing an allocation of such value to each year of service, usually in the form of a normal cost and an Actuarial Liability.

**3. Actuarial Gain (Loss)**

The difference between actual experience and that expected is based upon a set of actuarial assumptions during the period between two actuarial valuation dates, as determined in accordance with a particular actuarial cost method.

**4. Actuarial Liability**

The portion of the actuarial present value of projected benefits, which will not be paid by future normal costs. It represents the value of the past normal costs with interest to the valuation date.

**5. Actuarial Present Value (Present Value)**

The value as of a given date of a future amount or series of payments. The actuarial present value discounts the payments to the given date at the assumed investment return and includes the probability of the payment being made.

**6. Actuarial Valuation**

The determination, as of a specified date, of the normal cost, Actuarial Liability, Actuarial Value of Assets, and related actuarial present values for a pension plan.

**7. Actuarial Value of Assets**

The value of cash, investments, and other property belonging to a pension plan as used by the actuary for the purpose of an actuarial valuation. The purpose of an Actuarial Value of Assets is to smooth out fluctuations in market values.

**8. Actuarially Equivalent**

Of equal actuarial present value, determined as of a given date, with each value based on the same set of actuarial assumptions.

**9. Amortization Payment**

The portion of the pension plan contribution that is designed to pay interest and principal on the Unfunded Actuarial Liability in order to pay for that liability in a given number of years.

**10. Entry Age Normal Actuarial Cost Method**

A method under which the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit ages.

**11. Funded Ratio**

The ratio of the Actuarial Value of Assets to the Actuarial Liabilities.

**12. Normal Cost**

That portion of the actuarial present value of pension plan benefits and expenses, which is allocated to a valuation year by the actuarial cost method.

**13. Projected Benefits**

Those pension plan benefit amounts which are expected to be paid in the future under a particular set of actuarial assumptions, taking into account such items as increases in future compensation and service credits.

**14. Unfunded Actuarial Liability**

The excess of the Actuarial Liability over the Actuarial Value of Assets.

# Retirement Plans of San Diego Transit Corporation

Item 12, 02/08/2024



## Actuarial Valuation Results as of July 1, 2023

Board of Directors

Anne D. Harper, FSA, EA, MAAA  
Alice I. Alsberghe, ASA, EA, MAAA

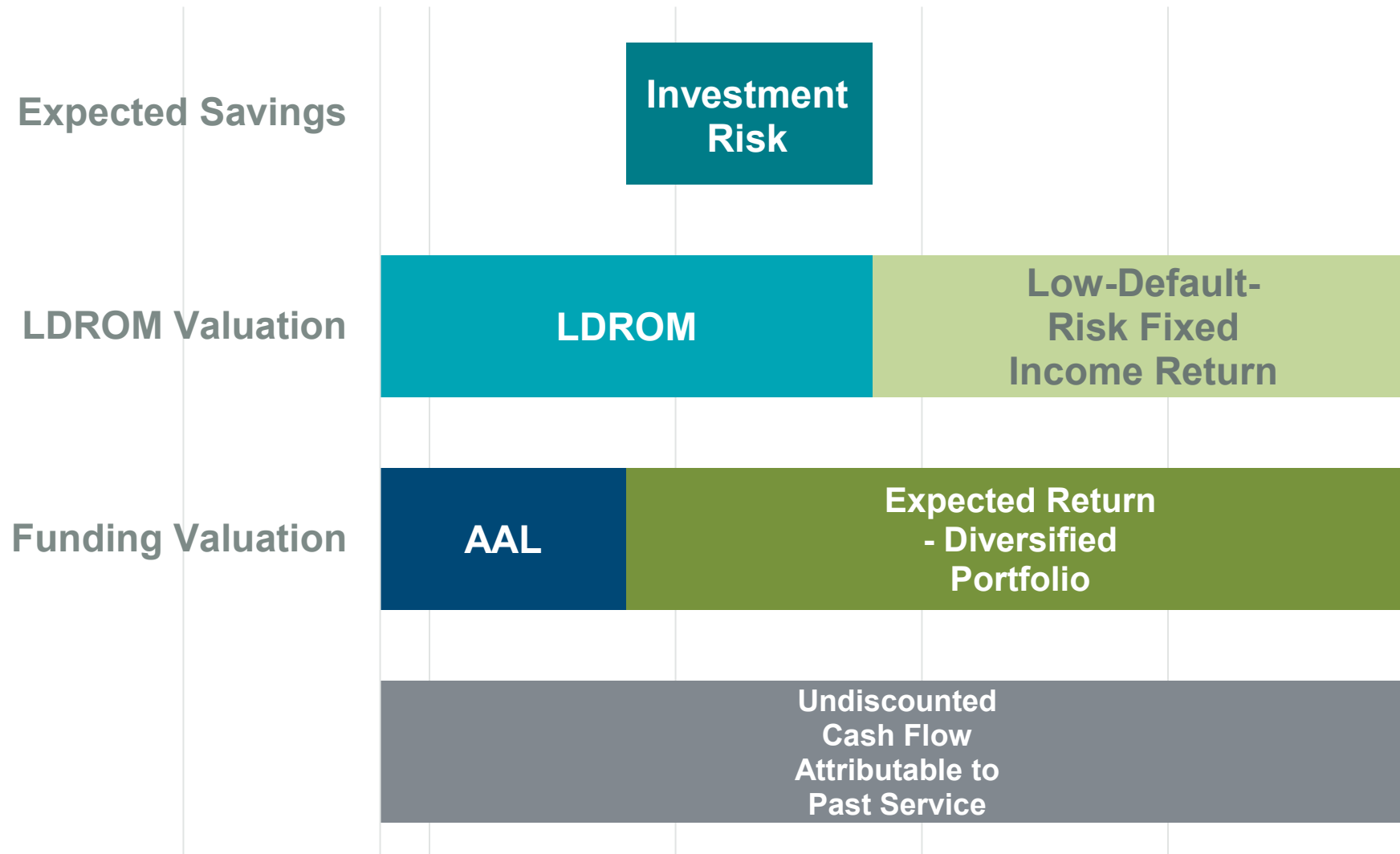


- Background
- Revised Actuarial Standard of Practice (ASOP) No. 4
- Plan Contributions for Fiscal Year 2024-2025 (based on 2023 Actuarial Valuation)
- PEPRA Member Contributions July 1, 2024 (based on 2023 Actuarial Valuation)
- Plan History
- Plan Projections

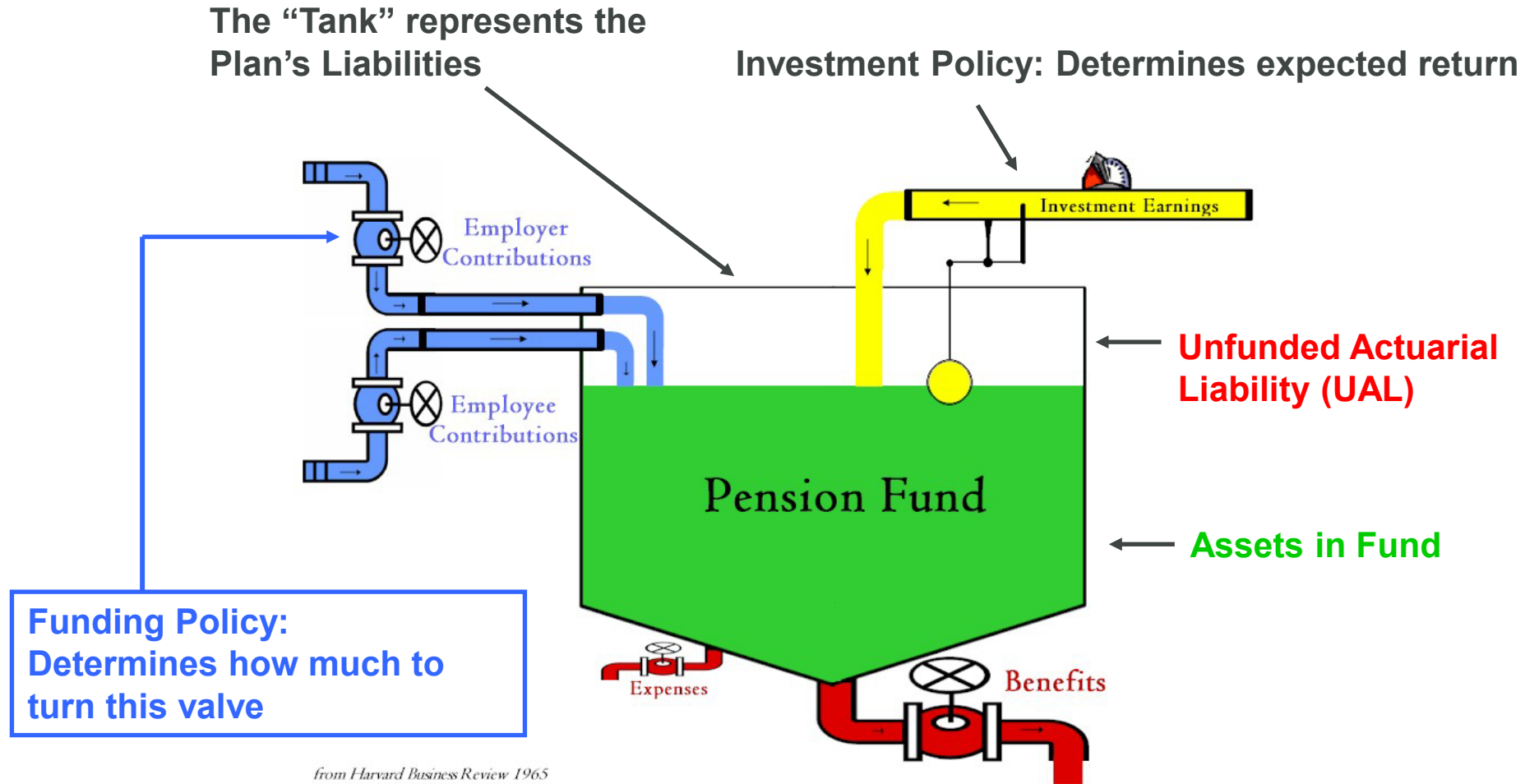


- Actuarial Standard of Practice (ASOP) No. 4: Measuring Pension Obligations and Determining Pension Plan Costs or Contributions
  - Revisions are effective February 15, 2023
- “Low-Default-Risk Obligation Measure” (LDRM) must be disclosed in the actuarial valuation report
  - NO IMPACT on determining Plan contributions or funded status
  - Discount rate must be derived from:
    - Low-default-risk fixed income securities
    - Cash flows reasonably consistent with pattern of San Diego Transit benefits
- Other ASOP 4 changes already included in San Diego Transit valuation report

# ASOP No. 4 – Communicating the LDRM

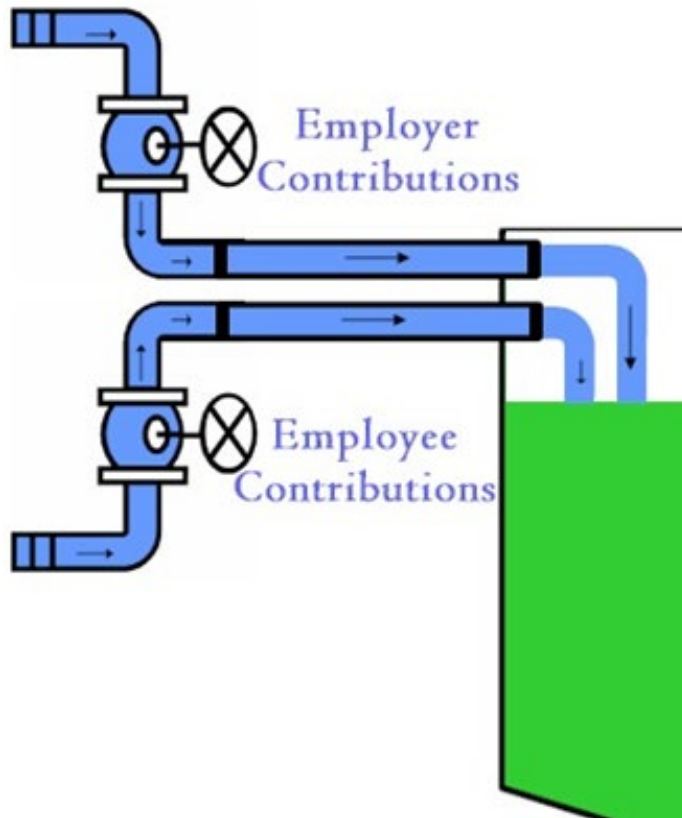


# Pension Plan Management



from Harvard Business Review 1965





## Components of the Contribution

- 1. Normal Cost**
  - Active members' benefits earned during the year
  - Gradual decreases over time for SDTC since Plan is closed to most new employees
- 2. Unfunded Actuarial Liability (UAL) Payment**
  - New layer each year (payment or credit)
  - Level dollar payment for each layer
  - Last payment for all layers will be on or before FYE 2038
- 3. Expected Administrative Expenses**
- 4. Employer Contributions = 1) + 2) + 3) less Employee Contributions**

# Plan Contribution – Changes



<b>Total Contribution Reconciliation</b>		
<b>Fiscal Year 2023-2024</b>		<b>\$ 18,946,000</b>
Actuarial investment experience		
FYE 2023 asset gain	(20,000)	
FYE 2019-2022 net deferred losses	<u>662,000</u>	
		642,000
Actuarial liability experience		618,000
Fewer benefits earned by active membership due to primarily closed plan		(161,000)
Demographic, salary and COLA experience, and other miscellaneous factors		130,000
<b>Fiscal Year 2024-2025</b>		<b>\$ 20,175,000</b>

# PEPRA Member Contributions



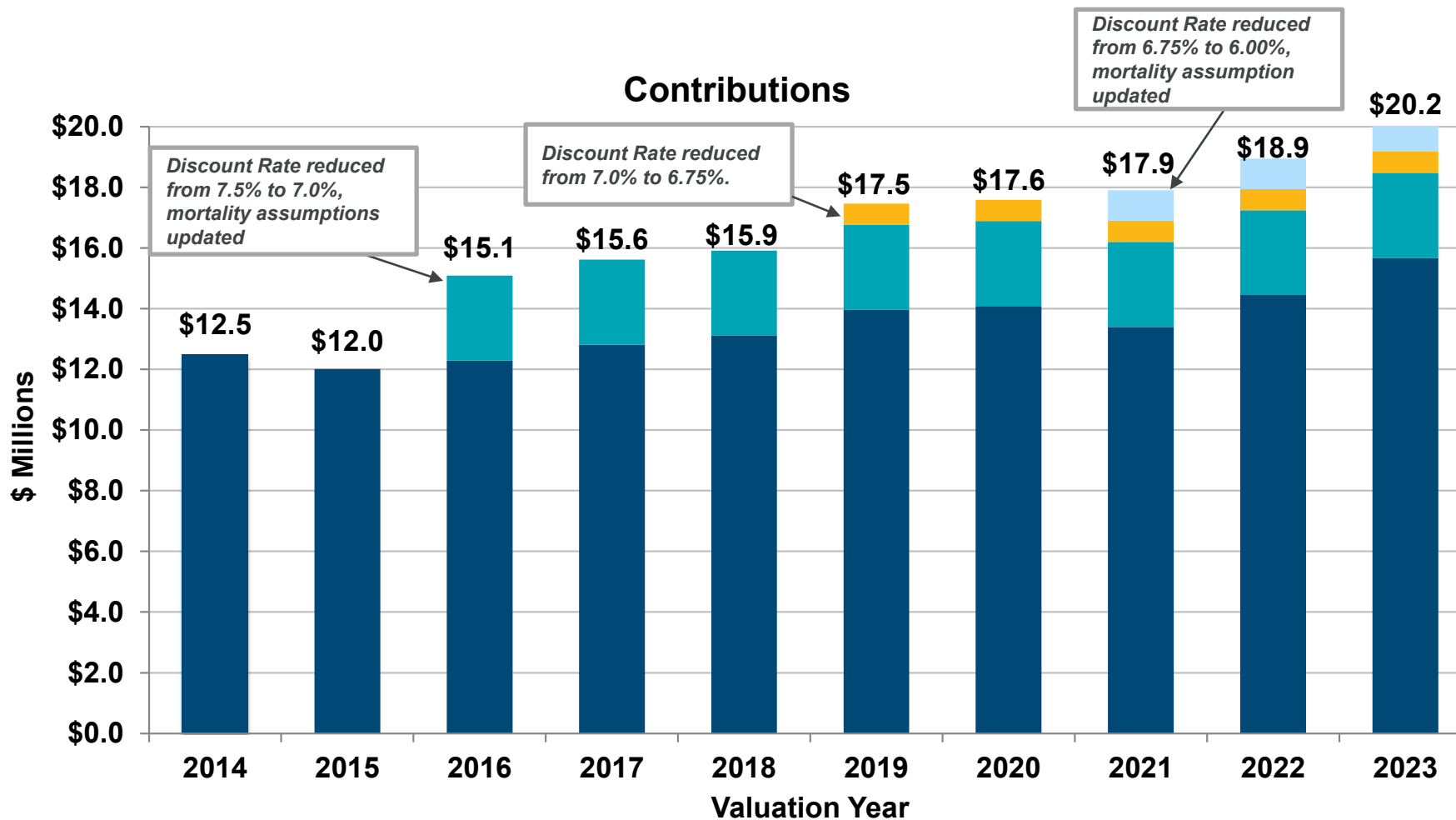
- PEPRA member contribution rates can change based on member demographics, especially average hire age

## Development of the PEPRA Member Contribution Rate

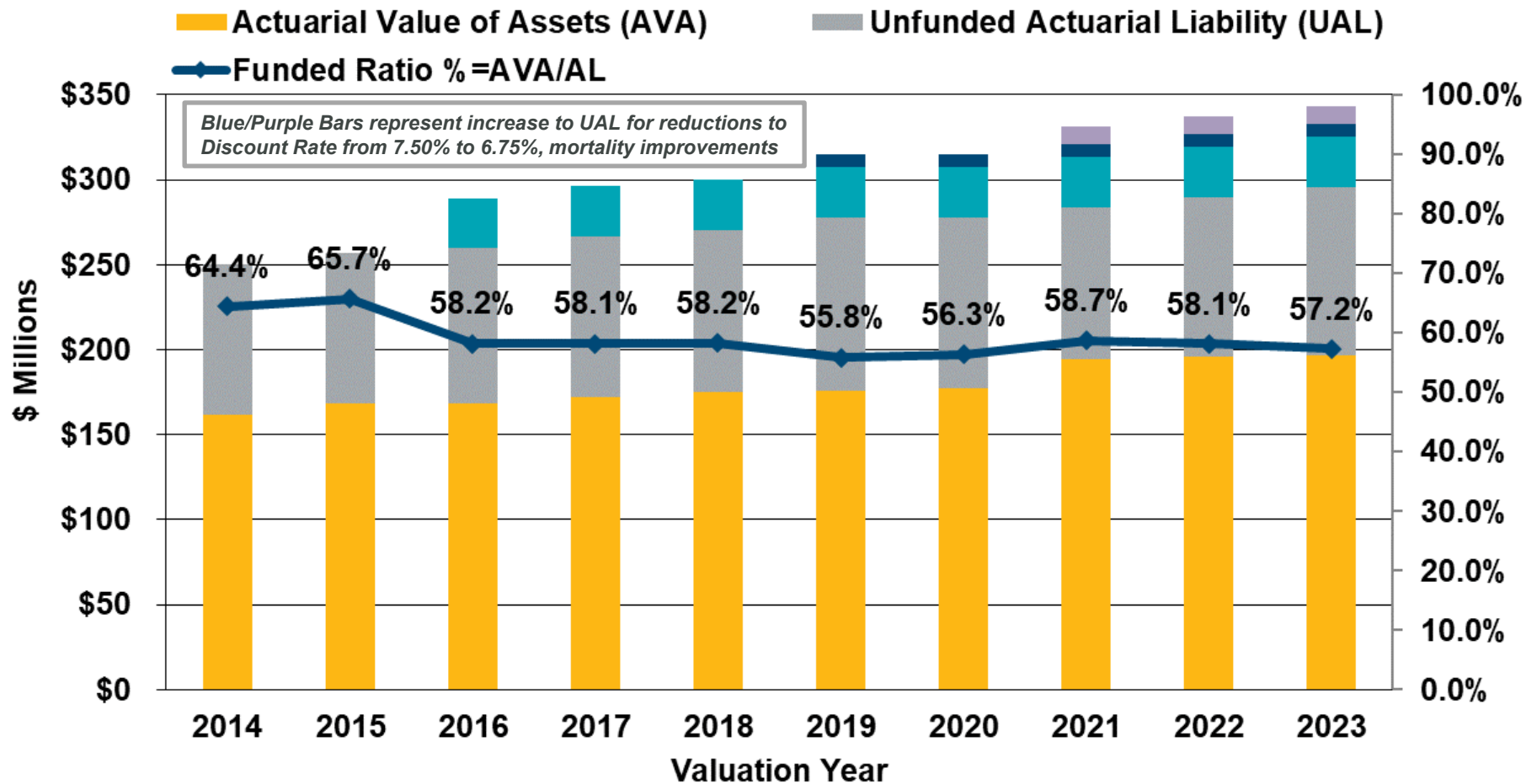
Valuation Date	July 1, 2022	July 1, 2023
Effective Date	FY 2023-2024	FY 2024-2025
Assumed Rate of Return	6.00%	6.00%
Total Normal Cost Rate	18.81%	18.07%
50/50 Cost Sharing	9.40%	9.03%
<b>Member Contribution Rate</b> <i>(rounded to nearest quarter %)</i>	<b>9.50%</b>	<b>9.00%</b>

- *IBEW Members, ATU Members, and Non-contract Members hired before July 1, 2013, contribute 8.00% of compensation*

# Plan History – Contributions



# Plan History – Funding



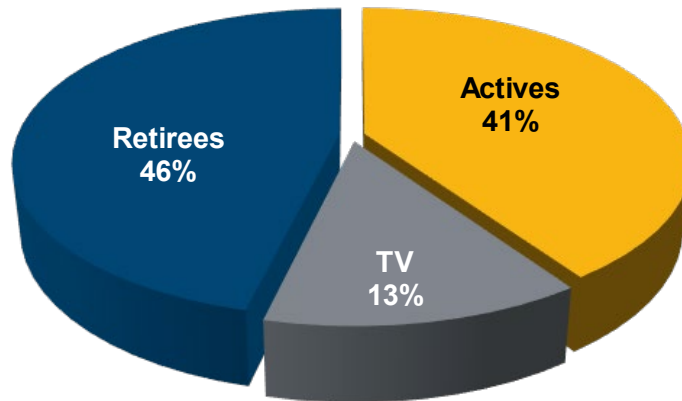
Note: As of July 1, 2023, the Funded Ratio based on the Market Value of Assets is 53.4%.

# Plan History - Membership Composition



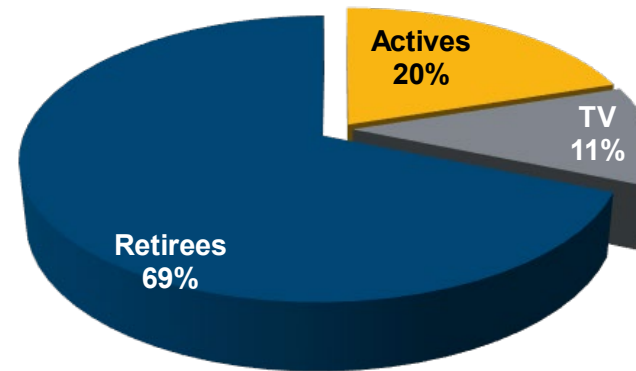
2013

2013 Head Count

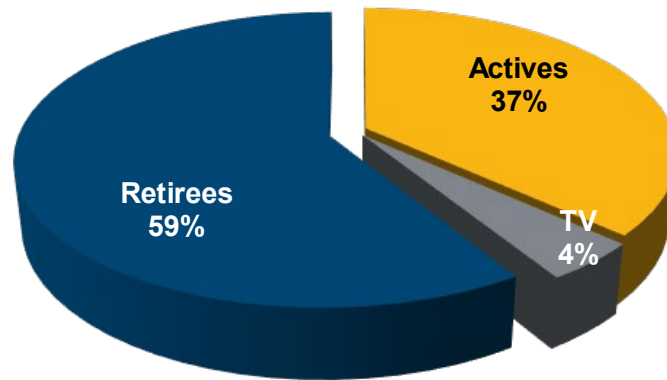


2023

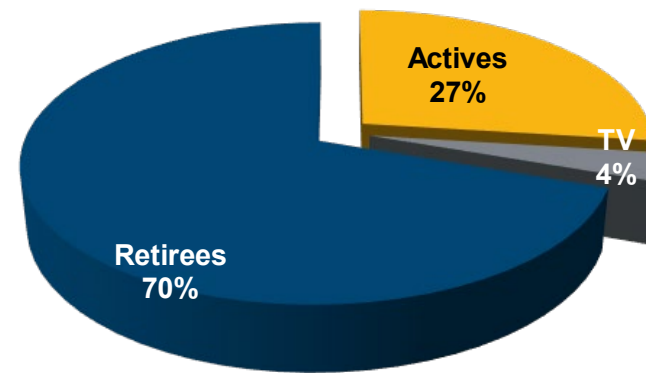
2023 Head Count



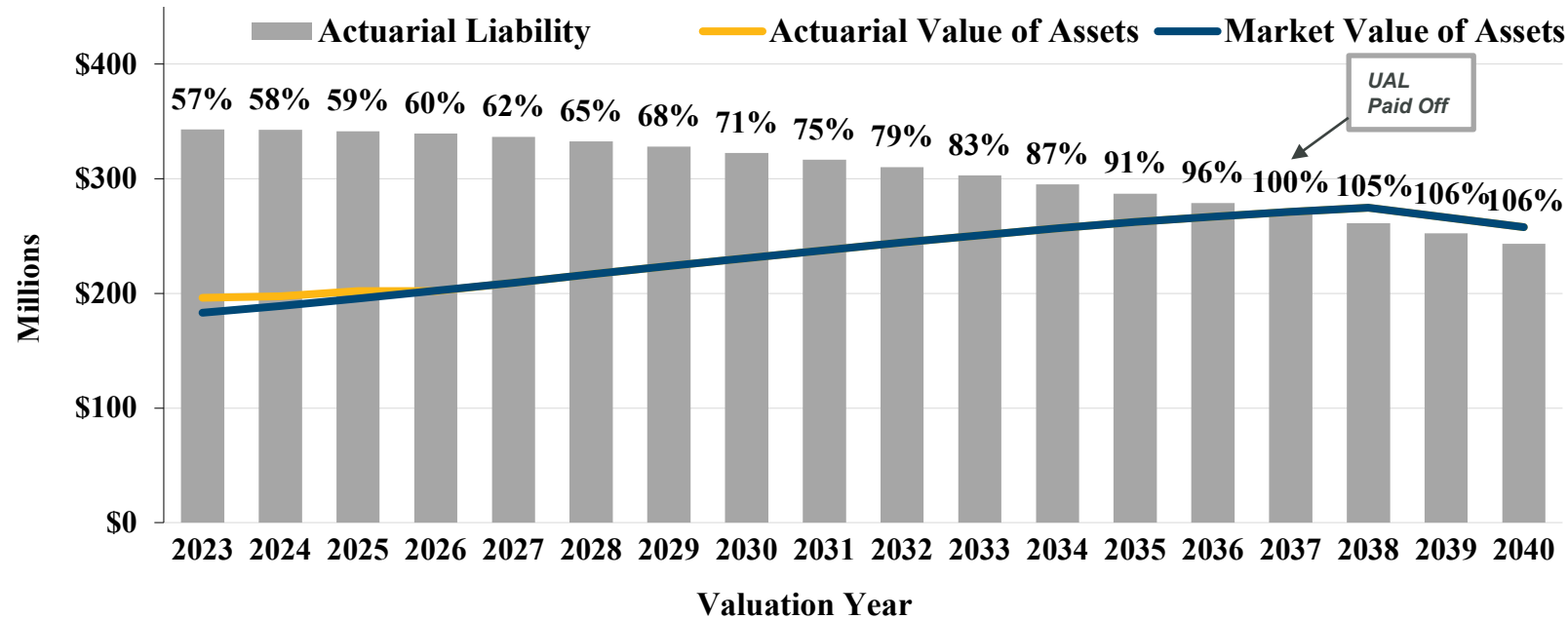
2013 Plan Liabilities



2023 Plan Liabilities

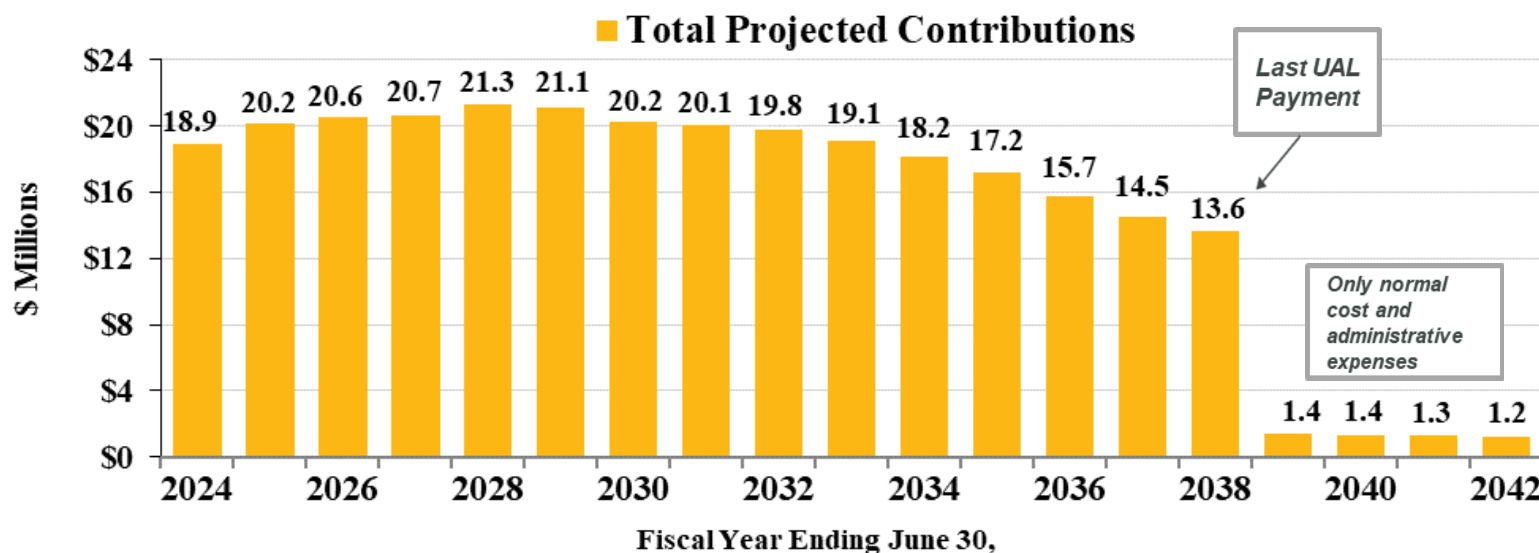


# Projected Funded Ratio



- Slow progress is expected in the funded ratio over the next four years as the net deferred investment losses are phased-in to the Actuarial Value of Assets
- The liabilities are expected to decrease over the period while the assets are expected to grow
- The Plan is still projected to be fully funded as of the 2037 valuation

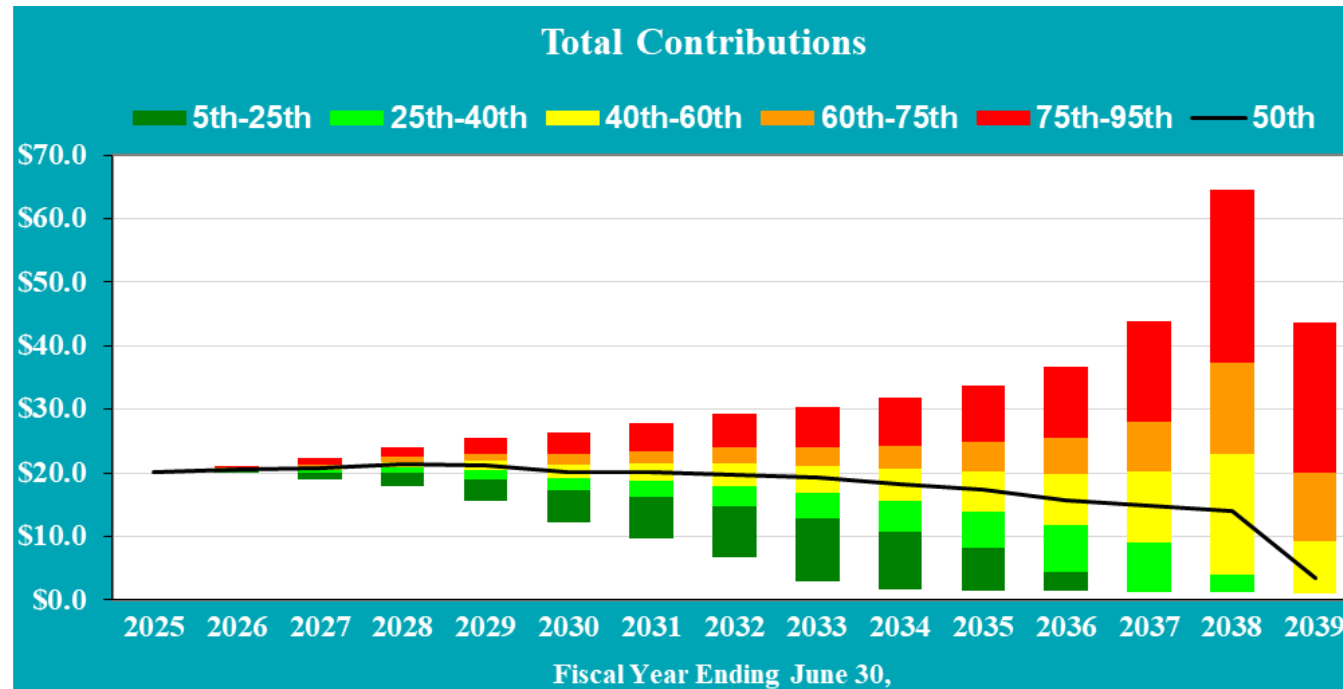
# Projected Total Contributions



- Projected contributions have increased due to:
  - Continued phase-in of net deferred investment losses
  - Salary increases higher than expected
- Total contributions are expected to gradually increase to \$21.3 million in FYE 2028 as net deferred asset losses are recognized
- Thereafter, contributions gradually decrease as the number of active members declines



# Stochastic Projections of Total Contributions



- These projections show the probable range of future contributions based on variable investment returns, with all other assumptions met
- Based on the Plan's current investment risk profile
- It's important to understand that as the Plan approaches 2039, the risk of higher contributions increases under pessimistic scenarios with the current funding policy

# Staff Recommendation

That the MTS Board of Directors receive the SDTC Employee Retirement Plan's (Plan) Actuarial Valuation as of July 1, 2023, and adopt the pension contribution amount of \$20,174,660 for fiscal year 2025

# Required Disclosures



The purpose of this presentation is to discuss the July 1, 2023 Actuarial Valuation Results for the Retirement Plans of San Diego Transit Corporation.

In preparing this presentation, we relied on information (some oral and some written) supplied by the plan administrator. This information includes, but is not limited to, the Plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

Cheiron utilizes ProVal, an actuarial valuation application leased from Winklevoss Technologies (WinTech) to calculate liabilities and project benefit payments. We have relied on WinTech as the developer of ProVal. We have a basic understanding of ProVal and have used ProVal in accordance with its original intended purpose. We have not identified any material inconsistencies in assumptions or output of ProVal that would affect this valuation.

Deterministic and stochastic projections in this presentation were developed using R-Scan, a proprietary tool used to illustrate the impact of changes in assumptions, methods, plan provisions, or actual experience (particularly investment experience) on the future financial status of the System. R-Scan uses standard roll-forward techniques that implicitly assume a stable active population.

Future results may differ significantly from the current results presented herein due to such factors as the following: plan experience differing from that anticipated by the assumptions; changes in assumptions; and changes in Plan provisions or applicable law. The future outcomes become increasingly uncertain over time, and therefore the general trends and not the absolute values should be considered in the review of these projections.

This presentation has been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable law and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this presentation. This presentation does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

This presentation was prepared exclusively for the Retirement Board and MTS Board for the purposes described herein. Other users of this presentation are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

Anne D. Harper, FSA, EA, MAAA  
Principal Consulting Actuary

Alice I. Alsberghe, ASA, EA, MAAA  
Consulting Actuary



## CALL – IN PUBLIC COMMENT

Truth provided a public comment for agenda item #12. A paraphrased version of Truth's statement will be reflected in the minutes.

### PUBLIC SPEAKER DISCLAIMER

#### INSTRUCTIONS

This meeting is offered both in an in-person and virtual format. In-person speaker requests will be taken first. Speaking time will be limited to two minutes per person, unless specified by the Chairperson. Members of the public are permitted to make general public comments at the beginning of the agenda or make specific comments on any item in the agenda at the time the Board/Committee is considering the item during the meeting. Requests to speak will not be taken after the public comment period ends, unless under the Chair's discretion.

#### BOARD OF DIRECTORS MEETING

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**Metropolitan  
Transit  
System**

## **Agenda Item No. 13**

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM  
BOARD OF DIRECTORS

February 8, 2024

**SUBJECT:**

Overnight Downtown - Border Express Bus Service Implementation (Denis Desmond)

**INFORMATIONAL ONLY**

Budget Impact

None.

**DISCUSSION:**

In December 2023, the MTS Board of Directors approved an allocation package for the use of funds that would be disbursed by the State of California pursuant to Senate Bill (SB) 125. The allocation package included several service enhancements, including added frequencies and span-of-service on bus routes and Trolley lines, and funds for new services in Otay Mesa and between Downtown and San Ysidro overnight.

The new overnight express bus route will operate during the late night and early morning hours when the UC San Diego Blue Line cannot run due to temporal separation requirements.<sup>1</sup> Service will be offered at a 30-minute frequency, operating in both directions between Downtown San Diego and the San Ysidro Transit Center. Only selected stations would be served, to maintain a similar travel time as the Trolley between Downtown and the border. Those intermediate stations will be determined as part of the outreach and planning process.

The SB 125 allocation package was structured so that MTS's current bus services that are operating at a reduced level of service (due to bus driver shortages) would largely be restored in 2024. New services funded by SB 125 would follow with implementation throughout 2025. During Board discussion of the SB 125 allocation package, staff was requested to determine if the new overnight border express service could be implemented as early as possible, and within Fiscal Year 2025.

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<sup>1</sup> "Temporal separation" is a federal safety rule that a light rail train like the trolley cannot be on the tracks at the same time as a heavy rail vehicle like SDIV/BNSF freight trains or Coaster/Amtrak passenger trains.



Staff will provide a report on the planning and preparation needs for this route, and the feasibility of an earlier implementation.

/S /Sharon Cooney  
Sharon Cooney  
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, [Julia.Tuer@sdmts.com](mailto:Julia.Tuer@sdmts.com)

# **SB 125 Project Express Border Bus Route**

Board of Directors

# SB 125 Funding

- In Dec. 2023, MTS Board approved an allocation package for submittal to the State for four years of SB 125 funds.
- Allocation package included many service improvements for bus and Trolley, including:
  - Trolley frequency to 15 minutes all day on all Trolley Lines, and 7.5 minute Blue Line frequency all the way to UTC during peaks
  - Funding for Iris Rapid operations, new Otay Mesa service, and service restoration from driver shortages
  - Additional frequency and span of service to several routes
  - New express bus route between Downtown and San Ysidro overnight when Blue Line cannot operate

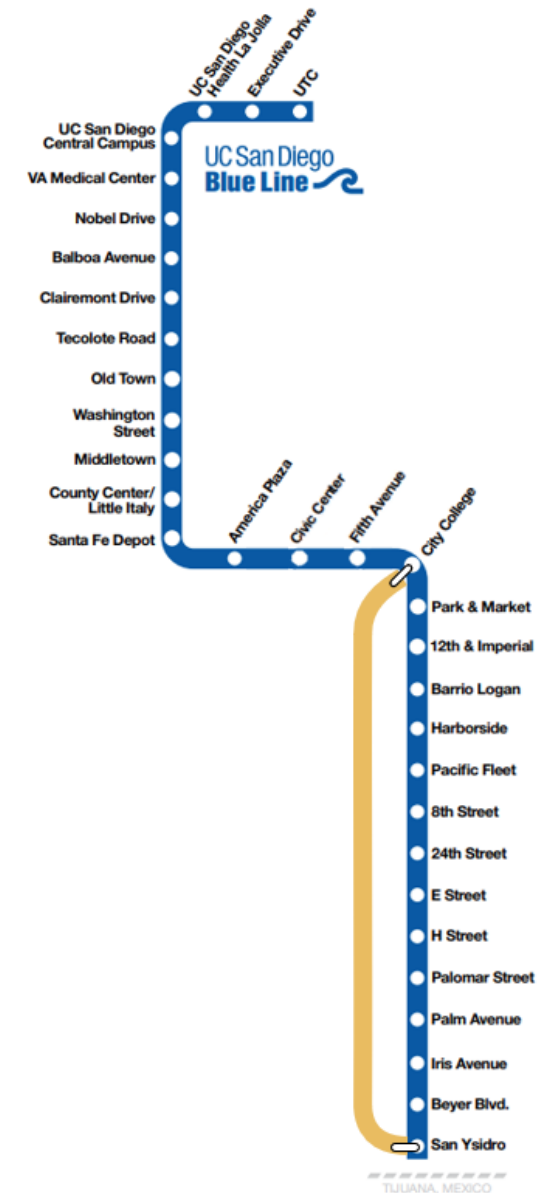


# Bus Service Enhancements

- Plan has been to first restore the services that are currently operating a reduced schedule due to driver shortages
- Implementation of new SB 125 services would then follow, as driver availability allows
- During SB 125 allocation approval, Board discussion indicated interest in expediting the implementation of the new overnight Downtown – San Ysidro express bus route

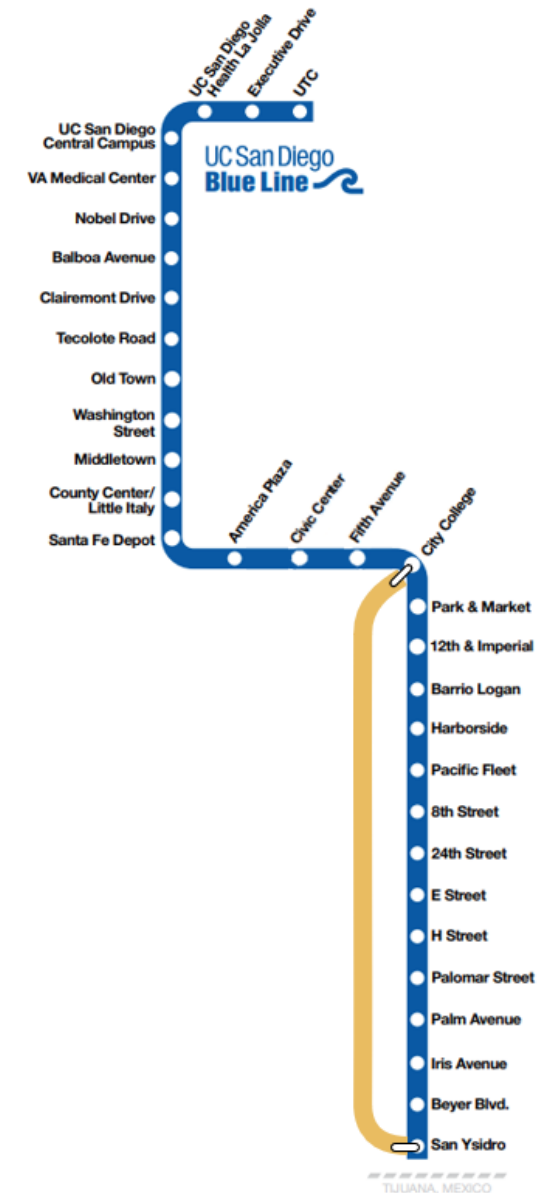
# Early Implementation for Border Express

- Route is conceptual (as Route 910) and needs some planning work to determine routing, stations, schedule, etc.
  - Community input plus technical work; effort is already underway.
- Planning and Bus Operations currently working to determine impacts of new route on staffing and CBA, given that this level of overnight service hasn't been operated before.



# Early Implementation for Route 910

- A new route is considered a “major service change” requiring a Title VI analysis, public hearing, etc.
  - Policy 42 allows a new route to be operated as a pilot for up to 12 months before a major service change process (past practice has been to seek Board approval prior).
- An expedited community engagement process and agreement on routing and stations could allow for implementation as early as September 2024 or January 2025.
- 2024 implementation would require amendment to SB 125 allocation plan.



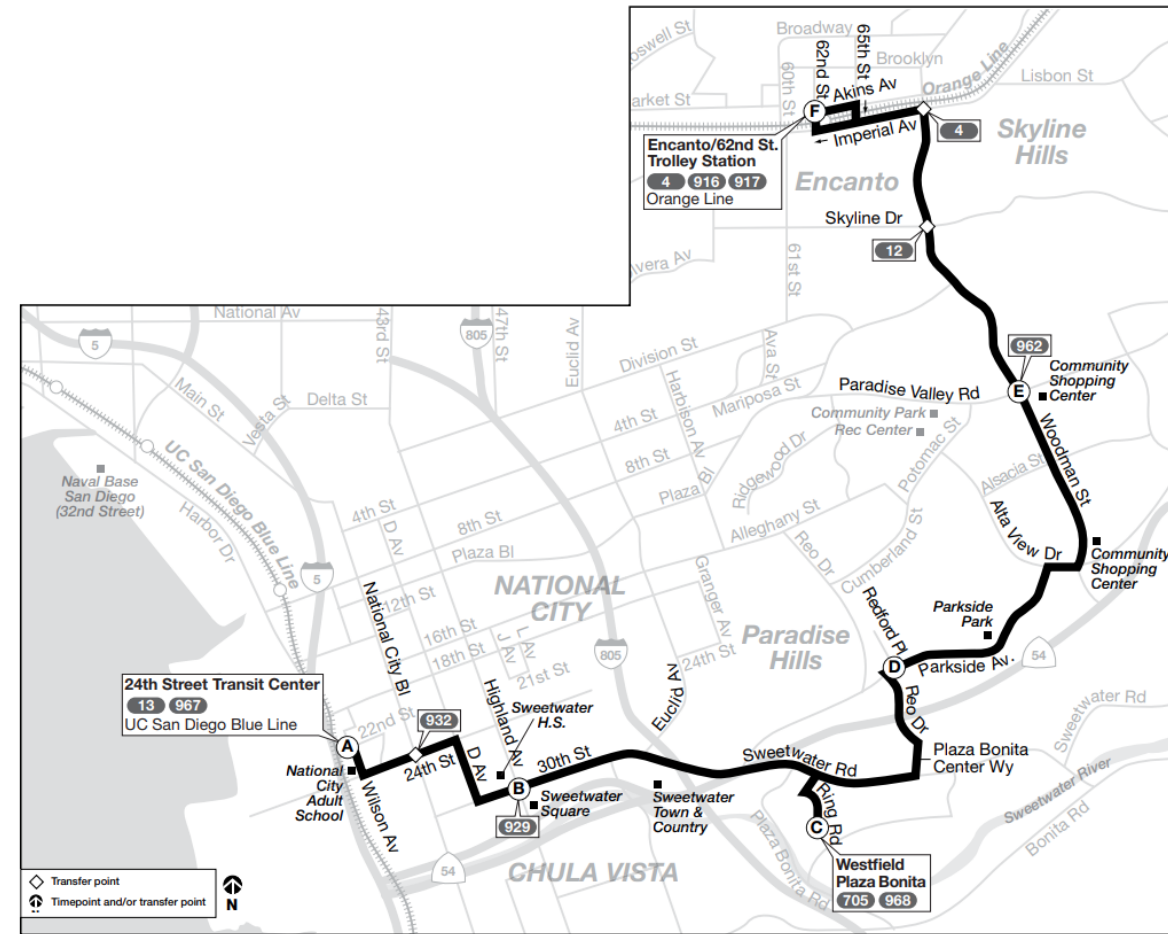
# Proposal:

- Expedite two SB 125 service improvements into CY 2024:
  - Implementation of Route 910 (Overnight Downtown – Border Express route)
  - Double Sunday frequency on Route 961 (National City – Paradise Hills – Encanto)
- Postpone restoration of some other services as needed (TBD)
- File amended SB 125 allocation plan accordingly.

SB 125 APPLICATION SCHEDULE		RESTORATION		SB-125 ADDITIONS
ROUTE	DESCRIPTION	CY24 Q1-Q2	CY24 Q3-Q4	2025
1	Fashion Vly - EC Blvd. - La Mesa			
2	Dwtn SD - Golden Hill - North Park			
3	Hillcrest - Dwtn SD - Euclid			
4	Dwtn - Imperial Av. - Lomita Vlg.			
5	Dwtn SD - Market St. Corr. - Euclid			
6	North Park - Fashion Valley			
7	Dwtn SD - Univ. Av./College Av.			
10	Old Town - University/College			
11	SDSU - Normal Heights - Dwtn SD			
12	Skyline Hills - Dwtn SD			
28	Old Town - Rosecrans Street			
35	Ocean Beach - Old Town			
43	Clairemont Mesa Blvd.			
120	Dwtn SD - Kearny Mesa			
215	Mid-City Rapid			
225	South Bay Rapid			
235	I-15 Rapid			
280	Escondido - Del Lago - Dwtn SD			
290	R. Bernardo - Sabre Spgs. - Dwtn			
701	H St - Hilltop Dr - Palomar St			
707	Otay Ranch - Southwestern Coll.			
709	H St - Eastlake			
712	Palomar - Southwestern Coll.			
815	El Cajon - E. Main St			
838	Alpine - East Co. Square			
851	Spring Valley - La Mesa			
901	Iris - Imp. Beach - Coronado - Dwtn			
910	New Overnight Dwtn-Border EXP			
929	Iris - 3rd Av. - Highland - Dwtn SD			
932	Iris - Broadway (CV) - National City			
933/934	Iris - Palm City - Imp. Beach Loop			
944	Sabre Springs - Poway			
955	National City - SDSU			
961	Nat'l City - Parad. Hills - Encanto			
962	National City - Spring Valley			
964	Mira Mesa - Scripps Ranch			

# Route 961

- Service everyday between National City, Plaza Bonita, Paradise Hills, Encanto
- Weekday frequency
  - 15 min. between 24<sup>th</sup> St. & Plaza Bonita
  - 30 min. between Plaza Bonita & Encanto
- Saturday frequency increased in 2017 from 60 to 30 minutes as part of TOP
- SB 125 improvement will increase current Sunday frequency from 60 to 30 min.
- Current (FY24 Q1-Q2) average daily ridership:
  - Weekdays: 1,405
  - Saturdays: 906
  - Sundays: 572



# Questions/Comments



## CALL – IN PUBLIC COMMENT

Truth provided a public comment for agenda item #13. A paraphrased version of Truth's statement will be reflected in the minutes.

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**Metropolitan  
Transit  
System**

## **Agenda Item No. 14**

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM  
BOARD OF DIRECTORS

February 8, 2024

**SUBJECT:**

MTS Safety Performance Targets Annual Review & Update (Fabeann Soberg and Jared Garcia)

**INFORMATIONAL ONLY**

Budget Impact

None.

**DISCUSSION:**

On July 19, 2018, the Federal Transit Administration (FTA) published Final Rule (49 CFR Part 673), which requires public transportation agencies who receive Federal funding to certify that it has established and implemented a comprehensive Public Transportation Agency Safety Plan (PTASP). Public transportation agencies were required to complete the PTASP by July 20, 2021. On July 30, 2020, the MTS Board of Directors approved the MTS Agency Safety Plan.

On November 15, 2021, President Biden signed into law the Bipartisan Infrastructure Law (BIL). The BIL amended FTA's safety program at 49 U.S.C. § 5329(d) (Section 5329(d)). On February 16, 2023, the MTS Board of Directors approved the updated MTS Agency Safety Plan to include the new requirements of the BIL.

Transit agencies are required to include performance targets based on the safety performance measures established under the National Public Transportation Safety Plan (NPTSP) in the Agency Safety Plan. The NPTSP established the following safety performance target categories for all transit agencies: fatalities, injuries, safety events and system reliability. These performance targets are measured and based on existing definitions and reporting requirements by the National Transit Database (NTD). These performance targets are required to be reviewed annually.

MTS staff will provide the Board of Directors with the annual review of the PTASP including the safety performance targets.





/S /Sharon Cooney  
Sharon Cooney  
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, [Julia.Tuer@sdmts.com](mailto:Julia.Tuer@sdmts.com)

Attachments: A. MTS Agency Safety Plan  
B. MTS Infectious Disease Preparedness and Response Plan

# **Safety Performance Annual Review**

Board of Directors

# Trolley Safety

# Public Transportation Agency Safety Plan (PTASP)

- 49 CFR 673 - Public Transportation Agency Safety Plan (PTASP)
- Effective Date: July 19, 2019 - Compliance Extended to July 20, 2021
- MTS Board of Directors approved the PTASP on July 30, 2020
- MTS (SDTI) PTASP January 2023 Revision 2: Included all requirements of Bipartisan Infrastructure of Law (2021): Joint labor/management Committee, de-escalation training, Infectious Diseases Exposure Plan, trending based on 3-year rolling average of NTD data, and risk reduction programs for reducing accidents.

**This rules apply to:** Recipients or sub-recipients of financial assistance under 49 U.S.C. § 5307 that operate a public transportation system



# Safety Performance Measures

## 3.1.1.1 Safety Performance Measure: Fatalities

- FTA formula (Fatalities/VRM x 100,000) = Rate per 100,000 miles
- The calendar year (CY) performance target for total fatalities and total fatalities rate per 100,000 revenue miles is to achieve a reduction compared to the previous three Calendar Year average.

YEAR RANGE	TARGET	3- Year Average
2017-2019	Established Base Line	0.12
2018-2020	< 0.12	0.11
2019-2021	<0.11	0.08
2020-2022	< 0.08	0.08
2021-2023	< 0.08	0.11

# Safety Performance Measures

## 3.1.1.2 Safety Performance Measure: Injuries

- The CY performance target for total number of injuries and injury rate per 100,000 revenue miles is to achieve a reduction compared to the previous three CY average.

YEAR RANGE	TARGET	3- Year Average
2017-2019	Established Base Line	3.47
2018-2020	< 3.47	3.14
2019-2021	< 3.14	2.90
2020-2022	< 2.90	2.20
2021-2023	< 2.20	1.77

# Safety Performance Measures

## 3.1.1.3 Safety Performance Measure: Safety Events

- The CY performance target for total number of safety events and safety events rate per 100,000 revenue miles is to achieve a reduction compared to the previous three CY average.

YEAR RANGE	TARGET	3- Year Average
2017-2019	Established Base Line	4.65
2018-2020	< 4.65	3.62
2019-2021	< 3.62	3.32
2020-2022	< 3.32	2.75
2021-2023	<2.75	2.39

# Safety Performance Measures

## 3.1.1.4 Safety Performance Measure: System Reliability

- The CY performance target for system reliability rate is to achieve a reduction compared to the previous three calendar years' average. SDTI system reliability targets are calculated using a three-year average of the mean distance of train operations between failures.

YEAR RANGE	TARGET	3- Year Average
2017-2019	Establish Base Line	10,259
2018-2020	>10,259	11,530
2019-2021	>11,530	13,463
2020-2022	> 13,463	14,156
2021-2023	> 14,156	16,194



# Safety Performance Measures

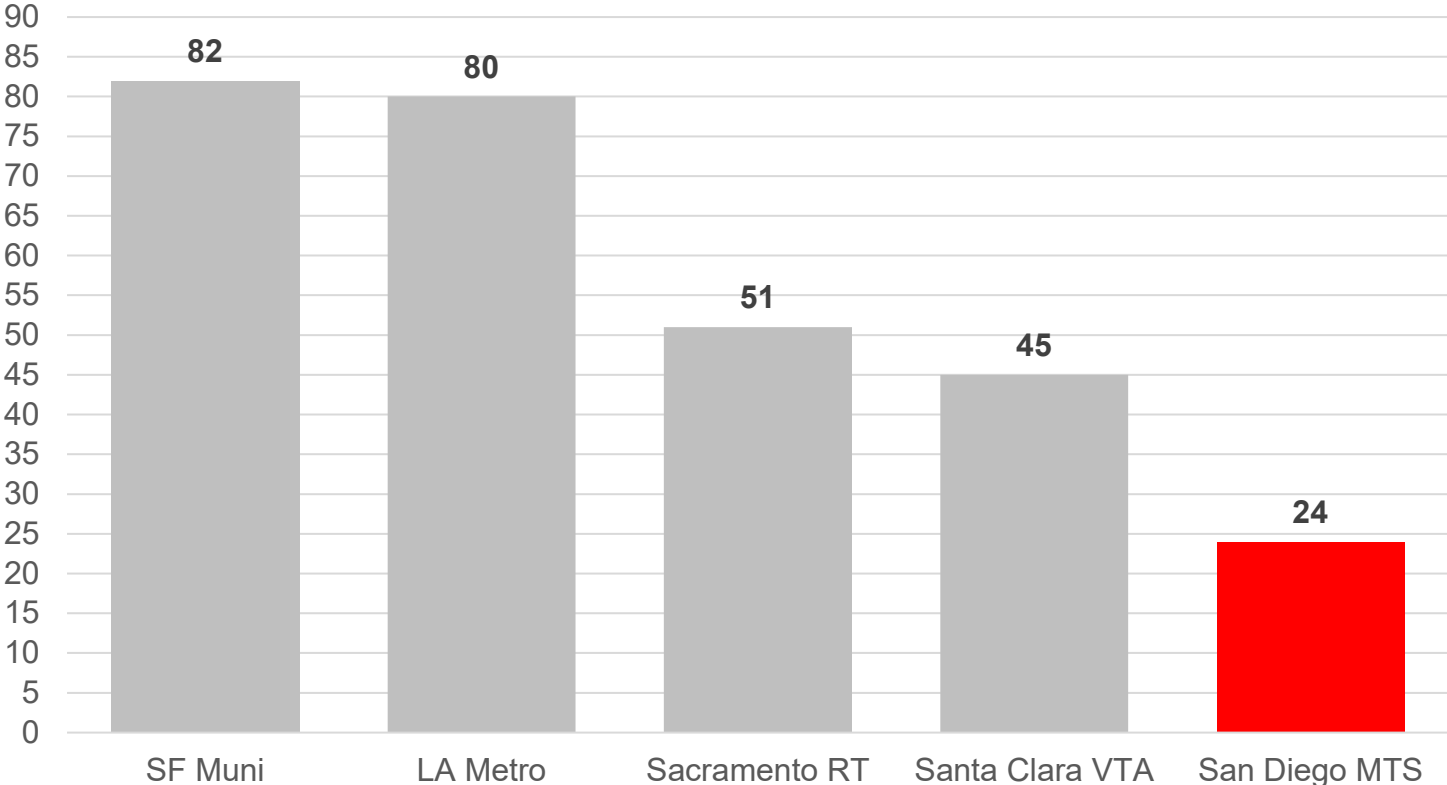
## 3.1.1.5 Safety Performance Measure: Other

- Emergency Brake Log - The CY performance target for total number of “Emergency Brake Applications” rate per 100,000 revenue miles is to achieve a reduction compared to the previous three CY average.

YEAR RANGE	TARGET	3- Year Average
2017-2019	Establish Base Line	11.51
2018-2020	>11.51	11.19
2019-2021	>11.19	11.01
2020-2022	>11.01	11.06
2021-2023	>11.06	10.70

# Statewide Rail Accidents

CY 2023



# Washington Street Crossing Safety Mitigations

- **Ranked #1** crossing for fatal incidents by the FRA
- **Three** Amtrak and Coaster (non trolley related) accidents: **February 18, 2020, July 18, 2021, and September 3, 2023**
- **September 8, 2023** Joint monthly Teams meetings between SDTI and NCTD.
- **December 4, 2023** California Public Utilities Commission (CPUC) issued a summary of mitigation recommendations for Washington Street crossing to City of San Diego, NCTD and MTS.

## CPUC Recommendations:

- ❖ Lower the existing block wall located on the platform between the MTS and railroad corridors, to four feet high. **(MTS Action)**
- ❖ Install a pre-signal for southbound and northbound lanes. **(CITY Action)**
- ❖ Increase preemption clearance time at the Pacific Hwy / Frontage Rd intersection. **(CITY Action)**
- ❖ Install ,relocate , maintain striping and pavement markings. **(CITY Action)**
- ❖ Prohibit street-parking adjacent to the crossing. **(CITY Action)**
- ❖ Install backlights on existing warning devices on the northeast quadrant. **(NCTD Action)**
- ❖ Reducing Amtrak and Coaster operating speed through the grade crossing. **(NCTD Action)**
- ❖ Close the alleyway or convert it to an emergency only access. **(CITY Action)**



# Washington Street Station

Existing Wall



# Washington Street Station

Purposed Wall



# Washington Street Station

## Pedestrian Channelization



# MTS Additional Actions

## MTS Actions:

- On board train announcements to passengers:  
    **“Use caution when exiting Washington Street Station. Look out for COASTER, AMTRAK, and FREIGHT TRAINS passing through the intersection at high speeds.”**
- Installed back flashers on the existing southeast warning devices
- Installed a convex mirror
- Placed “LOOK BOTH WAYS” and “WATCH FOR MOVING TRAINS” sidewalk markings.



# Beardsley Grade Crossing 2023 Nine Vehicles Stuck on the Track



Supervisor/Employee Name: \_\_\_\_\_  
Crossing: \_\_\_\_\_  
Vehicle was traveling N/S/E/W then went right/left/straight onto tracks  
Date: \_\_\_\_\_  
Approximate time: \_\_\_\_:\_\_\_\_ AM/PM  
Reason given by  
driver: \_\_\_\_\_  
\*If they cite GPS, which  
service? \_\_\_\_\_  
Was driver ruled impaired by law enforcement? Y/N  
Lighting – Sufficient/Insufficient  
Signage – Sufficient/Insufficient  
Notes:

Please place completed form in the Safety Dept. Mail folder in OCC Conference room.

Vehicle Stuck on Track Index Card



# Vehicle Stuck on the Tracks Near Miss



# Beardsley Grade Crossing



# 2023 Internal Safety & Security Audit (ISSA)

Eight elements were reviewed based on 49 CFR Part 673 requirements for the Public Transportation Agency Safety Plan (PTASP) , MTS System Security Plan, and General Order 164-E. The elements scheduled for review from the PTASP Safety and Security Master Audit Schedule were:

- Checklist 04: Interdepartmental & Interagency Coordination
- Checklist 05: Plan Implementation, Plan Review, and Modification
- Checklist 06: Hazard Management Program
- Checklist 10: Emergency Management Program
- Checklist 16: Configuration Management
- Checklist 18: Hazardous Material Program
- Checklist S-1: Identify Policies, Goals and Objectives
- Checklist S-2: Process for Management of Threats and Vulnerabilities

# FTA Safety Advisory 22-4 Suicide Prevention on Public Transit

## Trolley Suicide and Attempted Suicide Locations

Date	Time	Location
1/11/2023	4:18	West of San Miguel
7/1/2018	0:52	MP 2.50, Wright Street Yard
3/27/2018	23:39	MP 3.25, West of Old Town
3/11/2014	12:25	Commercial, 2600 blk
9/21/2013	6:22	Signal O287 Near Old Town
9/5/2013	23:45	L/J Street, Chula Vista
8/7/2013	14:55	Commercial, 1900 blk
7/21/2013	0:54	Commercial, 2500 blk
7/27/2012	11:06	Naples Street, Chula Vista
3/25/2011	20:01	Commercial & 25th
9/17/2006	20:44	Near San Miguel
6/10/2004	-	Moss Street, Chula Vista
12/30/2003	-	West of Washington Street
4/25/1990	-	J Street, Chula Vista



# Bus Safety

# Bus Performance Targets

- Prior goal was to improve upon 3-year baseline (2018-2020)
- Bipartisan Infrastructure Law (BIL) changed to 3-year rolling average  
CY 2020 - CY 2022
- Performance targets do not consider crimes, fault, or preventability
- All rates are based on vehicle revenue miles
- 21.7 million revenue miles travelled in CY 2023

# Performance Targets – Fatalities CY 2023

Mode	Total			Rate		
	Baseline Avg CY 18 -20*	3 - Year Avg CY 20 -22	CY 2023	Baseline Avg CY 18 -20	3 - Year Avg CY 20 -22	CY 2023
Fixed (MTS)	0	0.67	1**	0.000	0.007	0.011
Fixed (Transdev)	0	0.33	0	0.000	0.003	0.000
Fixed Mini (First)	0	0	0	0.000	0.000	0.000
Paratransit (First)	0	0	0	0.000	0.000	0.000
<b>Total</b>	<b>0</b>	<b>1.0</b>	<b>1</b>	<b>0.000</b>	<b>0.004</b>	<b>0.005</b>

**Fatality** - Death confirmed within 30 days of the event (including suicides).

Rate per 100,000 vehicle revenue miles.

\*Baseline total was aspirational goal

\*\*Accident was determined to be non-preventable.

# Performance Targets – Injuries CY 2023

Mode	Total			Rate		
	Baseline Avg CY 18 -20*	3 - Year Avg CY 20 -22	CY 2023	Baseline Avg CY 18 -20	3 - Year Avg CY 20 -22	CY 2023
Fixed (MTS)	64	45.00	30	0.65	0.49	0.34
Fixed (Transdev)	68	49.67	29	0.65	0.50	0.32
Fixed Mini (First)	4	2.33	2	0.34	0.20	0.23
Paratransit (First)	4	1.67	8	0.09	0.08	0.28
<b>Total</b>	<b>140</b>	<b>98.67</b>	<b>69</b>	<b>0.51</b>	<b>0.44</b>	<b>0.32</b>

**Injury** - Any damage or harm to persons that requires immediate medical attention away from the scene because of a reportable event must be reported as an injury, whether the person appears to be injured.

Rate per 100,000 vehicle revenue miles.

\* Rounded to nearest whole number.



# Performance Targets – Safety Events CY 2023

Mode	Total			Rate		
	Baseline Avg CY 18 -20*	3 - Year Avg CY 20 -22	CY 2023	Baseline Avg CY 18 -20	3 - Year Avg CY 20 -22	CY 2023
Fixed (MTS)	65	50.00	38	0.66	0.54	0.43
Fixed (Transdev)	69	51.67	36	0.66	0.52	0.39
Fixed Mini (First)	4	3.00	4	0.34	0.26	0.45
Paratransit (First)	5	2.67	13	0.11	0.12	0.46
<b>Total</b>	<b>143</b>	<b>107.34</b>	<b>91</b>	<b>0.55</b>	<b>0.43</b>	<b>0.42</b>

**Safety Event** - Collisions that meet NTD thresholds for injuries, fatalities, property damage; vehicle towed from the scene; fires; hazardous materials spills, acts of God; evacuations for life safety reasons.

Rate per 100,000 vehicle revenue miles.

\* Rounded to nearest whole number.

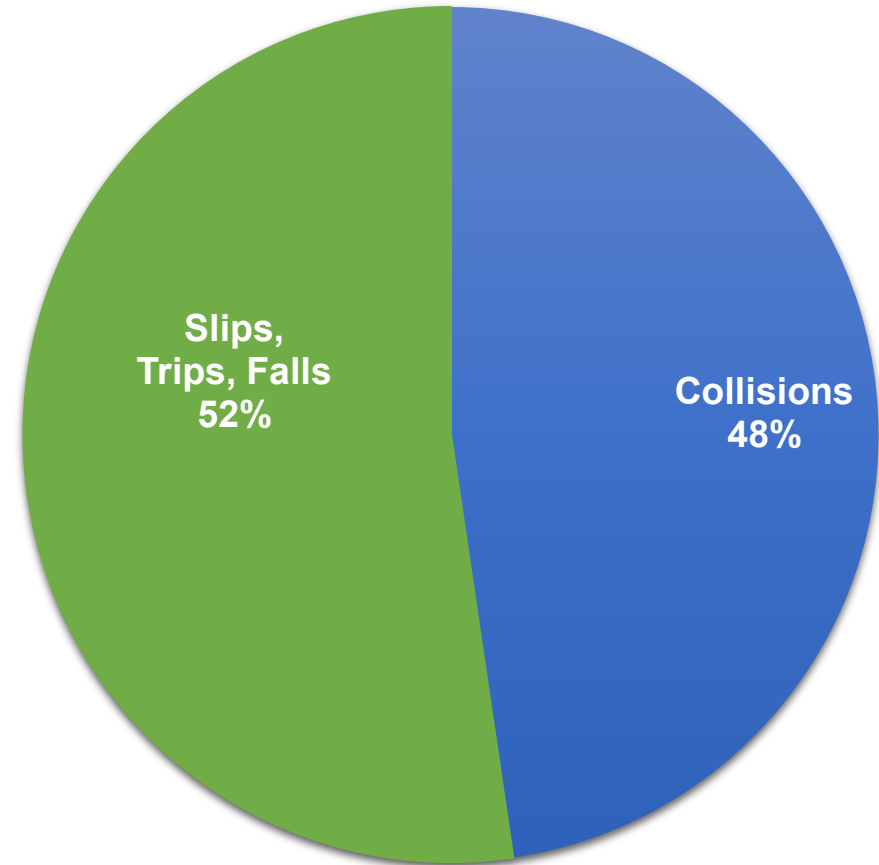
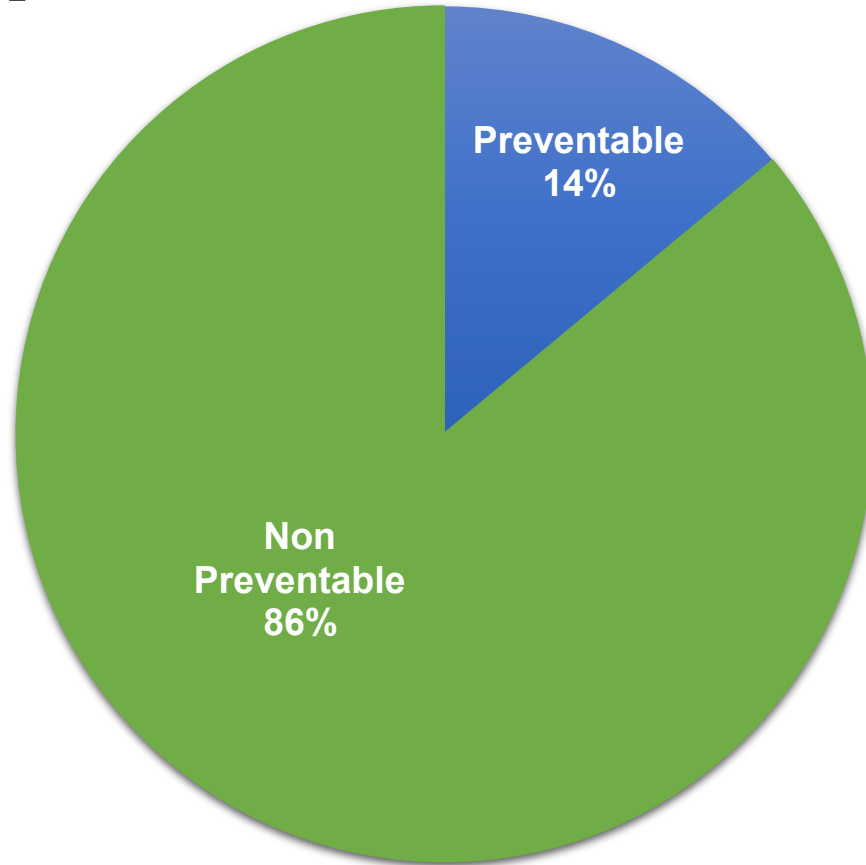
# Performance Targets – System Reliability CY 2023

Mode	Rate		
	Baseline Avg CY 18 -20*	3 - Year Avg CY 20 -22	CY 2023
Fixed (MTS)	4,700	6,719	6,040
Fixed (Transdev)	6,000	7,071	5,281
Fixed Mini (First)	7,500	8,359	12,047
Paratransit (First)	32,000	40,736	66,128
<b>Total</b>	<b>6,600</b>	<b>7,563</b>	<b>6,553</b>

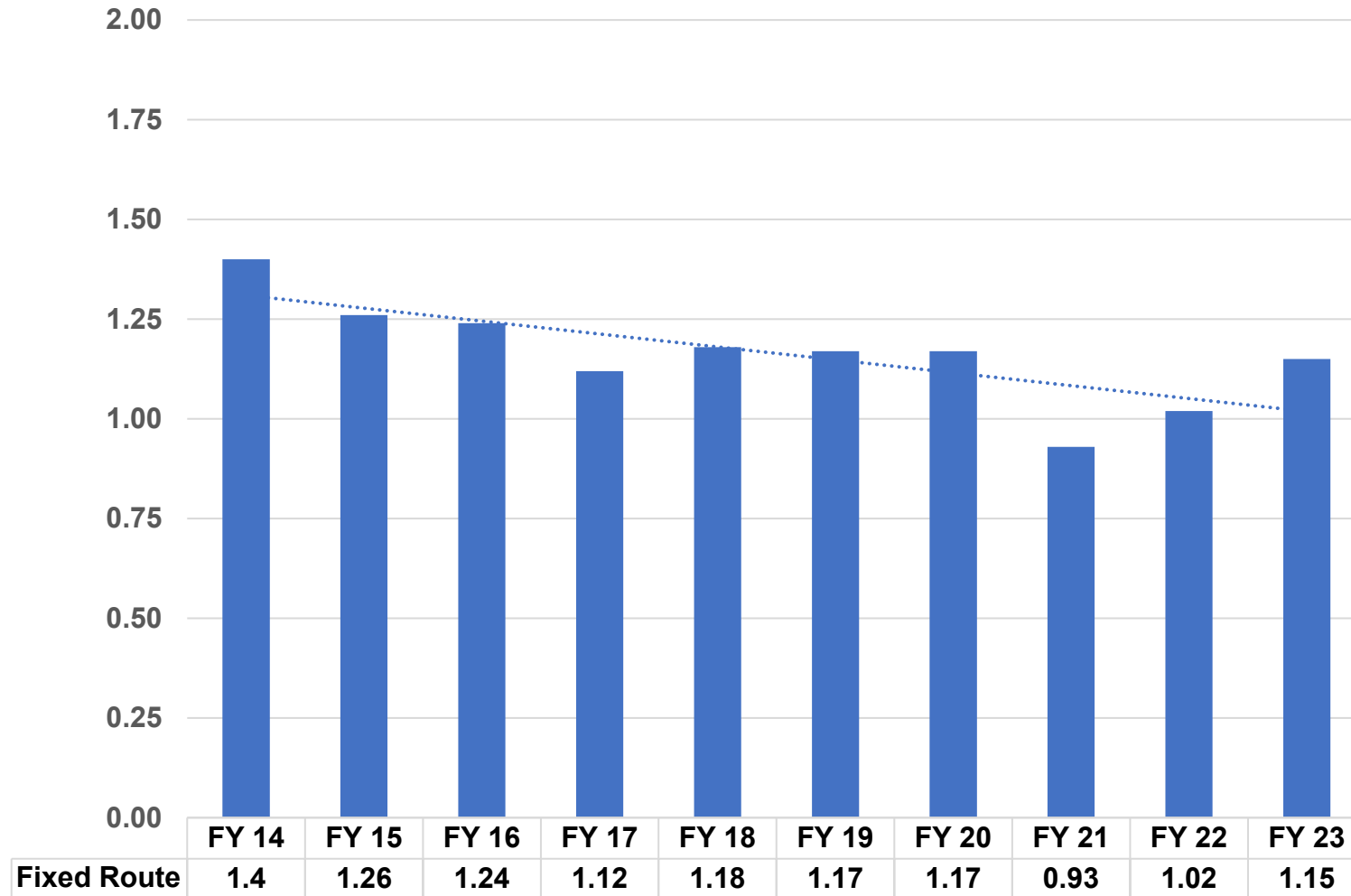
**System Reliability** - Distance between major mechanical failures, is measured as revenue miles operated divided by the number of major mechanical failures.

\* Rounded to nearest hundred miles.

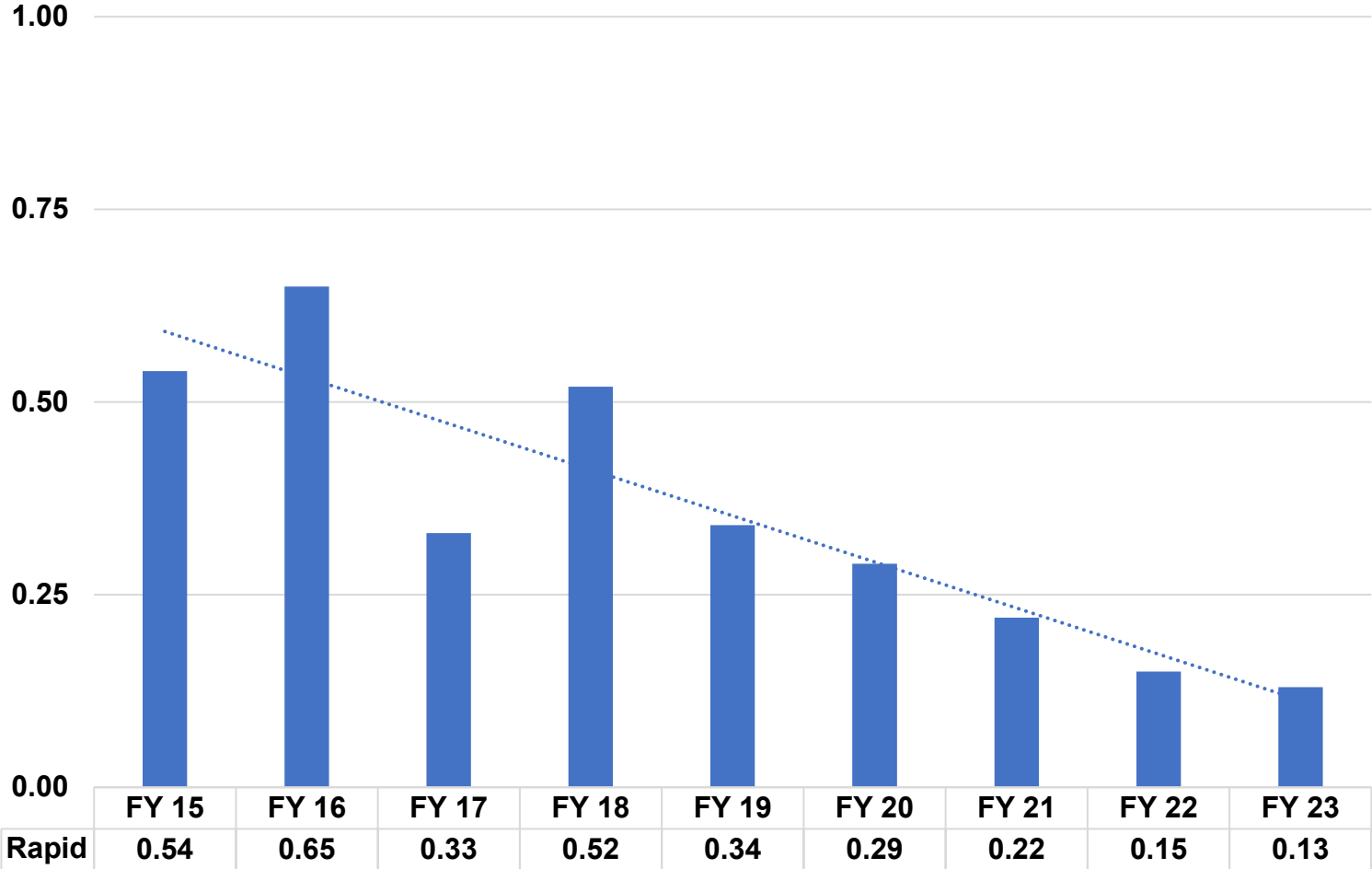
# Performance Targets – Preventability & Type



# Fixed Route Preventable Accidents - KPI



# Rapid Preventable Accidents – PIP Goal



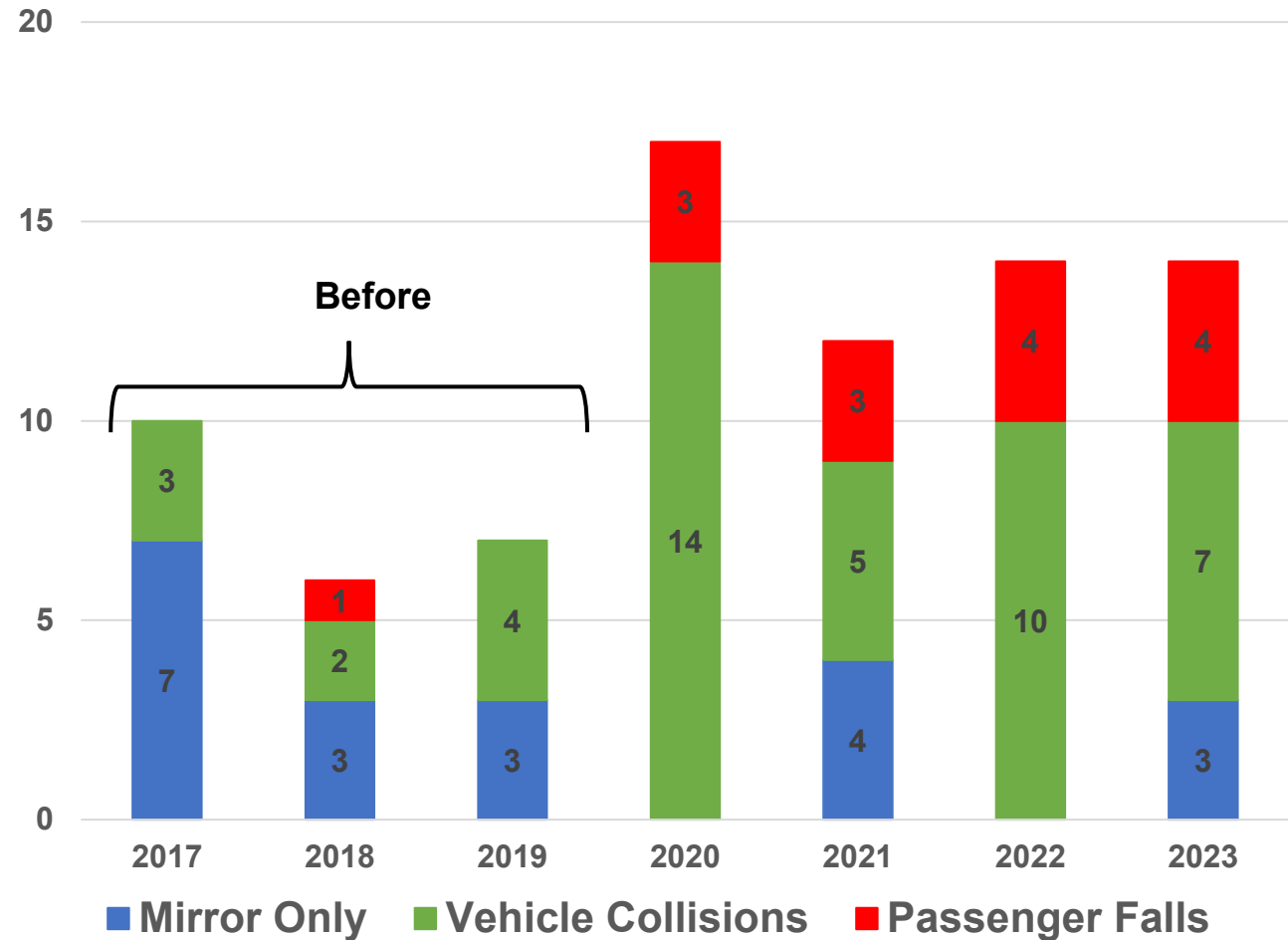
# El Cajon Blvd Bus Only Lane Pilot

- Started January 2020 as 18-month bus/bike lane pilot project
- Continuation of original vision for SANDAG's *Mid-City Rapid* project, added bus bulb-outs, right turn lanes, and signal priority
- Primary goal was to improve travel time and on-time performance



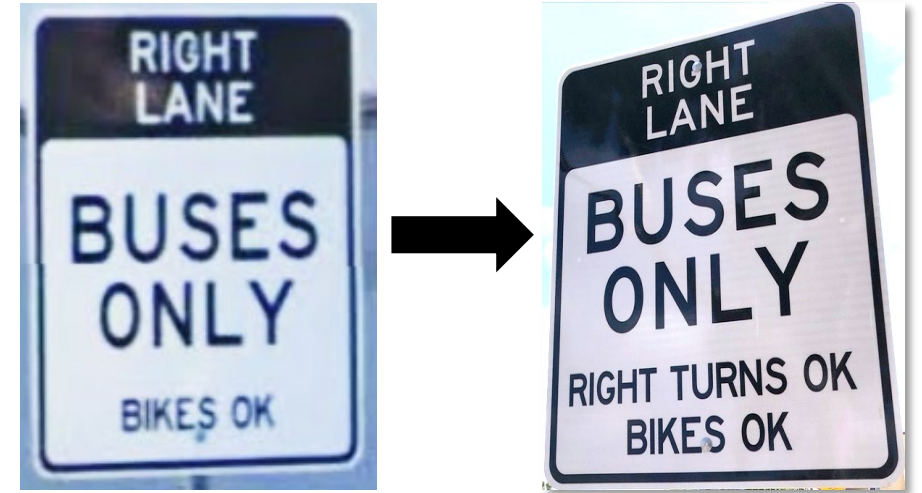
# El Cajon Blvd Bus Only Lane Results

- More consistent travel times and improved OTP, with avg trip time reduced from 17 to 15 minutes
- Zero pedestrian or bike accidents
- Accident rate increased from 7.67 to 14.25 per year
- Passenger falls increased from 0.33 to 3.5 per year
- No accidents requiring ambulance or tow truck in 2023



# El Cajon Blvd Bus Only Lane Project Mitigations

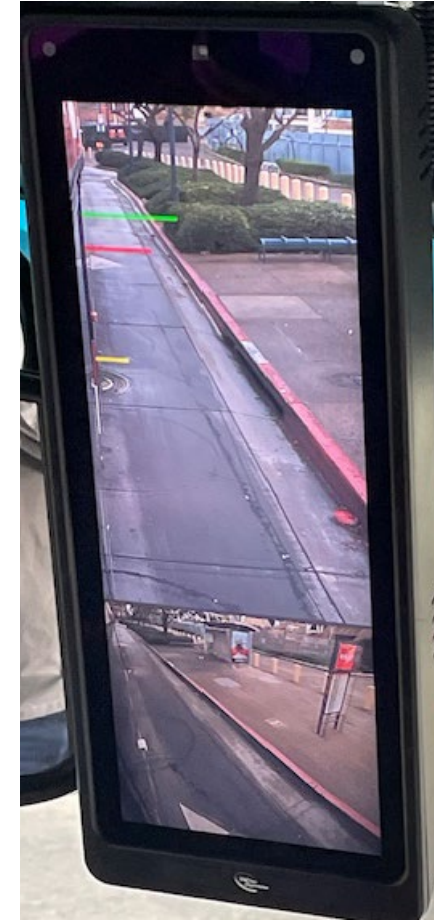
- Implemented bus only lane training
- Restriped multiple lanes, added signage “right turns ok”, added bike sharrows and right turn arrows
- Installed caution decal on back of Rapid 215 buses
- Bus only lane now a permanent project
- Accidents reduced 18% from 2020 to 2023
- Staff to continue mitigation efforts





# Electronic Mirror Survey Results

- 15% of current operators submitted survey
- No vehicle collisions or system malfunctions
- 87% would recommend, liked improved visibility
- Negative comments: Monitor location on left side, distracting, too bright at night



# BEB Charger Thermal Camera Testing

- One camera test on existing security system
- Partially paid for by liability insurance
- Adds potential layer of redundancy
- Has limitations based on current parameters:  
Viewing angle, distance, software configurations



# CHP Annual Terminal Inspections

- Vehicle inspection and repair history
- Commercial licensing and medical exams
- Training records, driving hours, drug & alcohol testing
- All 5 terminals successfully passed their inspection



# Bus – Employee Safety Awards



# Questions/Comments



## CALL – IN PUBLIC COMMENT

Truth provided a public comment for agenda item #14. A paraphrased version of Truth's statement will be reflected in the minutes.

### PUBLIC SPEAKER DISCLAIMER

#### INSTRUCTIONS

This meeting is offered both in an in-person and virtual format. In-person speaker requests will be taken first. Speaking time will be limited to two minutes per person, unless specified by the Chairperson. Members of the public are permitted to make general public comments at the beginning of the agenda or make specific comments on any item in the agenda at the time the Board/Committee is considering the item during the meeting. Requests to speak will not be taken after the public comment period ends, unless under the Chair's discretion.

#### BOARD OF DIRECTORS MEETING

General Public Comment at the beginning of the agenda will be limited to five speakers with the standard two-minute limit, unless otherwise directed by the Chair. Additional speakers with general public comments will be heard at the end of the meeting.

#### MEETING RECORD

A paraphrased version of this comment will be included in the minutes. The full comment can be heard by reviewing the recording posted on the respective meeting website:

<https://www.sdmts.com/about/meetings-and-agendas>.





**Metropolitan  
Transit  
System**

## Agenda Item No. 15

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM  
BOARD OF DIRECTORS

February 8, 2024

**SUBJECT:**

Chief Executive Officer's Report

**INFORMATIONAL**

In accordance with Board Policy No. 52, "Procurement of Goods and Services", attached are listings of contracts, purchase orders, and work orders that have been approved within the CEO's authority (up to and including \$150,000) for the period January 10, 2024 – January 30, 2024.

Also attached is a report of a non-competitive contract award under "immediate remedial measures" exception.

CEO TRAVEL REPORT (since last Board meeting)

N/A

BOARD MEMBER TRAVEL REPORT (since last Board meeting)

N/A



**CEO's Report**  
**Immediate Remedial Measures**

**Authority**

Per MTS's enabling legislation at Public Utilities Code Section 120224.1, and per MTS Board Policy No 52, "Procurement of Goods and Services", Section 52.2 (F) (v):

Upon determining that immediate remedial measures to avert or alleviate damage to, or to repair or restore damaged or destroyed MTS property are necessary in order to ensure that MTS facilities are available to serve the transportation needs of the general public, and upon determining that compliance with competitive solicitation requirements would result in an impermissible delay, the CEO may authorize the expenditure of money for the direct purchases of goods and services. The CEO, after the expenditure authorized under immediate remedial measures has been made, shall submit to the board a full report explaining the necessity for that action.

**Background**

On January 22, 2024, there was a significant rain event that resulted in extensive flooding along MTS property. This rain event caused substantial damage to MTS's rail infrastructure, MTS's rail equipment, MTS's operation and administrative buildings, and other MTS real property. This damage impacted MTS's ability to continue some of its programs and services, including operation of a portion of MTS' trolley service. Since providing trolley service is an essential public service, immediate action was necessary to mitigate the damage and bring back full operations to the trolley service. Compliance with MTS's standard competitive bidding requirements would have resulted in an impermissible delay. Therefore, on January 23, 2024, the CEO authorized staff to conduct the necessary work to remediate the damages immediately, without compliance to standard competitive procurement requirements.

CEO designated staff to identify firms to conduct the necessary work, based on the needed expertise and experience and that could respond to MTS's urgent timeline. The following work has been authorized by the CEO to date, with work still on-going. Please note, this list is not the complete list of repairs necessary as a result of the flooding event. This only reflects the work that has been authorized by the CEO to start. Other work is still pending as staff continues to identify the appropriate firms and necessary scope of work to make the repairs. Contractors were selected based on their ability to quickly mobilize and complete work at each location; many of the contractors were doing similar work or had recently done similar work for MTS under a competitively bid contract.

<b>CEO Authorized Emergency Work (as of 2/2/2024)</b>			
<b>Estimated Cost</b>	<b>Contractor</b>	<b>Description of Work</b>	<b>Location</b>
\$1,750,000	Veterans Engineering	Track reconstruction and drainage repair	Massachusetts to Euclid
\$1,750,000	Balfour Beatty	Track reconstruction and drainage repair	Massachusetts to Euclid
\$100,000	PGH Wong	Inspection and construction management for track reconstruction	Massachusetts to Euclid



<b>CEO Authorized Emergency Work (as of 2/2/2024)</b>			
<b>Estimated Cost</b>	<b>Contractor</b>	<b>Description of Work</b>	<b>Location</b>
\$1,500,000	Blue Iron	Shoring	Near 65th
\$100,000	HMS	Overhead catenary system repairs	Near 65th
\$100,000	Aecom	Inspection and construction management for shoring and system/signals	Near 65th
\$5,961	Overhead Door Company of Southern California	Purchase and install roll up door	Pyramid Building, Bay 3
	<b>Total (as of 2/2/2024)</b>		

**EXPENSE CONTRACTS**

<b>Doc #</b>	<b>Organization</b>	<b>Subject</b>	<b>Amount</b>	<b>Day</b>
PWG324.0-21JOC324-46	ABCGC	CPD MODULAR BUIDLING BATHROOM DOOR REPAIR	\$9,929.01	1/18/2024
PWG347.0-22JOC347-26	ABCGC	OXNARD LOT FENCING	\$102,809.93	1/18/2024
PWL354.0-22WOAAE-37	MM	EUCLID CHANNEL	\$21,142.87	1/24/2024

<b>REVENUE CONTRACTS AND MOUs</b>				
<b>Doc #</b>	<b>Organization</b>	<b>Subject</b>	<b>Amount</b>	<b>Day</b>
L5292.0-24	CITY OF SANTEE	RIVERWALK JAN 2024 ROE PERMIT	\$750.00	1/11/2024
M6791.0-24	HMS	CONSTRUCTION GREEN LINE OCS UPGRADES ROE PERMIT	\$969.16	1/16/2024
L6786.2-20	MCI METRO	LOS PENASQUITOS BRIDGE FIBER RELOCATION ROE PERMIT	\$2,250.00	1/18/2024
S200-24-829	PEREGRINE	SAMPSON UG TRANSMISSION LINE LICENSE	\$3,000.00	1/19/2024
G2699.0-23	BAYVIEW	ENA BAYVIEW POINTE E ST TRANSIT CENTER	\$100,000.00	1/22/2024
G2862.0-24	SDSU	SPRING SEMESTER RIDERSHIP	\$15,000.00	1/24/2024
L1640.0-23.	SUNSAFE WINDOW FILMS	SMART CORNER ROE PERMIT	\$750.00	1/24/2024
L5850.0-23.	BNSF	SIGNAL OPTIMIZATION & DOWNTOWN GRADE CROSSING ROE PERMIT	\$1,500.00	1/24/2024
L1656.0-24	L.C. PAVING	DT CURB RAMP ROE	\$1,041.45	1/29/2024

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4400002712	1/11/2024	W.W. Grainger Inc		M110-SUB STATION	\$ 569.91	\$ -	\$ -
4400002713	1/11/2024	W.W. Grainger Inc		G130-SHOP TOOLS	\$ 77.90	\$ -	\$ -
4400002714	1/11/2024	ODP Business Solutions, LLC		G200-OFFICE SUPPLIES	\$ 96.94	\$ -	\$ -
4400002715	1/11/2024	ODP Business Solutions, LLC		G200-OFFICE SUPPLIES	\$ 230.87	\$ -	\$ -
4400002716	1/11/2024	W.W. Grainger Inc		G150-FASTENERS	\$ 61.22	\$ -	\$ -
4400002717	1/12/2024	ODP Business Solutions, LLC		G200-OFFICE SUPPLIES	\$ 544.32	\$ -	\$ -
4400002718	1/16/2024	ODP Business Solutions, LLC		G200-OFFICE SUPPLIES	\$ 658.37	\$ -	\$ -
4400002719	1/16/2024	W.W. Grainger Inc		G190-SAFETY/MED SUPPLIES	\$ 720.52	\$ -	\$ -
4400002720	1/16/2024	ODP Business Solutions, LLC		G200-OFFICE SUPPLIES	\$ 301.59	\$ -	\$ -
4400002721	1/16/2024	ODP Business Solutions, LLC		G200-OFFICE SUPPLIES	\$ 254.06	\$ -	\$ -
4400002722	1/17/2024	Mcmaster-Carr Supply Co		G150-FASTENERS	\$ 271.95	\$ -	\$ -
4400002723	1/17/2024	Mcmaster-Carr Supply Co		G150-FASTENERS	\$ 174.23	\$ -	\$ -
4400002724	1/17/2024	Mcmaster-Carr Supply Co		G130-SHOP TOOLS	\$ 278.53	\$ -	\$ -
4400002725	1/18/2024	ODP Business Solutions, LLC		G200-OFFICE SUPPLIES	\$ 867.93	\$ -	\$ -
4400002726	1/18/2024	ODP Business Solutions, LLC		G200-OFFICE SUPPLIES	\$ 244.71	\$ -	\$ -
4400002727	1/19/2024	ODP Business Solutions, LLC		G200-OFFICE SUPPLIES	\$ 72.73	\$ -	\$ -
4400002728	1/24/2024	ODP Business Solutions, LLC		G200-OFFICE SUPPLIES	\$ 302.38	\$ -	\$ -
4400002729	1/24/2024	Mcmaster-Carr Supply Co		G190-SAFETY/MED SUPPLIES	\$ 570.04	\$ -	\$ -
4400002730	1/26/2024	W.W. Grainger Inc		T110-TRACK, RAIL	\$ 603.31	\$ -	\$ -
4400002731	1/26/2024	W.W. Grainger Inc		R230-RAIL/LRV MECHANICAL	\$ 102.41	\$ -	\$ -
4400002732	1/26/2024	W.W. Grainger Inc		R230-RAIL/LRV MECHANICAL	\$ 529.52	\$ -	\$ -
4400002733	1/26/2024	ODP Business Solutions, LLC		G200-OFFICE SUPPLIES	\$ 47.66	\$ -	\$ -
4400002734	1/29/2024	W.W. Grainger Inc		M110-SUB STATION	\$ 196.23	\$ -	\$ -
4400002735	1/29/2024	ODP Business Solutions, LLC		G200-OFFICE SUPPLIES	\$ 31.03	\$ -	\$ -
4400002736	1/30/2024	ODP Business Solutions, LLC		G200-OFFICE SUPPLIES	\$ 455.46	\$ -	\$ -
4500058845	1/10/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 4,447.88	\$ -	\$ -
4500058846	1/10/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 1,136.34	\$ -	\$ -
4500058847	1/10/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 942.13	\$ -	\$ -
4500058848	1/10/2024	Siemens Mobility, Inc.		R220-RAIL/LRV TRUCKS	\$ 3,099.97	\$ -	\$ -
4500058850	1/10/2024	Reid and Clark Screen Arts Co		A140-AUTO/TRUCK REPAIR	\$ 158.40	\$ -	\$ -
4500058851	1/11/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 775.04	\$ -	\$ -
4500058852	1/11/2024	Transit Holdings Inc		B140-BUS CHASSIS	\$ 657.85	\$ -	\$ -
4500058853	1/11/2024	Transit Holdings Inc		B120-BUS MECHANICAL PARTS	\$ 365.81	\$ -	\$ -
4500058854	1/11/2024	Transit Holdings Inc		B140-BUS CHASSIS	\$ 1,520.71	\$ -	\$ -
4500058855	1/11/2024	Aztec Fire & Safety, Inc.		B250-BUS REPAIR PARTS	\$ 895.00	\$ -	\$ -
4500058856	1/11/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 125.20	\$ -	\$ -
4500058857	1/11/2024	Transit Holdings Inc		B140-BUS CHASSIS	\$ 10,630.81	\$ -	\$ -
4500058858	1/11/2024	ChargePoint, Inc		B250-BUS REPAIR PARTS	\$ 972.00	\$ -	\$ -
4500058859	1/11/2024	Inland Kenworth (US) Inc		B250-BUS REPAIR PARTS	\$ 405.04	\$ -	\$ -
4500058860	1/11/2024	Gillig LLC		B250-BUS REPAIR PARTS	\$ 66.89	\$ -	\$ -
4500058861	1/11/2024	W.W. Grainger Inc		G140-SHOP SUPPLIES	\$ 96.01	\$ -	\$ -
4500058862	1/11/2024	Gillig LLC		B250-BUS REPAIR PARTS	\$ 706.99	\$ -	\$ -
4500058863	1/11/2024	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 2,134.86	\$ -	\$ -
4500058864	1/11/2024	Don Oleson Inc	Small Business	B250-BUS REPAIR PARTS	\$ 550.00	\$ -	\$ -
4500058865	1/11/2024	Inland Kenworth (US) Inc		B250-BUS REPAIR PARTS	\$ 199.95	\$ -	\$ -
4500058866	1/11/2024	W.W. Grainger Inc		P280-GENERAL SVC AGRMNTS	\$ 882.40	\$ -	\$ -
4500058867	1/11/2024	Aymar Industries, LLC.		R140-RAIL/LRV DOORS/RAMP	\$ 4,032.54	\$ -	\$ -
4500058868	1/11/2024	Motorola Solutions Inc		G120-SECURITY	\$ 4,067.57	\$ -	\$ -

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500058869	1/11/2024	Hanning & Kahl LP		M130-CROSSING MECHANISM	\$ 3,482.48	\$ -	\$ -
4500058870	1/11/2024	Knorr Brake Company, LLC		R220-RAIL/LRV TRUCKS	\$ 26,148.71	\$ -	\$ -
4500058871	1/11/2024	Willy's Electronic Supply Co Inc	Small Business	M110-SUB STATION	\$ 766.45	\$ -	\$ -
4500058872	1/11/2024	Schunk Carbon Technology LLC		R190-RAIL/LRV PANTOGRAPH	\$ 968.11	\$ -	\$ -
4500058873	1/11/2024	U.S. Train Products LLC		R120-RAIL/LRV CAR BODY	\$ 1,454.63	\$ -	\$ -
4500058874	1/11/2024	Brady Industries of California, LLC		G190-SAFETY/MED SUPPLIES	\$ 579.13	\$ -	\$ -
4500058875	1/11/2024	Hitachi Rail STS USA, Inc.		M150-PWR SWITCHES/LOCKS	\$ 3,780.95	\$ -	\$ -
4500058876	1/11/2024	Staples Contract & Commercial LLC		G200-OFFICE SUPPLIES	\$ 41.71	\$ -	\$ -
4500058877	1/11/2024	Gillig LLC		B160-BUS ELECTRICAL	\$ 4,351.83	\$ -	\$ -
4500058878	1/11/2024	Clarran Inc.	DBE	G150-FASTENERS	\$ 313.95	\$ -	\$ -
4500058879	1/11/2024	B & S Graphics Inc		B130-BUS BODY	\$ 393.83	\$ -	\$ -
4500058880	1/11/2024	Genuine Parts Company Inc		B250-BUS REPAIR PARTS	\$ 77.56	\$ -	\$ -
4500058881	1/11/2024	Motion Industries, Inc.		G170-LUBRICANTS	\$ 533.51	\$ -	\$ -
4500058882	1/11/2024	Romaine Electric Corporation	Small Business	B160-BUS ELECTRICAL	\$ 3,561.49	\$ -	\$ -
4500058883	1/11/2024	Home Depot USA Inc		F180-BUILDING MATERIALS	\$ 528.52	\$ -	\$ -
4500058884	1/11/2024	Siemens Mobility, Inc.		R230-RAIL/LRV MECHANICAL	\$ 454.38	\$ -	\$ -
4500058885	1/11/2024	Charter Industrial Supply Inc	Small Business	B120-BUS MECHANICAL PARTS	\$ 32.71	\$ -	\$ -
4500058886	1/11/2024	The Sherwin-Williams Company		F120-BUS/LRV PAINT BOOTHS	\$ 686.78	\$ -	\$ -
4500058887	1/11/2024	Vern Rose Inc		G140-SHOP SUPPLIES	\$ 330.69	\$ -	\$ -
4500058888	1/11/2024	R.S. Hughes Co Inc		G140-SHOP SUPPLIES	\$ 2,500.68	\$ -	\$ -
4500058889	1/11/2024	Kurt Morgan		G200-OFFICE SUPPLIES	\$ 419.84	\$ -	\$ -
4500058890	1/11/2024	W.W. Grainger Inc		R120-RAIL/LRV CAR BODY	\$ 1,118.44	\$ -	\$ -
4500058891	1/11/2024	Freeby Signs		B250-BUS REPAIR PARTS	\$ 247.56	\$ -	\$ -
4500058892	1/11/2024	Facility Solutions Group, Inc.		M180-STATION ELECTRICAL	\$ 3,866.84	\$ -	\$ -
4500058893	1/11/2024	Teknoware Inc.		R180-RAIL/LRV LIGHTING	\$ 4,083.30	\$ -	\$ -
4500058894	1/11/2024	Waxie's Enterprises, LLC		G130-SHOP TOOLS	\$ 1,643.23	\$ -	\$ -
4500058895	1/11/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 2,225.82	\$ -	\$ -
4500058896	1/11/2024	Winzer Franchise Company		R190-RAIL/LRV PANTOGRAPH	\$ 1,318.92	\$ -	\$ -
4500058897	1/11/2024	Transit Holdings Inc		B130-BUS BODY	\$ 3,380.26	\$ -	\$ -
4500058898	1/11/2024	Transit Holdings Inc		B140-BUS CHASSIS	\$ 3,061.18	\$ -	\$ -
4500058899	1/11/2024	AirSupply Tools, Inc		B200-BUS PWR TRAIN EQUIP	\$ 44.22	\$ -	\$ -
4500058900	1/11/2024	Muncie Reclamation and Supply Co		B130-BUS BODY	\$ 239.26	\$ -	\$ -
4500058901	1/11/2024	Gillig LLC		B130-BUS BODY	\$ 3,061.53	\$ -	\$ -
4500058902	1/12/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 17,073.35	\$ -	\$ -
4500058903	1/12/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 899.92	\$ -	\$ -
4500058904	1/12/2024	Siemens Mobility, Inc.		R230-RAIL/LRV MECHANICAL	\$ 10,272.45	\$ -	\$ -
4500058905	1/12/2024	Siemens Mobility, Inc.		R160-RAIL/LRV ELECTRICAL	\$ 1,337.40	\$ -	\$ -
4500058906	1/12/2024	Mohawk Mfg & Supply Co		B140-BUS CHASSIS	\$ 66.59	\$ -	\$ -
4500058907	1/12/2024	Transit Holdings Inc		B130-BUS BODY	\$ 1,878.49	\$ -	\$ -
4500058908	1/12/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 1,012.89	\$ -	\$ -
4500058909	1/12/2024	Siemens Mobility, Inc.		R220-RAIL/LRV TRUCKS	\$ 7,273.13	\$ -	\$ -
4500058910	1/12/2024	San Diego Friction Products, Inc.		B140-BUS CHASSIS	\$ 1,749.44	\$ -	\$ -
4500058911	1/12/2024	Harbor Diesel & Equipment, Inc		B200-BUS PWR TRAIN EQUIP	\$ 20,425.71	\$ -	\$ -
4500058912	1/12/2024	Siemens Mobility, Inc.		R120-RAIL/LRV CAR BODY	\$ 1,026.00	\$ -	\$ -
4500058913	1/12/2024	Winzer Franchise Company		G140-SHOP SUPPLIES	\$ 2,059.22	\$ -	\$ -
4500058914	1/12/2024	General Signals Inc		M130-CROSSING MECHANISM	\$ 25,246.90	\$ -	\$ -
4500058915	1/12/2024	Air & Lube Systems Inc	DBE	F110-SHOP/BLDG MACHINERY	\$ 427.20	\$ -	\$ -
4500058916	1/12/2024	Siemens Mobility, Inc.		M130-CROSSING MECHANISM	\$ 9,349.25	\$ -	\$ -

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500058917	1/12/2024	Genuine Parts Company Inc		R180-RAIL/LRV LIGHTING	\$ 1,928.62	\$ -	\$ -
4500058918	1/12/2024	Qualitrol Company LLC		M110-SUB STATION	\$ 19,921.30	\$ -	\$ -
4500058919	1/12/2024	Total Filtration Services Inc		F120-BUS/LRV PAINT BOOTHS	\$ 551.53	\$ -	\$ -
4500058920	1/12/2024	Transit Innovations LLC		M120-OVRHEAD CATENARY SY	\$ 1,422.30	\$ -	\$ -
4500058921	1/12/2024	Siemens Mobility, Inc.		R220-RAIL/LRV TRUCKS	\$ 3,701.22	\$ -	\$ -
4500058922	1/12/2024	Siemens Mobility, Inc.		R120-RAIL/LRV CAR BODY	\$ 49,890.41	\$ -	\$ -
4500058923	1/14/2024	Init Innovations in Transportation		G290-FARE REVENUE EQUIP	\$ 90,211.10	\$ -	\$ -
4500058924	1/14/2024	Siemens Mobility, Inc.		R230-RAIL/LRV MECHANICAL	\$ 3,879.00	\$ -	\$ -
4500058925	1/14/2024	Siemens Mobility, Inc.		R120-RAIL/LRV CAR BODY	\$ 2,241.20	\$ -	\$ -
4500058926	1/14/2024	Cembre Inc		M170-IMPEDANCE BOND	\$ 2,142.29	\$ -	\$ -
4500058927	1/14/2024	Init Innovations in Transportation		G290-FARE REVENUE EQUIP	\$ 4,710.32	\$ -	\$ -
4500058928	1/14/2024	Mouser Electronics Inc		R230-RAIL/LRV MECHANICAL	\$ 438.71	\$ -	\$ -
4500058929	1/14/2024	Waxie's Enterprises, LLC		G180-JANITORIAL SUPPLIES	\$ 3,742.79	\$ -	\$ -
4500058930	1/14/2024	D's Kustom Sales & Services, LLC		T110-TRACK, RAIL	\$ 828.60	\$ -	\$ -
4500058931	1/14/2024	Professional Contractors Supplies		G180-JANITORIAL SUPPLIES	\$ 994.07	\$ -	\$ -
4500058932	1/14/2024	OneSource Distributors, LLC		M180-STATION ELECTRICAL	\$ 3,932.93	\$ -	\$ -
4500058933	1/14/2024	Mcmaster-Carr Supply Co		G140-SHOP SUPPLIES	\$ 279.90	\$ -	\$ -
4500058934	1/14/2024	Legend to Kings Fence Inc		M200-YARD FACILITIES	\$ 534.60	\$ -	\$ -
4500058935	1/14/2024	IFE North America, LLC		R140-RAIL/LRV DOORS/RAMP	\$ 7,145.98	\$ -	\$ -
4500058936	1/14/2024	Custom Glass Solutions		R120-RAIL/LRV CAR BODY	\$ 29,434.50	\$ -	\$ -
4500058937	1/14/2024	Siemens Mobility, Inc.		R120-RAIL/LRV CAR BODY	\$ 4,223.80	\$ -	\$ -
4500058938	1/14/2024	Datex Instruments, Inc.	Minority Owned Business	R150-RAIL/LRV COMM EQUIP	\$ 3,717.38	\$ -	\$ -
4500058939	1/14/2024	Grah Safe & Lock Inc	Small Business	G290-FARE REVENUE EQUIP	\$ 1,993.38	\$ -	\$ -
4500058940	1/14/2024	Uline Inc		G290-FARE REVENUE EQUIP	\$ 310.32	\$ -	\$ -
4500058941	1/14/2024	Shilpark Paint Corporation		F180-BUILDING MATERIALS	\$ 180.32	\$ -	\$ -
4500058942	1/14/2024	Robcar Corporation	Woman Owned Business	F180-BUILDING MATERIALS	\$ 827.52	\$ -	\$ -
4500058943	1/14/2024	Fastenal Company		G190-SAFETY/MED SUPPLIES	\$ 3,460.64	\$ -	\$ -
4500058944	1/14/2024	RS Americas, Inc.		R160-RAIL/LRV ELECTRICAL	\$ 722.17	\$ -	\$ -
4500058945	1/14/2024	Abacor, Inc.	Small Business	F150-DOORS, OVERHEAD	\$ 4,094.50	\$ -	\$ -
4500058946	1/14/2024	Western Sierra Supply Inc		M120-OVRHEAD CATENARY SY	\$ 2,889.57	\$ -	\$ -
4500058947	1/14/2024	Louis Sardo Upholstery Inc		R200-RAIL/LRV SEATING	\$ 2,622.21	\$ -	\$ -
4500058948	1/15/2024	Winzer Franchise Company		B200-BUS PWR TRAIN EQUIP	\$ 14.98	\$ -	\$ -
4500058949	1/15/2024	Ahlee Backflow Service, Inc	Small Business	F110-SHOP/BLDG MACHINERY	\$ 3,575.27	\$ -	\$ -
4500058950	1/15/2024	Home Depot USA Inc		F110-SHOP/BLDG MACHINERY	\$ 91.36	\$ -	\$ -
4500058951	1/15/2024	Home Depot USA Inc		F110-SHOP/BLDG MACHINERY	\$ 272.40	\$ -	\$ -
4500058952	1/15/2024	MCI Carrillo Inc	Small Business	P210-NON-REV VEH REPAIRS	\$ 896.52	\$ -	\$ -
4500058953	1/15/2024	Clarran Inc.	DBE	G150-FASTENERS	\$ 226.22	\$ -	\$ -
4500058954	1/15/2024	Mohawk Mfg & Supply Co		B140-BUS CHASSIS	\$ 43.70	\$ -	\$ -
4500058955	1/15/2024	Don Oleson Inc	Small Business	G140-SHOP SUPPLIES	\$ 174.56	\$ -	\$ -
4500058956	1/15/2024	Prochem Specialty Products Inc	Small Business	G180-JANITORIAL SUPPLIES	\$ 1,718.62	\$ -	\$ -
4500058957	1/15/2024	Inland Kenworth (US) Inc		B200-BUS PWR TRAIN EQUIP	\$ 181.86	\$ -	\$ -
4500058958	1/15/2024	Neopart Transit LLC		B250-BUS REPAIR PARTS	\$ 118.96	\$ -	\$ -
4500058959	1/15/2024	San Diego Friction Products, Inc.		B110-BUS HVAC SYSTEMS	\$ 519.20	\$ -	\$ -
4500058960	1/15/2024	Uline Inc		P280-GENERAL SVC AGRMNTS	\$ 92.67	\$ -	\$ -
4500058961	1/15/2024	Genfare, LLC		G290-FARE REVENUE EQUIP	\$ 1,369.22	\$ -	\$ -
4500058962	1/15/2024	Motion Industries, Inc.		F110-SHOP/BLDG MACHINERY	\$ 301.67	\$ -	\$ -
4500058963	1/15/2024	IDSC Holdings LLC		G130-SHOP TOOLS	\$ 41.20	\$ -	\$ -
4500058964	1/15/2024	Harbor Diesel & Equipment, Inc		B250-BUS REPAIR PARTS	\$ 572.38	\$ -	\$ -

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500058965	1/15/2024	Genfare, LLC		B250-BUS REPAIR PARTS	\$ 1,369.22	\$ -	\$ -
4500058966	1/15/2024	Home Depot USA Inc		F110-SHOP/BLDG MACHINERY	\$ 84.41	\$ -	\$ -
4500058967	1/15/2024	ODP Business Solutions, LLC		G200-OFFICE SUPPLIES	\$ 256.12	\$ -	\$ -
4500058968	1/15/2024	ODP Business Solutions, LLC		G200-OFFICE SUPPLIES	\$ 124.25	\$ -	\$ -
4500058969	1/15/2024	Staples Contract & Commercial LLC		G200-OFFICE SUPPLIES	\$ 559.90	\$ -	\$ -
4500058970	1/15/2024	Motion Industries, Inc.		B120-BUS MECHANICAL PARTS	\$ 300.27	\$ -	\$ -
4500058971	1/15/2024	Southern Counties Lubricants LLC		G170-LUBRICANTS	\$ 2,311.24	\$ -	\$ -
4500058972	1/15/2024	Schunk Carbon Technology LLC		R190-RAIL/LRV PANTOGRAPH	\$ 1,958.47	\$ -	\$ -
4500058973	1/15/2024	Transit Holdings Inc		B140-BUS CHASSIS	\$ 3,618.17	\$ -	\$ -
4500058974	1/15/2024	ODP Business Solutions, LLC		G200-OFFICE SUPPLIES	\$ 124.25	\$ -	\$ -
4500058975	1/15/2024	Vern Rose Inc		F120-BUS/LRV PAINT BOOTHS	\$ 584.22	\$ -	\$ -
4500058976	1/15/2024	Kurt Morgan		G200-OFFICE SUPPLIES	\$ 486.45	\$ -	\$ -
4500058977	1/15/2024	Waxie's Enterprises, LLC		G180-JANITORIAL SUPPLIES	\$ 1,656.75	\$ -	\$ -
4500058978	1/15/2024	Uline Inc		G290-FARE REVENUE EQUIP	\$ 262.91	\$ -	\$ -
4500058979	1/15/2024	Custom Glass Solutions		R120-RAIL/LRV CAR BODY	\$ 4,266.90	\$ -	\$ -
4500058980	1/15/2024	Arts Lawnmower and Repairs LLC		F190-LANDSCAPING MAT'LS	\$ 291.99	\$ -	\$ -
4500058981	1/15/2024	Arts Lawnmower and Repairs LLC		F190-LANDSCAPING MAT'LS	\$ 390.03	\$ -	\$ -
4500058982	1/15/2024	Graybar Electric Co Inc		M180-STATION ELECTRICAL	\$ 2,085.20	\$ -	\$ -
4500058983	1/15/2024	Gillig LLC		B130-BUS BODY	\$ 3,964.03	\$ -	\$ -
4500058984	1/15/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 2,278.88	\$ -	\$ -
4500058985	1/15/2024	Ascendancy Corp		R230-RAIL/LRV MECHANICAL	\$ 3,511.90	\$ -	\$ -
4500058986	1/15/2024	AirSupply Tools, Inc		G160-PAINTS & CHEMICALS	\$ 16.34	\$ -	\$ -
4500058987	1/15/2024	W.W. Grainger Inc		G130-SHOP TOOLS	\$ 73.81	\$ -	\$ -
4500058988	1/15/2024	Romaine Electric Corporation	Small Business	B160-BUS ELECTRICAL	\$ 3,561.49	\$ -	\$ -
4500058989	1/15/2024	Kleinfelder Construction Services,		C120-SPECIALTY CONTRACTOR	\$ 43,145.15	\$ -	\$ 41,358.94
4500058990	1/16/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 11,801.64	\$ -	\$ -
4500058991	1/16/2024	Siemens Mobility, Inc.		R120-RAIL/LRV CAR BODY	\$ 1,670.13	\$ -	\$ -
4500058992	1/16/2024	Canada Ticket Inc.		G280-FARE MATERIALS	\$ 14,045.30	\$ -	\$ -
4500058993	1/16/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 6,867.95	\$ -	\$ -
4500058994	1/16/2024	Mohawk Mfg & Supply Co		B140-BUS CHASSIS	\$ 33.29	\$ -	\$ -
4500058995	1/16/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 14.76	\$ -	\$ -
4500058996	1/16/2024	Cummins Inc		B160-BUS ELECTRICAL	\$ 6,076.84	\$ -	\$ -
4500058997	1/16/2024	Muncie Reclamation and Supply Co		B140-BUS CHASSIS	\$ 607.77	\$ -	\$ -
4500058998	1/16/2024	Siemens Mobility, Inc.		R160-RAIL/LRV ELECTRICAL	\$ 101,034.22	\$ -	\$ -
4500058999	1/16/2024	Facility Solutions Group, Inc.		G120-SECURITY	\$ 1,551.34	\$ -	\$ -
4500059000	1/16/2024	R.S. Hughes Co Inc		G140-SHOP SUPPLIES	\$ 480.22	\$ -	\$ -
4500059001	1/16/2024	Siemens Mobility, Inc.		R190-RAIL/LRV PANTOGRAPH	\$ 71.12	\$ -	\$ -
4500059002	1/16/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 1,398.02	\$ -	\$ -
4500059003	1/16/2024	Transit Holdings Inc		B140-BUS CHASSIS	\$ 572.32	\$ -	\$ -
4500059004	1/16/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 67.52	\$ -	\$ -
4500059005	1/16/2024	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 656.20	\$ -	\$ -
4500059006	1/16/2024	Parts Authority, LLC		B160-BUS ELECTRICAL	\$ 3,853.01	\$ -	\$ -
4500059007	1/16/2024	Ahlee Backflow Service, Inc	Small Business	F110-SHOP/BLDG MACHINERY	\$ 208.00	\$ -	\$ -
4500059008	1/16/2024	Motion Industries, Inc.		G170-LUBRICANTS	\$ 14,122.39	\$ -	\$ -
4500059009	1/16/2024	SC Commercial, LLC		A120-AUTO/TRUCK GASOLINE	\$ 2,700.27	\$ -	\$ -
4500059010	1/16/2024	Supreme Oil Co.		A120-AUTO/TRUCK GASOLINE	\$ 9,555.75	\$ -	\$ -
4500059011	1/16/2024	Bright Market LLC		I110-INFORMATION TECH	\$ 359.96	\$ -	\$ -
4500059012	1/16/2024	Supreme Oil Co.		A120-AUTO/TRUCK GASOLINE	\$ 2,235.84	\$ -	\$ -

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500059013	1/16/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 7,380.09	\$ -	\$ -
4500059015	1/17/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 255.69	\$ -	\$ -
4500059016	1/17/2024	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 1,322.21	\$ -	\$ -
4500059017	1/17/2024	Init Innovations in Transportation		G290-FARE REVENUE EQUIP	\$ 290.93	\$ -	\$ -
4500059018	1/17/2024	Mohawk Mfg & Supply Co		B140-BUS CHASSIS	\$ 33.29	\$ -	\$ -
4500059019	1/17/2024	Muncie Reclamation and Supply Co		B200-BUS PWR TRAIN EQUIP	\$ 86.66	\$ -	\$ -
4500059020	1/17/2024	Transit Holdings Inc		B130-BUS BODY	\$ 2,559.46	\$ -	\$ -
4500059021	1/17/2024	VGP Holdings LLC		B120-BUS MECHANICAL PARTS	\$ 3,988.91	\$ -	\$ -
4500059022	1/17/2024	Muncie Reclamation and Supply Co		B140-BUS CHASSIS	\$ 405.18	\$ -	\$ -
4500059023	1/17/2024	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 2,449.49	\$ -	\$ -
4500059024	1/17/2024	Transit Holdings Inc		B120-BUS MECHANICAL PARTS	\$ 110.42	\$ -	\$ -
4500059026	1/17/2024	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 203.76	\$ -	\$ -
4500059027	1/17/2024	San Diego Friction Products, Inc.		B140-BUS CHASSIS	\$ 1,749.44	\$ -	\$ -
4500059028	1/17/2024	Steven R Timme		G230-PRINTED MATERIALS	\$ 849.68	\$ -	\$ -
4500059029	1/17/2024	Data Controls Printworks, Inc.	Small Business	G230-PRINTED MATERIALS	\$ 1,234.82	\$ -	\$ -
4500059030	1/18/2024	Muncie Reclamation and Supply Co		B160-BUS ELECTRICAL	\$ 15.51	\$ -	\$ -
4500059031	1/18/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 1,669.05	\$ -	\$ -
4500059032	1/18/2024	Transit Holdings Inc		G290-FARE REVENUE EQUIP	\$ 1,499.64	\$ -	\$ -
4500059033	1/18/2024	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 249.76	\$ -	\$ -
4500059034	1/18/2024	Transit Holdings Inc		B130-BUS BODY	\$ 6,839.52	\$ -	\$ -
4500059035	1/18/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 32.91	\$ -	\$ -
4500059036	1/18/2024	Siemens Mobility, Inc.		R230-RAIL/LRV MECHANICAL	\$ 8.28	\$ -	\$ -
4500059037	1/18/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 11,849.76	\$ -	\$ -
4500059038	1/18/2024	Trane U.S. Inc.		F160-BLDG HVAC EQUIP	\$ 3,238.00	\$ -	\$ -
4500059039	1/18/2024	Don Oleson Inc	Small Business	B120-BUS MECHANICAL PARTS	\$ 2,901.32	\$ -	\$ -
4500059040	1/18/2024	Sacramento Computer Power, Inc.	Small Business	I110-INFORMATION TECH	\$ 2,074.77	\$ -	\$ -
4500059041	1/18/2024	SiteOne Landscape Supply Holding		F190-LANDSCAPING MAT'LS	\$ 1,576.07	\$ -	\$ -
4500059042	1/18/2024	Carlos Guzman Inc	DBE	R120-RAIL/LRV CAR BODY	\$ 3,962.08	\$ -	\$ -
4500059043	1/18/2024	AEP California, LLC		G120-SECURITY	\$ 78.75	\$ -	\$ -
4500059044	1/18/2024	Dimensional Silk Screen Inc		G230-PRINTED MATERIALS	\$ 1,207.66	\$ -	\$ -
4500059045	1/18/2024	Rambuilt Glass LLC		F180-BUILDING MATERIALS	\$ 452.55	\$ -	\$ -
4500059046	1/18/2024	W.W. Grainger Inc		G190-SAFETY/MED SUPPLIES	\$ 240.86	\$ -	\$ -
4500059047	1/18/2024	Gillig LLC		B130-BUS BODY	\$ 2,649.05	\$ -	\$ -
4500059048	1/18/2024	Magaldi & Magaldi Inc		G130-SHOP TOOLS	\$ 1,680.90	\$ -	\$ -
4500059049	1/18/2024	Clarran Inc.	DBE	G150-FASTENERS	\$ 96.84	\$ -	\$ -
4500059050	1/18/2024	Ahlee Backflow Service, Inc	Small Business	P280-GENERAL SVC AGRMNTS	\$ 476.00	\$ -	\$ -
4500059051	1/18/2024	Gillig LLC		G140-SHOP SUPPLIES	\$ 2,305.49	\$ -	\$ -
4500059052	1/18/2024	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 114.16	\$ -	\$ -
4500059053	1/18/2024	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 4,264.31	\$ -	\$ -
4500059054	1/18/2024	NS Corporation		F110-SHOP/BLDG MACHINERY	\$ 35.01	\$ -	\$ -
4500059055	1/18/2024	W.W. Grainger Inc		F110-SHOP/BLDG MACHINERY	\$ 17.89	\$ -	\$ -
4500059056	1/18/2024	Home Depot USA Inc		F110-SHOP/BLDG MACHINERY	\$ 47.37	\$ -	\$ -
4500059057	1/18/2024	JB Equipment Inc		F110-SHOP/BLDG MACHINERY	\$ 153.58	\$ -	\$ -
4500059058	1/18/2024	Home Depot USA Inc		F110-SHOP/BLDG MACHINERY	\$ 53.40	\$ -	\$ -
4500059059	1/18/2024	W.W. Grainger Inc		F110-SHOP/BLDG MACHINERY	\$ 51.38	\$ -	\$ -
4500059060	1/18/2024	Gillig LLC		B250-BUS REPAIR PARTS	\$ 144.20	\$ -	\$ -
4500059061	1/18/2024	Allied Refrigeration Inc		B250-BUS REPAIR PARTS	\$ 146.75	\$ -	\$ -
4500059062	1/18/2024	Mohawk Mfg & Supply Co		B200-BUS PWR TRAIN EQUIP	\$ 64.26	\$ -	\$ -



Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500059063	1/18/2024	Motion Industries, Inc.		B200-BUS PWR TRAIN EQUIP	\$ 89.23	\$ -	\$ -
4500059064	1/18/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 355.31	\$ -	\$ -
4500059065	1/18/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 6.86	\$ -	\$ -
4500059066	1/18/2024	R.S. Hughes Co Inc		G140-SHOP SUPPLIES	\$ 324.21	\$ -	\$ -
4500059067	1/18/2024	W.W. Grainger Inc		G180-JANITORIAL SUPPLIES	\$ 720.60	\$ -	\$ -
4500059068	1/18/2024	AirSupply Tools, Inc		G150-FASTENERS	\$ 34.10	\$ -	\$ -
4500059069	1/18/2024	B & S Graphics Inc		B130-BUS BODY	\$ 175.10	\$ -	\$ -
4500059070	1/18/2024	Abacor, Inc.	Small Business	F180-BUILDING MATERIALS	\$ 4,113.50	\$ -	\$ -
4500059071	1/18/2024	Brady Industries of California, LLC		G180-JANITORIAL SUPPLIES	\$ 1,683.63	\$ -	\$ -
4500059072	1/18/2024	Hi-Tec Enterprises		R220-RAIL/LRV TRUCKS	\$ 277.46	\$ -	\$ -
4500059073	1/18/2024	Motorola Solutions Inc		G120-SECURITY	\$ 4,067.57	\$ -	\$ -
4500059074	1/18/2024	Transit Innovations LLC		M120-OVRHEAD CATENARY SY	\$ 1,422.30	\$ -	\$ -
4500059075	1/19/2024	Transit Holdings Inc		B140-BUS CHASSIS	\$ 47.30	\$ -	\$ -
4500059076	1/19/2024	Jamison Professional Services, LLC	DBE	G170-LUBRICANTS	\$ 1,923.99	\$ -	\$ -
4500059077	1/19/2024	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 1,245.33	\$ -	\$ -
4500059078	1/19/2024	ABC General Contractor, Inc.		C110-GENERAL CONTRACTORS	\$ 9,929.01	\$ -	\$ 5,000.25
4500059079	1/19/2024	The Gordian Group, Inc.		C130-CONSTRUCTION SVCS	\$ 174.75	\$ -	\$ -
4500059082	1/19/2024	Tennant Sales & Serv Co		P130-EQUIP MAINT REPR SVC	\$ 1,094.78	\$ -	\$ -
4500059083	1/19/2024	M Power Truck & Diesel		P210-NON-REV VEH REPAIRS	\$ 2,047.23	\$ -	\$ -
4500059084	1/19/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 7,028.40	\$ -	\$ -
4500059085	1/19/2024	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 370.63	\$ -	\$ -
4500059086	1/19/2024	VGP Holdings LLC		B200-BUS PWR TRAIN EQUIP	\$ 823.75	\$ -	\$ -
4500059087	1/19/2024	SC Commercial, LLC		A120-AUTO/TRUCK GASOLINE	\$ 2,496.83	\$ -	\$ -
4500059088	1/19/2024	Wesco Distribution Inc		F110-SHOP/BLDG MACHINERY	\$ 433.16	\$ -	\$ -
4500059089	1/19/2024	Jamaica Bearings Co Inc		R220-RAIL/LRV TRUCKS	\$ 149,202.34	\$ -	\$ -
4500059090	1/22/2024	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 42.84	\$ -	\$ -
4500059091	1/22/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 500.68	\$ -	\$ -
4500059092	1/22/2024	Mohawk Mfg & Supply Co		B200-BUS PWR TRAIN EQUIP	\$ 15.89	\$ -	\$ -
4500059093	1/22/2024	Muncie Reclamation and Supply Co		B200-BUS PWR TRAIN EQUIP	\$ 107.86	\$ -	\$ -
4500059094	1/22/2024	Transit Holdings Inc		B130-BUS BODY	\$ 1,320.57	\$ -	\$ -
4500059095	1/22/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 428.66	\$ -	\$ -
4500059096	1/22/2024	Jamison Professional Services, LLC	DBE	G170-LUBRICANTS	\$ 1,538.41	\$ -	\$ -
4500059097	1/22/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 645.86	\$ -	\$ -
4500059098	1/22/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 1,146.34	\$ -	\$ -
4500059099	1/22/2024	SC Commercial, LLC		A120-AUTO/TRUCK GASOLINE	\$ 2,638.62	\$ -	\$ -
4500059100	1/22/2024	Supreme Oil Co.		A120-AUTO/TRUCK GASOLINE	\$ 11,721.72	\$ -	\$ -
4500059101	1/22/2024	Quadient, Inc.		G220-OFFICE EQUIPMENT	\$ 333.70	\$ -	\$ -
4500059102	1/22/2024	Ace Uniforms LLC	Small Business	C120-SPECIALTY CONTRACTOR	\$ 141.14	\$ -	\$ -
4500059103	1/23/2024	Parts Authority, LLC		B160-BUS ELECTRICAL	\$ 11,237.95	\$ -	\$ -
4500059104	1/23/2024	Madden Construction Inc		P280-GENERAL SVC AGRMNTS	\$ 973.75	\$ -	\$ -
4500059105	1/23/2024	Genfare, LLC		B250-BUS REPAIR PARTS	\$ 252.59	\$ -	\$ -
4500059106	1/23/2024	Gillig LLC		B250-BUS REPAIR PARTS	\$ 41.12	\$ -	\$ -
4500059107	1/23/2024	Freeby Signs		B250-BUS REPAIR PARTS	\$ 440.41	\$ -	\$ -
4500059108	1/23/2024	Transit Holdings Inc		B130-BUS BODY	\$ 1,203.24	\$ -	\$ -
4500059109	1/23/2024	W.W. Grainger Inc		G140-SHOP SUPPLIES	\$ 167.88	\$ -	\$ -
4500059110	1/23/2024	Madden Construction Inc		P280-GENERAL SVC AGRMNTS	\$ 322.88	\$ -	\$ -
4500059111	1/23/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 2,069.10	\$ -	\$ -
4500059112	1/23/2024	Mohawk Mfg & Supply Co		B130-BUS BODY	\$ 134.75	\$ -	\$ -

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500059113	1/23/2024	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 4,725.12	\$ -	\$ -
4500059114	1/23/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 252.94	\$ -	\$ -
4500059115	1/23/2024	Siemens Mobility, Inc.		R220-RAIL/LRV TRUCKS	\$ 18,940.19	\$ -	\$ -
4500059116	1/23/2024	Staples Contract & Commercial LLC		G200-OFFICE SUPPLIES	\$ 82.39	\$ -	\$ -
4500059117	1/23/2024	Cummins Inc		B250-BUS REPAIR PARTS	\$ 25,526.78	\$ -	\$ -
4500059118	1/23/2024	Harbor Diesel & Equipment, Inc		B200-BUS PWR TRAIN EQUIP	\$ 20,961.51	\$ -	\$ -
4500059119	1/23/2024	W.W. Grainger Inc		G180-JANITORIAL SUPPLIES	\$ 191.48	\$ -	\$ -
4500059120	1/23/2024	Cummins Inc		B140-BUS CHASSIS	\$ 1,761.51	\$ -	\$ -
4500059121	1/23/2024	Transit Holdings Inc		B110-BUS HVAC SYSTEMS	\$ 3,571.73	\$ -	\$ -
4500059122	1/23/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 2.20	\$ -	\$ -
4500059123	1/23/2024	Jamison Professional Services, LLC	DBE	G170-LUBRICANTS	\$ 240.50	\$ -	\$ -
4500059124	1/23/2024	Synco Chemical Corporation		G170-LUBRICANTS	\$ 459.37	\$ -	\$ -
4500059125	1/23/2024	Facility Solutions Group, Inc.		M140-WAYSIDE SIGNALS	\$ 164.21	\$ -	\$ -
4500059126	1/23/2024	Professional Contractors Supplies		G160-PAINTS & CHEMICALS	\$ 603.67	\$ -	\$ -
4500059127	1/23/2024	Home Depot USA Inc		F180-BUILDING MATERIALS	\$ 478.44	\$ -	\$ -
4500059128	1/23/2024	Airgas Inc		G190-SAFETY/MED SUPPLIES	\$ 193.83	\$ -	\$ -
4500059129	1/23/2024	Robcar Corporation	Woman Owned Business	G140-SHOP SUPPLIES	\$ 3,367.19	\$ -	\$ -
4500059130	1/23/2024	Support Warehouse Ltd		I110-INFORMATION TECH	\$ 5,000.00	\$ -	\$ -
4500059131	1/23/2024	Siemens Mobility, Inc.		M130-CROSSING MECHANISM	\$ 14,023.88	\$ -	\$ -
4500059132	1/23/2024	Keys & Engraving Inc		G140-SHOP SUPPLIES	\$ 126.95	\$ -	\$ -
4500059133	1/23/2024	W.W. Grainger Inc		F210-SHELTERS, BUS	\$ 1,497.46	\$ -	\$ -
4500059134	1/23/2024	Nexus Holding Inc		F150-DOORS, OVERHEAD	\$ 3,618.96	\$ -	\$ -
4500059135	1/23/2024	Arts Lawnmower and Repairs LLC		F190-LANDSCAPING MAT'LS	\$ 732.68	\$ -	\$ -
4500059136	1/23/2024	Mouser Electronics Inc		R230-RAIL/LRV MECHANICAL	\$ 410.31	\$ -	\$ -
4500059137	1/23/2024	Waxie's Enterprises, LLC		G140-SHOP SUPPLIES	\$ 2,614.97	\$ -	\$ -
4500059138	1/23/2024	Westair Gases & Equipment Inc	Small Business	G140-SHOP SUPPLIES	\$ 2,111.90	\$ -	\$ -
4500059139	1/23/2024	Brady Industries of California, LLC		G140-SHOP SUPPLIES	\$ 1,917.47	\$ -	\$ -
4500059140	1/23/2024	Arts Lawnmower and Repairs LLC		F190-LANDSCAPING MAT'LS	\$ 646.47	\$ -	\$ -
4500059141	1/23/2024	Rambuilt Glass LLC		F180-BUILDING MATERIALS	\$ 1,950.00	\$ -	\$ -
4500059142	1/23/2024	Reid and Clark Screen Arts Co		G140-SHOP SUPPLIES	\$ 1,562.59	\$ -	\$ -
4500059143	1/23/2024	M Power Truck & Diesel		P210-NON-REV VEH REPAIRS	\$ 2,047.23	\$ -	\$ -
4500059144	1/23/2024	SiteOne Landscape Supply Holding		F190-LANDSCAPING MAT'LS	\$ 303.21	\$ -	\$ -
4500059145	1/23/2024	Louis Sardo Upholstery Inc		B130-BUS BODY	\$ 2,891.12	\$ -	\$ -
4500059146	1/23/2024	Gillig LLC		B250-BUS REPAIR PARTS	\$ 1,514.28	\$ -	\$ -
4500059147	1/23/2024	Home Depot USA Inc		F110-SHOP/BLDG MACHINERY	\$ 256.88	\$ -	\$ -
4500059148	1/23/2024	Siemens Mobility, Inc.		M140-WAYSIDE SIGNALS	\$ 14,966.68	\$ -	\$ -
4500059149	1/23/2024	W.W. Grainger Inc		F110-SHOP/BLDG MACHINERY	\$ 153.84	\$ -	\$ -
4500059150	1/23/2024	San Diego Community		P540-MAINTENANCE TRAINING	\$ 75.00	\$ -	\$ -
4500059151	1/23/2024	Clarran Inc.	DBE	G150-FASTENERS	\$ 189.52	\$ -	\$ -
4500059152	1/23/2024	Gillig LLC		B130-BUS BODY	\$ 2,649.05	\$ -	\$ -
4500059153	1/24/2024	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 673.90	\$ -	\$ -
4500059154	1/24/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 2,028.75	\$ -	\$ -
4500059155	1/24/2024	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 3,975.13	\$ -	\$ -
4500059156	1/24/2024	Transit Holdings Inc		B120-BUS MECHANICAL PARTS	\$ 365.81	\$ -	\$ -
4500059157	1/24/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 192.14	\$ -	\$ -
4500059158	1/24/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 3,731.90	\$ -	\$ -
4500059159	1/24/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 195.29	\$ -	\$ -
4500059160	1/24/2024	DK Sandler Brothers		G180-JANITORIAL SUPPLIES	\$ 1,112.71	\$ -	\$ -

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500059161	1/24/2024	Business Office Outfitters		G210-OFFICE FURNITURE	\$ 3,088.15	\$ -	\$ -
4500059162	1/24/2024	Motion Industries, Inc.		B250-BUS REPAIR PARTS	\$ 163.54	\$ -	\$ -
4500059163	1/24/2024	W.W. Grainger Inc		P280-GENERAL SVC AGRMNTS	\$ 256.98	\$ -	\$ -
4500059164	1/24/2024	Madden Construction Inc		P280-GENERAL SVC AGRMNTS	\$ 992.40	\$ -	\$ -
4500059165	1/24/2024	Harbor Diesel & Equipment, Inc		B200-BUS PWR TRAIN EQUIP	\$ 14,011.91	\$ -	\$ -
4500059166	1/24/2024	Flyers Energy LLC		G170-LUBRICANTS	\$ 18,062.84	\$ -	\$ -
4500059167	1/25/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 28.55	\$ -	\$ -
4500059168	1/25/2024	Transit Holdings Inc		B130-BUS BODY	\$ 11.90	\$ -	\$ -
4500059169	1/25/2024	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 671.15	\$ -	\$ -
4500059170	1/25/2024	Cummins Inc		B250-BUS REPAIR PARTS	\$ 78.88	\$ -	\$ -
4500059171	1/25/2024	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 4,758.07	\$ -	\$ -
4500059172	1/25/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 13.79	\$ -	\$ -
4500059173	1/25/2024	Trolley Support LLC		B250-BUS REPAIR PARTS	\$ 4,509.34	\$ -	\$ -
4500059174	1/25/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 1,513.50	\$ -	\$ -
4500059175	1/25/2024	Muncie Reclamation and Supply Co		B200-BUS PWR TRAIN EQUIP	\$ 9.35	\$ -	\$ -
4500059176	1/25/2024	Transit Holdings Inc		B130-BUS BODY	\$ 1,979.48	\$ -	\$ -
4500059177	1/25/2024	VGP Holdings LLC		B120-BUS MECHANICAL PARTS	\$ 7,965.83	\$ -	\$ -
4500059178	1/25/2024	W.W. Grainger Inc		G180-JANITORIAL SUPPLIES	\$ 961.82	\$ -	\$ -
4500059179	1/25/2024	W.W. Grainger Inc		G180-JANITORIAL SUPPLIES	\$ 184.36	\$ -	\$ -
4500059180	1/25/2024	Professional Contractors Supplies		G180-JANITORIAL SUPPLIES	\$ 2,113.24	\$ -	\$ -
4500059181	1/25/2024	Fastenal Company		G150-FASTENERS	\$ 3,408.54	\$ -	\$ -
4500059182	1/25/2024	Gillig LLC		B250-BUS REPAIR PARTS	\$ 18.97	\$ -	\$ -
4500059183	1/25/2024	Midwest Motor Supply Co. Inc		G140-SHOP SUPPLIES	\$ 63.33	\$ -	\$ -
4500059184	1/25/2024	Knorr Brake Company, LLC		R220-RAIL/LRV TRUCKS	\$ 26,148.71	\$ -	\$ -
4500059185	1/25/2024	Charter Industrial Supply Inc	Small Business	B120-BUS MECHANICAL PARTS	\$ 3,260.81	\$ -	\$ -
4500059186	1/25/2024	Mcmaster-Carr Supply Co		M140-WAYSIDE SIGNALS	\$ 140.73	\$ -	\$ -
4500059187	1/25/2024	Virginia Electronic & Lighting LLC		M140-WAYSIDE SIGNALS	\$ 3,060.10	\$ -	\$ -
4500059189	1/25/2024	Waxie's Enterprises, LLC		G180-JANITORIAL SUPPLIES	\$ 2,519.64	\$ -	\$ -
4500059190	1/25/2024	The Gordian Group, Inc.		C130-CONSTRUCTION SVCS	\$ 10,174.43	\$ -	\$ -
4500059191	1/25/2024	Genfare, LLC		G290-FARE REVENUE EQUIP	\$ 168.18	\$ -	\$ -
4500059192	1/25/2024	Trentman Corp	Small Business	P280-GENERAL SVC AGRMNTS	\$ 1,585.56	\$ -	\$ -
4500059193	1/25/2024	Siemens Mobility, Inc.		R220-RAIL/LRV TRUCKS	\$ 33,029.70	\$ -	\$ -
4500059194	1/25/2024	Transit Holdings Inc		B120-BUS MECHANICAL PARTS	\$ 1,757.00	\$ -	\$ -
4500059195	1/25/2024	Kleinfelder Construction Services,		C130-CONSTRUCTION SVCS	\$ 140,856.85	\$ -	\$ 81,471.60
4500059196	1/26/2024	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 278.45	\$ -	\$ -
4500059197	1/26/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 671.25	\$ -	\$ -
4500059198	1/26/2024	Mohawk Mfg & Supply Co		B160-BUS ELECTRICAL	\$ 13.64	\$ -	\$ -
4500059199	1/26/2024	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 1,669.07	\$ -	\$ -
4500059200	1/26/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 159.60	\$ -	\$ -
4500059201	1/26/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 368.68	\$ -	\$ -
4500059202	1/26/2024	Transit Holdings Inc		B140-BUS CHASSIS	\$ 1,489.28	\$ -	\$ -
4500059203	1/26/2024	Siemens Mobility, Inc.		R160-RAIL/LRV ELECTRICAL	\$ 122.06	\$ -	\$ -
4500059204	1/26/2024	Midwest Motor Supply Co. Inc		G190-SAFETY/MED SUPPLIES	\$ 1,508.50	\$ -	\$ -
4500059205	1/26/2024	Don Oleson Inc	Small Business	G140-SHOP SUPPLIES	\$ 77.58	\$ -	\$ -
4500059206	1/26/2024	Gillig LLC		B250-BUS REPAIR PARTS	\$ 3,533.72	\$ -	\$ -
4500059207	1/26/2024	Gillig LLC		B120-BUS MECHANICAL PARTS	\$ 3,201.74	\$ -	\$ -
4500059208	1/26/2024	Muncie Reclamation and Supply Co		B120-BUS MECHANICAL PARTS	\$ 223.48	\$ -	\$ -
4500059209	1/26/2024	San Diego Friction Products, Inc.		G140-SHOP SUPPLIES	\$ 2,972.22	\$ -	\$ -

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500059210	1/26/2024	American Battery Corporation	Small Business	P280-GENERAL SVC AGRMNTS	\$ 4,342.33	\$ -	\$ -
4500059211	1/26/2024	Harbor Diesel & Equipment, Inc		B120-BUS MECHANICAL PARTS	\$ 622.01	\$ -	\$ -
4500059212	1/26/2024	AirSupply Tools, Inc		G130-SHOP TOOLS	\$ 415.39	\$ -	\$ -
4500059213	1/26/2024	Motion Industries, Inc.		G190-SAFETY/MED SUPPLIES	\$ 302.75	\$ -	\$ -
4500059214	1/26/2024	Mohawk Mfg & Supply Co		B120-BUS MECHANICAL PARTS	\$ 30.91	\$ -	\$ -
4500059215	1/26/2024	Aaron Alex Graves		G260-MEDIA	\$ 3,200.00	\$ -	\$ -
4500059216	1/26/2024	SD Regional Chamber of Commerce		G260-MEDIA	\$ 1,000.00	\$ -	\$ -
4500059217	1/26/2024	R.S. Hughes Co Inc		G190-SAFETY/MED SUPPLIES	\$ 839.19	\$ -	\$ -
4500059218	1/26/2024	Cummins Inc		B250-BUS REPAIR PARTS	\$ 56.89	\$ -	\$ -
4500059219	1/26/2024	W.W. Grainger Inc		G190-SAFETY/MED SUPPLIES	\$ 1,164.69	\$ -	\$ -
4500059220	1/26/2024	Prochem Specialty Products Inc	Small Business	G180-JANITORIAL SUPPLIES	\$ 1,718.62	\$ -	\$ -
4500059221	1/26/2024	Muncie Reclamation and Supply Co		B200-BUS PWR TRAIN EQUIP	\$ 144.73	\$ -	\$ -
4500059222	1/26/2024	Cummins Inc		B250-BUS REPAIR PARTS	\$ 1,770.00	\$ -	\$ -
4500059223	1/26/2024	Midwest Motor Supply Co. Inc		G180-JANITORIAL SUPPLIES	\$ 1,432.00	\$ -	\$ -
4500059225	1/26/2024	Utah Transit Authority		R160-RAIL/LRV ELECTRICAL	\$ 55,178.78	\$ -	\$ -
4500059226	1/26/2024	Digicert, Inc.		I140-IT CAPITAL SOFTWARE	\$ 2,049.60	\$ -	\$ -
4500059227	1/26/2024	SC Commercial, LLC		A120-AUTO/TRUCK GASOLINE	\$ 4,058.63	\$ -	\$ -
4500059228	1/29/2024	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 5,357.11	\$ -	\$ -
4500059229	1/29/2024	Cummins Inc		B120-BUS MECHANICAL PARTS	\$ 422.43	\$ -	\$ -
4500059230	1/29/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 2,358.35	\$ -	\$ -
4500059231	1/29/2024	Siemens Mobility, Inc.		R130-RAIL/LRV COUPLER	\$ 1,630.81	\$ -	\$ -
4500059232	1/29/2024	Siemens Mobility, Inc.		R120-RAIL/LRV CAR BODY	\$ 33,779.63	\$ -	\$ -
4500059233	1/29/2024	Door Systems, Inc.		F110-SHOP/BLDG MACHINERY	\$ 225.00	\$ -	\$ -
4500059234	1/29/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 30,938.20	\$ -	\$ -
4500059235	1/29/2024	SC Commercial, LLC		A120-AUTO/TRUCK GASOLINE	\$ 2,823.57	\$ -	\$ -
4500059236	1/29/2024	Supreme Oil Co.		A120-AUTO/TRUCK GASOLINE	\$ 12,868.41	\$ -	\$ -
4500059237	1/29/2024	Jamaica Bearings Co Inc		R220-RAIL/LRV TRUCKS	\$ 4,309.46	\$ -	\$ -
4500059238	1/29/2024	Transit Holdings Inc		B140-BUS CHASSIS	\$ 107.62	\$ -	\$ -
4500059239	1/29/2024	Gillig LLC		B160-BUS ELECTRICAL	\$ 7,439.32	\$ -	\$ -
4500059240	1/29/2024	Init Innovations in Transportation		G290-FARE REVENUE EQUIP	\$ 915.88	\$ -	\$ -
4500059241	1/29/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 257.20	\$ -	\$ -
4500059242	1/29/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 3,443.61	\$ -	\$ -
4500059243	1/29/2024	Init Innovations in Transportation		G290-FARE REVENUE EQUIP	\$ 5,495.26	\$ -	\$ -
4500059244	1/29/2024	Knorr Brake Company, LLC		R120-RAIL/LRV CAR BODY	\$ 19,369.14	\$ -	\$ -
4500059245	1/29/2024	Siemens Mobility, Inc.		R120-RAIL/LRV CAR BODY	\$ 2,801.50	\$ -	\$ -
4500059246	1/29/2024	San Diego Plastics Inc	Small Business	G270-ELECTRICAL/LIGHTING	\$ 581.85	\$ -	\$ -
4500059247	1/29/2024	Waxie's Enterprises, LLC		G180-JANITORIAL SUPPLIES	\$ 1,616.03	\$ -	\$ -
4500059248	1/29/2024	Hi-Tec Enterprises		R160-RAIL/LRV ELECTRICAL	\$ 2,751.67	\$ -	\$ -
4500059249	1/29/2024	Airgas Inc		R160-RAIL/LRV ELECTRICAL	\$ 2,528.67	\$ -	\$ -
4500059250	1/29/2024	Waxie's Enterprises, LLC		G140-SHOP SUPPLIES	\$ 3,567.61	\$ -	\$ -
4500059251	1/29/2024	Laird Plastics, Inc		F180-BUILDING MATERIALS	\$ 4,363.88	\$ -	\$ -
4500059252	1/29/2024	ODP Business Solutions, LLC		G210-OFFICE FURNITURE	\$ 700.35	\$ -	\$ -
4500059253	1/29/2024	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 43.65	\$ -	\$ -
4500059254	1/29/2024	Clarran Inc.	DBE	G150-FASTENERS	\$ 279.45	\$ -	\$ -
4500059255	1/29/2024	Kurt Morgan		G200-OFFICE SUPPLIES	\$ 581.63	\$ -	\$ -
4500059256	1/29/2024	The Sherwin-Williams Company		F120-BUS/LRV PAINT BOOTHS	\$ 1,337.75	\$ -	\$ -
4500059257	1/29/2024	Freeby Signs		B130-BUS BODY	\$ 102.60	\$ -	\$ -
4500059258	1/29/2024	Staples Contract & Commercial LLC		G200-OFFICE SUPPLIES	\$ 492.44	\$ -	\$ -

**Purchase Orders**

<b>PO Number</b>	<b>PO Date</b>	<b>Name</b>	<b>Prime Business Certification</b>	<b>Material Group</b>	<b>PO Value</b>	<b>DBE Subcontracted Amount</b>	<b>Non DBE Subcontracted Amount</b>
4500059259	1/30/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 2,538.89	\$ -	\$ -
4500059260	1/30/2024	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 2,957.34	\$ -	\$ -
4500059261	1/30/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 273.47	\$ -	\$ -
4500059262	1/30/2024	W.W. Grainger Inc		M180-STATION ELECTRICAL	\$ 67.89	\$ -	\$ -
4500059263	1/30/2024	Motion Industries, Inc.		M140-WAYSIDE SIGNALS	\$ 1,494.50	\$ -	\$ -
4500059264	1/30/2024	Norman Industrial Materials Inc.		G140-SHOP SUPPLIES	\$ 1,342.73	\$ -	\$ -
4500059265	1/30/2024	ERICO International Corporation		M170-IMPEDANCE BOND	\$ 1,405.88	\$ -	\$ -
4500059266	1/30/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 6,578.68	\$ -	\$ -
4500059267	1/30/2024	Cummins Inc		B200-BUS PWR TRAIN EQUIP	\$ 2,170.54	\$ -	\$ -
4500059268	1/30/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 1,920.87	\$ -	\$ -
4500059269	1/30/2024	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 112.28	\$ -	\$ -
4500059270	1/30/2024	Neopart Transit LLC		G190-SAFETY/MED SUPPLIES	\$ 946.05	\$ -	\$ -
4500059271	1/30/2024	W.W. Grainger Inc		G170-LUBRICANTS	\$ 95.55	\$ -	\$ -
4500059272	1/30/2024	Dimensional Silk Screen Inc		G230-PRINTED MATERIALS	\$ 13,051.54	\$ -	\$ -
4500059273	1/30/2024	Amazon.com Sales, Inc.		G200-OFFICE SUPPLIES	\$ 337.20	\$ -	\$ -
4500059274	1/30/2024	Reid and Clark Screen Arts Co		G120-SPECIALTY CONTRACTOR	\$ 40.95	\$ -	\$ -
4500059275	1/30/2024	Freeby Signs		B250-BUS REPAIR PARTS	\$ 356.85	\$ -	\$ -
4500059276	1/30/2024	Home Depot USA Inc		F160-BLDG HVAC EQUIP	\$ 521.20	\$ -	\$ -
4500059277	1/30/2024	Inland Kenworth (US) Inc		B200-BUS PWR TRAIN EQUIP	\$ 63.99	\$ -	\$ -
4500059278	1/30/2024	Trentman Corp	Small Business	P280-GENERAL SVC AGRMNTS	\$ 1,318.45	\$ -	\$ -
4500059279	1/30/2024	Waxie's Enterprises, LLC		G140-SHOP SUPPLIES	\$ 4,565.18	\$ -	\$ -
4500059280	1/30/2024	Home Depot USA Inc		G160-PAINTS & CHEMICALS	\$ 1,718.09	\$ -	\$ -
4500059281	1/30/2024	Home Depot USA Inc		F110-SHOP/BLDG MACHINERY	\$ 445.72	\$ -	\$ -
4500059282	1/30/2024	Gillig LLC		B250-BUS REPAIR PARTS	\$ 4,315.15	\$ -	\$ -



**Metropolitan  
Transit  
System**

PUBLIC COMMENT  
AI 15, 2/8/2024  
No. in Queue:1

## CALL – IN PUBLIC COMMENT

Truth provided a public comment for agenda item #15. A paraphrased version of Truth's statement will be reflected in the minutes.

### PUBLIC SPEAKER DISCLAIMER

#### INSTRUCTIONS

This meeting is offered both in an in-person and virtual format. In-person speaker requests will be taken first. Speaking time will be limited to two minutes per person, unless specified by the Chairperson. Members of the public are permitted to make general public comments at the beginning of the agenda or make specific comments on any item in the agenda at the time the Board/Committee is considering the item during the meeting. Requests to speak will not be taken after the public comment period ends, unless under the Chair's discretion.

#### BOARD OF DIRECTORS MEETING

General Public Comment at the beginning of the agenda will be limited to five speakers with the standard two-minute limit, unless otherwise directed by the Chair. Additional speakers with general public comments will be heard at the end of the meeting.

#### MEETING RECORD

A paraphrased version of this comment will be included in the minutes. The full comment can be heard by reviewing the recording posted on the respective meeting website:

<https://www.sdmts.com/about/meetings-and-agendas>.

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## CALL – IN PUBLIC COMMENT

Truth provided a public comment for agenda item #17. A paraphrased version of Truth's statement will be reflected in the minutes.

### PUBLIC SPEAKER DISCLAIMER

#### INSTRUCTIONS

This meeting is offered both in an in-person and virtual format. In-person speaker requests will be taken first. Speaking time will be limited to two minutes per person, unless specified by the Chairperson. Members of the public are permitted to make general public comments at the beginning of the agenda or make specific comments on any item in the agenda at the time the Board/Committee is considering the item during the meeting. Requests to speak will not be taken after the public comment period ends, unless under the Chair's discretion.

#### BOARD OF DIRECTORS MEETING

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#### MEETING RECORD

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