



**Metropolitan
Transit
System**

Agenda

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

9:00 a.m.

Meeting will be held via webinar

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Para solicitar la agenda en un formato alternativo o para solicitar acomodaciones de participación, por favor mande un correo a la Secretaria de la Junta, ClerkoftheBoard@sdmts.com al menos dos días hábiles antes de la reunión. Instrucciones para ingresar a la junta virtual están disponibles bajo '[Meeting Link and Webinar Instructions](#).' Use este enlace para acceder la reunión virtual: <https://zoom.us/j/98288032362>

ACTION RECOMMENDED

1. Roll Call
2. Approval of Minutes - October 14, 2021 Approve
3. Public Comments - Limited to five speakers with three 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.
4. Appointment of San Diego Metropolitan Transit System (MTS) Chairperson (Sharon Cooney) Elect
That the MTS Board of Directors: reelect Mr. Nathan Fletcher as Chairperson for the next term, beginning January 1, 2022 through December 31, 2023.
5. Appointment of Ad Hoc Nominating Committee for Recommending Appointments to MTS Committees For 2022 (Sharon Cooney) Appoint
Action would appoint an Ad Hoc Nominating Committee to make recommendations to the Board with respect to the appointment of the Vice Chair, Chair Pro-Tem as well as MTS and non-MTS committees for 2022.



CONSENT ITEMS

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| 6. | <p><u>Authorization of Remote Teleconferenced Meetings</u></p> <p>Action would authorize remote teleconferenced meetings for any public meetings held by MTS, including all Brown Act committees, for the next thirty (30) days pursuant to Assembly Bill (AB) 361 and make the following findings: 1) The MTS Board has considered the current circumstances of the COVID-19 pandemic and its impact in San Diego County; and 2) State or local officials continue to recommend measures to promote social distancing. On September 23, 2021, County of San Diego Public Health Officer, Wilma J. Wooten, M.D., M.P.H., issued a recommendation supporting the use of teleconferencing for attendance at public meetings as “a social distancing measure that may help control transmission of the SARS-CoV-2 virus.”</p> | Approve |
| 7. | <p><u>Adoption of the 2022 San Diego Metropolitan Transit System (MTS) Executive Committee and Board of Directors Meeting Schedule</u></p> <p>Action would adopt the 2022 Executive Committee and Board of Directors meeting schedule.</p> | Approve |
| 8. | <p><u>Taxicab Advisory Committee – Guideline Revisions</u></p> <p>Action would approve the proposed revisions to the Taxicab Advisory Committee Guidelines.</p> | Approve |
| 9. | <p><u>Job Order Contracting (JOC) Services - Contract Amendment</u></p> <p>Action would authorize the Chief Executive Officer (CEO) to execute Amendment 2 to MTS Doc. No. L1282.0-16 with The Gordian Group totaling \$300,000.00, and extend for an additional five-year period for the continued provision of JOC services.</p> | Approve |
| 10. | <p><u>Network Equipment for Network Devices Refresh – Purchase Order</u></p> <p>Action would authorize the Chief Executive Officer (CEO) to execute a Purchase Order to AT&T Corp. for the provision of Cisco network equipment for MTS Network Devices Refresh in the amount of \$1,146,769.93.</p> | Approve |
| 11. | <p><u>3rd Party Administration Services for Workers Compensation Benefits Services – Contract Award</u></p> <p>Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2460.0-21 with CorVel Enterprise Comp, Inc. for 3rd Party Administration Services for Workers Compensation Benefits Services for a five (5) year base period with five (5) optional 1-year extensions in the amount of \$4,906,919.14.</p> | Approve |
| 12. | <p><u>Investment Report – Quarter Ending September 30, 2021</u></p> | Informational |
| 13. | <p><u>Design Services for Iris Rapid Route and Station Infrastructure Improvements – Work Order Amendment</u></p> <p>Action would 1) Ratify Amendment 1 to Work Order WOA2075-AE-54 to MTS DOC No. G2075.0-18 with Dokken Engineering (Dokken) in the amount of \$96,513.63 to provide right-of-way support for the project; and 2) Authorize the Chief Executive Officer (CEO) to execute Amendment 2 to</p> | Approve |

Work Order WOA2075-AE-54 to MTS DOC No. G2075.0-18 with Dokken in the amount of \$10,254.73 for design services and plan updates to include a proposed curb ramp at the Northwest Corner (NWC) of the Coronado Avenue/Beyer Boulevard intersection.

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| 14. | <u>Fare Collection (Change Orders for Sage Software, Salesforce Licenses & Pronto Fare Media Card Order) – Contract Amendment</u>
Action would 1. Ratify Amendment 8 to MTS Doc. No. G2091.0-18, with Innovations in Transportation, Inc. (INIT), in the amount of \$37,816.95; and 2. Authorize the Chief Executive Officer (CEO) to execute Amendment 9 to MTS Doc. No. G2091.0-18, with INIT in the amount of \$166,624.60. | Approve |
| 15. | <u>Bus Rapid Transit (BRT) – Work Order Agreement</u>
1) Ratify Work Order MTSJOC324-04 under Job Order Contract (JOC) to MTS Doc. No. PWG324.0-21 with ABC General Contractor, Inc. (ABCGC), in the amount of \$25,420.13 for the repair of the Light-Emitting Diode (LED) shelter lamps at the Del Lago, Rancho Bernardo, Sabre Springs and Escondido transit centers; 2) Authorize the Chief Executive Officer (CEO) to execute Change Order MTSJOC324-04.01 under JOC to MTS Doc. No. PWG324.0-21 with ABCGC, in the amount of \$85,362.77 for the replacement of the High Intensity Discharge (HID) lamps with LED lamps at the Del Lago transit center and parking lot; and 3) Authorize the CEO to execute Change Order MTSJOC324-04.02 under JOC to MTS Doc. No. PWG324.0-21 with ABCGC, in the amount of \$102,631.43, for the replacement of the HID lamps with LED lamps at the Rancho Bernardo transit center and parking lots. | Approve |
| 16. | <u>San Ysidro Transit Center Planning & Design/San Ysidro Mobility Hub Planning (Denis Desmond)</u>
Action would authorize the Chief Executive Officer (CEO) to execute Addendum 17, Scope of Work 102 to the Memorandum of Understanding (MOU) between the San Diego Association of Governments (SANDAG) and MTS for the San Ysidro Transit Center Planning & Design project in the amount of \$1,250,000. | Approve |
| 17. | <u>Security and Passenger Safety Community Advisory Group (CAG)</u>
Action would 1) Approve the revisions to the Security and Passenger Safety Community Advisory Group Guidelines; and 2) Receive the appointments list to the Security and Passenger Safety Community Advisory Group. | Approve |
| 18. | <u>Downtown Stopover Project</u>
Action would approve a Fund Transfer Agreement with the San Diego Association of Governments (SANDAG) for the Downtown Stopover Project, including an MTS contribution of \$1.4 million towards the project. | Approve |

CLOSED SESSION

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| 24a. | CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS
Pursuant to California Government Code Section 54957.6
Agencies: San Diego Transit Corporation ("SDTC"), San Diego Trolley, Inc. ("SDTI")
Employee Organization: International Brotherhood of Electrical Workers, Local 465 ("IBEW")
Employee Organization: International Association of Sheet Metal, Air, Rail, And Transportation Workers ("SMART")
Employee Organization: Transit Enforcement Officers Association ("TEOA")
Employee Organization: Amalgamated Transit Union, Local 1309 ("ATU")
Agency- Designated Representative: Jeffrey M. Stumbo, Chief Human Resources Officer (EEO Officer) | Possible
Action |
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NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

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| 30. | <u>Fiscal Year (FY) 2021 Annual Comprehensive Financial Report (ACFR) (Erin Dunn, Larry Marinesi; Ken Pun and Coley Delaney of The Pun Group)</u> | Informational |
| 31. | <u>Fiscal Year (FY) 2021 Final Budget Comparison (Gordon Meyer)</u>
Action would receive the MTS operations budget status report for FY 2021 and approve the staff recommendation for programming of available one-time funding. | Approve |
| 32. | <u>San Diego Transit Corporation (SDTC) Employee Retirement Plan's (Plan) Actuarial Experience Study (Alice Alsberghe of Cheiron Inc. and Larry Marinesi)</u>
Action would: 1) Adopt the Actuarial Experience Study of the SDTC's Employee Retirement Plan; and 2) Approve the revised actuarial assumptions. | Approve |
| 33. | <u>TransNet Operating Fund Shortfall (Sharon Cooney, Karen Landers and Larry Marinesi)</u>
Action would 1) Instruct the Chief Executive Officer (CEO) to prepare a report on TransNet Extension Ordinance revenues and report back to the Board of Directors with MTS-proposed solutions; 2) Direct the CEO to register MTS's opposition to the proposed TransNet Extension Ordinance Amendments - Draft Concepts currently under consideration by the San Diego Association of Governments (SANDAG); and 3) Authorize commencement of Mid-Coast trolley operations on November 21, 2021 pending a formal memorandum of understanding (MOU) with SANDAG regarding TransNet operating funding for the net operating costs. | Approve |

REPORT ITEMS

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| 45. | <u>Fiscal Year (FY) 2021 Performance Monitoring Report (Denis Desmond, Mike Wygant, Wayne Terry)</u> | Informational |
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OTHER ITEMS

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| 60. | <u>Chair Report</u> | Informational |
| 61. | <u>Chief Executive Officer's Report</u> | Informational |
| 62. | <u>Board Member Communications</u> | Informational |
| 63. | <u>Additional Public Comments Not on the Agenda</u>
If the limit of 5 speakers is exceeded under No. 3 (Public Comments) on this agenda, additional speakers will be taken at this time. If you have a report to present, please furnish a copy to the Clerk of the Board. Subjects of previous hearings or agenda items may not again be addressed under Public Comments. | |
| 64. | <u>Next Meeting Date:</u> December 16, 2021. | |
| 65. | <u>Adjournment</u> | |

MINUTES

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

October 14, 2021

[Clerk's note: Except where noted, public, staff and board member comments are paraphrased. Note that the meeting was conducted via webinar to comply with public health orders].

1. Roll Call

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

2. Approval of Minutes

Chair Fletcher moved to approve the minutes of the September 16, 2021, MTS Board of Directors meeting. Board Member Salas seconded the motion, and the vote was 13 to 0 in favor with Board Member Hall and Board Member Sandke absent.

3. Public Comment

Sol Schumer – Provided a verbal statement to the Board during the meeting. Schumer provided feedback to staff about the PRONTO platform.

CONSENT ITEMS:

6. Authorization of Remote Teleconferenced Meetings

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

7. Board Policy No. 26, Disadvantaged Business Enterprise Program – Policy Revision

Action would approve revisions to Board Policy No. 26, Disadvantaged Business Enterprise Program.

8. Crowdstrike Falcon Endpoint Protection Premium License and Support– Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2518.0-22 with Nth Generation Computing Inc. for CrowdStrike Falcon Endpoint Protection Premium Software (CrowdStrike) License and Support for a three (3) base term in the amount of \$190,029.09.

9. ADA (American With Disabilities Act) Client Certification Services – Contract Amendment

Action would 1) Ratify Amendment No. 5 to MTS Doc. No. G1901.0-16, with Medical Transportation Management (MTM), a Women Business Enterprise (WBE), in the total amount of \$68,799.00; and 2) Approve Amendment No. 6 to MTS Doc. No. G1901.0-16, with MTM, to authorize the Chief Executive Officer (CEO) to add a temporary position for a Mobility Assessment Evaluator (MAE) with MTM for ADA Paratransit Client Certification Services for a total of \$52,415.00.

10. Window Glass for Light Rail Vehicles (LRV) – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute two (2) contracts for the provision of window glass for LRVs, with Citywide Auto Glass and Siemens Mobility, for a not-to-exceed aggregate amount of \$1,518,019.41, for five (5) years from November 1, 2021 to October 30, 2026.
11. Supplemental Renewable Energy Certificates (REC) Purchases – Contract Award
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. G2524.0-22 with 3Degrees, Inc., G2525.0-22 with Kinect Energy Green Services AS, G2526.0-22 with Sol Systems, LLC, and G2527.0-22 with SRECTrade, Inc, for the purchase of Supplemental RECs for 5 years in the amount of \$6,101,320.00.
12. Provision of Hewlett Packard Enterprise (HPE) Nimble HF20 Array Equipment and Support for Regional Transit Management System (RTMS) Disaster Recovery – Purchase Order
Action would authorize the Chief Executive Officer (CEO) to execute a Purchase Order to Nth Generation Computing Inc. for the provision of HPE Nimble HF20 Array equipment and support for RTMS disaster recovery in the amount of \$173,335.21.
13. Planning Services for Trolley Yard and Building C Expansion - Work Order
Action would authorize the Chief Executive Officer (CEO) to execute Work Order MTS Doc. No. WOA1947-AE-70 with HDR Engineering, Inc. (HDR) in the amount of \$249,367.48 to provide planning services for the Trolley Yard and Building C Expansion project.
14. Darktrace Cybersecurity Software- Extended Licensing Subscription and Antigena Email Module Software Solution – Contract Amendment
Action would 1) Ratify previous Amendment No.1 to MTS Doc. No. G2386.0-20 with Darktrace Limited for \$87,700.00 and 2) Authorize the Chief Executive Officer (CEO) to execute Amendment No. 2 to MTS Doc. No. G2386.0-20 with Darktrace Limited, in the amount of \$169,650.00 for the procurement of additional forty-one (41) months of EIS licensing subscription for the existing 2,500 devices 3) Authorize the CEO to execute Amendment 3 to MTS Doc. No. G2386.0-20 for the purchase of Antigena Email Inbox Artificial Intelligence (AI) Software Solution in the amount of \$108,609.00.
15. Design Services for South Bay Maintenance Facility (SBMF) Electric Bus Charging Project – Work Order Amendment
Action would authorize the Chief Executive Officer (CEO) to execute Work Order Amendment No. WOA2075-AE-50.04 under MTS Doc No. G2075.0-18 with Dokken Engineering (Dokken) in the amount of \$297,720.80, for Design Support During Construction (DSDC) services.
16. Building C Rollup Door Replacement Phase 2 – Work Order Amendment
Action would 1) Ratify Change Order No. MTSJOC275-15.03 under Job Order Contract (JOC) MTS Doc No. PWG275.0-19 with ABC General Contractor, Inc. (ABCGC) in the amount of \$20,700.03, for additional steel work for phase I due to unforeseen conditions; 2) Ratify Change Order No. MTSJOC275-15.04 under JOC MTS Doc No. PWG275.0-19 with ABCGC in the amount of \$10,446.41, for the addition of metal flashing the door openings for phase I; and 3) Authorize the Chief Executive Officer (CEO) to execute Change Order No. MTSJOC275.0-15.05, under JOC MTS Doc. No. PWG275.0-15, with ABCGC, for the provision of labor,

materials and equipment in the amount of \$299,986.94 for phase II of the removal and replacement of the rollup doors, door threshold, and addition of flood barriers at Building C.

17. Approve the Fiscal Year (FY) 2021-22 State Transit Assistance (STA) Claim and STA Interest Claim

Action would adopt Resolution No. 21-17 approving the FY 2021-22 STA claim and withdrawal of available interest balance.

Action on Recommended Consent Items

Chair Fletcher moved to approve Consent Agenda Item No. 6 to 17. Board Member Goble seconded the motion, and the vote was 13 to 0 in favor with Board Member Hall and Board Member Sandke absent.

CLOSED SESSION:

24. None.

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS:

30. Palm Avenue Trolley Station Transit Oriented Development – Palm City Village (Karen Landers)

Karen Landers, MTS General Counsel, presented on the Palm Avenue Trolley Station TOD. She presented on: the Palm Avenue Station details; access easement owed to the Ambient property; project proposal; Disposition and Development Agreement (DDA) and ground lease process; DDA and ground lease material terms; MTS replacement parking; other DDA and ground lease material terms; consideration and ground rent; Keyser Marston Associates, Inc. review; financial feasibility review of National CORE; financial feasibility review of Malick Infill Development; recommendation and next steps. John Seymour of National CORE and Andrew Malick of Malick Infill Development presented on the Palm City Village including: National CORE; Malick Infill Corporation description; intermodal connectivity; adjacent developments; Palm Avenue Trolley Station; adjacent developments in entitlement; joint development policy goals; affordable and middle-income housing; mobility hub features; zero carbon future; pedestrian design; Palm City Village and Expanding Potential in Communities (EPIC) grant support; Palm City Village summary; project history and milestone timeline.

PUBLIC COMMENT

Gretchen Newsom – Representing IBEW 569 made a verbal statement to the Board during the meeting. Newsom supported the recommendation by acknowledging language provisions to address local hire, opportunities for residents to work on the project and language to address discrimination based criminal penalties, along with an increase in opportunities for veterans (Helmets to Hard Hats) and urged the Board to support the item.

Tom Lemmon – Representing San Diego Building and Construction Trades Council made a verbal statement to the Board during the meeting and supported the recommendation. Lemmon acknowledged this would be the first affordable project to receive a PLA and a great

apprenticeship opportunity for the community. Lemmon praised MTS staff for the recommendation.

Carol Kim – Representing San Diego Building and Construction Trades Council made a verbal statement to the Board during the meeting and supported the recommendation. Kim praised the agency for being a pioneer in job quality standards and urged the Board to support the item.

Madison Coleman – Representing Climate Action Campaign made a verbal statement to the Board during the meeting and supported the recommendation. Coleman acknowledged the developer's ability to perform the project. Coleman recognized the alternative modes of transportation the development encourages and encouraged the agency to conduct a service area wide park and ride needs assessment. Coleman also asked the agency to consider hiring dedicated housing staff to provide in house expertise to manage future transit oriented development housing opportunities.

Jesse O'Sullivan – Representing Circulate San Diego made a verbal statement to the Board during the meeting. O'Sullivan cited a letter from various affordable housing developers including: the San Diego Regional Chamber of Commerce, Housing Commission, Housing Federation and Building Industry Association. O'Sullivan recognized that the best way to increase transit ridership was with infill development rather than parking. O'Sullivan encouraged the agency to create a guiding parking policy and asked to require less onsite parking.

Ricardo Flores – Representing Local Initiatives Support Corporation (LISC) San Diego made a verbal statement to the Board during the meeting in support of the recommendation.

Louis Pruitt – Made a verbal statement to the Board during the meeting. Pruitt asked resources to support reassessing the Blue and Orange lines.

BOARD COMMENTS

Chair Fletcher acknowledged his excitement for the project and the need to adopt guiding policy to address parking issues. He noted the continuing development and constant reevaluation to understand demand, need and flexibility. He was pleased to see that the consideration for the project involved the development of a mobility policy that would allow riders to access the system and offer housing.

Board Member Moreno thanked stakeholders that were involved and discussed her concerns with the project. She acknowledged her support and clarified she delayed the approval of this item to not encourage parking offset as a long-term solution. She voiced concern about the loss of riders during phase two of the development since that is when the surplus parking will no longer be available. Some of her suggestions included: the encouragement for riders to walk, bike or use transit to arrive to the station upon completion. In a meeting she had with the agency and the developer, she asked the agency to: conduct market research to encourage riders to take transit to the station, prepare a first and last mile pilot program to enhance bus and pilot program shuttle services, explore offering all residents of the development a free transit pass for the first year, and develop a marketing campaign to target existing and potential riders to encourage transit as the primary mode of transportation at the completion of the project. She acknowledged that MTS's openness to these suggestions, but also cautioned funding obstacles.

Board Member Whitburn supported the motion and was pleased that the action would not affect the number of affordable housing units.

Board Member Goble asked how the public can be assured that the available 80 spaces would be used by MTS customers and not become visitor parking for the housing development.

Ms. Landers clarified that in the Disposition and Development Agreement (DDA) the agency will work with the developer to design parking control and management.

Board Member Goble suggested infrastructure activated by the PRONTO pass or on-site staff to ensure riders have access to the amenity.

Board Member Galvez used Chula Vista as a case study in which they received a grant to provide door to door electric shuttle transportation. She invited MTS to use data produced by the new program to assess rider needs to the trolley.

Sharon Cooney, MTS Chief Executive Officer, clarified that this data could be conducted as part of the market research study.

Board Member Elo-Rivera appreciated that MTS was able to reach an agreement for the residential development. He believes that the benefits of the development will extend beyond the residents and be incorporated into the construction of the project. He thanked all stakeholders involved that helped make the recommendation brought to the Board today possible. He acknowledged that through hard work and diligence, the work was able to be done.

Chair Fletcher acknowledged that this is the first public agency housing project that will be constructed under a PLA utilizing union construction skilled and trade local hire. He clarified that while MTS is constructing affordable housing, they are also contributing to reducing the need for affordable housing with the jobs that were created for the project.

Action Taken

Board Member Moreno moved to (1) Execute a Disposition and Development Agreement with National Community Renaissance of California, a California nonprofit public benefit corporation (National CORE) for Buildings A, B, and C of the proposed Palm City Village Transit Oriented Development Project (National CORE DDA), in substantially the same format as Attachment A; (2) Execute a Disposition and Development Agreement with MALICK INFILL CORP, a California corporation (Malick Infill) for Building D of the proposed Palm City Village Transit Oriented Development Project (Malick Infill DDA), in substantially the same format as Attachment B; (3) Take all actions necessary to fulfill MTS's obligations under the National CORE DDA and the Malick Infill DDA, including, but not limited to, executing a Ground Lease and related regulatory agreements for each project phase; (4) Conduct a market study regarding MTS park and ride needs; (5) Develop a first and last mile pilot program to encourage shuttle and bus services; (6) Discuss funding strategies with the development team for a one year, free transit pass pilot program for the residents of Palm City Village; and (7) Develop a marketing campaign to target existing and potential riders to encourage the use of transit to access the station prior to the completion of phase two. Chair Fletcher seconded the motion, and the vote was 13 to 0 in favor with Board Member Hall and Board Member Sandke absent.

31. Project Labor Agreements (Samantha Leslie & Rod Betts Of Paul, Plevin, Sullivan & Connaughton LLP)

Samantha Leslie, MTS Deputy General Counsel, and Rod Betts of Paul, Plevin, Sullivan & Connaughton LLP, presented on proposed Policy 66, Project Labor Agreements. They outlined the following information: MTS's current construction program, previous \$1 million construction

contracts, MTS's authority, background, legal requirements, potential benefits over current construction program, cost impacts, a pathway to implementation and staff recommendation.

PUBLIC COMMENT

Gretchen Newsom – Representing IBEW 569 made a verbal statement to the Board during the meeting. Newsom supported the recommendation by acknowledging equity and the competitive nature of the process with union and non-union contractors. Newsom listed local hire, apprenticeship opportunities, creation of construction careers for families and career entry programs. Newsom listed minority PLA impact breakdowns and announced their commitment to improve these statistics through partnerships with MTS and SANDAG. Newsom encouraged the Board to support the motion.

Cristina Marquez – A graduate of the IBEW 569 apprenticeship program made a verbal statement to the Board during the meeting. Marquez supported the recommendation and emphasized the direct impacts local hires have on the community. Marquez encouraged the Board to support the motion.

Tom Lemmon – Representing San Diego Building and Construction Trades Council made a verbal statement in support of the staff recommendation. Lemmon stated that by state law, the PLA will not allow for discrimination amongst union and nonunion workers. Lemmon continued that all union and nonunion contractors will be able to bid and be awarded work, in addition to ensuring local hire and opportunities for apprenticeship.

Carol Kim – Representing San Diego Building and Construction Trades Council made a verbal statement to the Board during the meeting. Kim supported the recommendation and acknowledged the beneficial criteria that these agreements set.

Hector Meza – An apprenticeship graduate made a verbal statement to the Board during the meeting. Meza supported the recommendation and listed various benefits the agreements would create for the community.

Jennifer Wilson – A Navy veteran electrician, and IBEW 569 member made a verbal statement to the Board during the meeting. Wilson supported the recommendation and listed various benefits the agreements would create for veterans, apprentices, women and the community at large.

Jeremy Abrams – Representing San Diego Building and Construction Trades Council made a verbal statement in support of the staff recommendations. Abrams supported the recommendation and listed various opportunities available to apprentices and local hire as a community benefit.

Lynn Minor – A member of IBEW Local 569 made a verbal statement in support of the staff recommendations. Minor listed the various job, wage, healthcare and retirement opportunities.

Oscar Uribe – A union apprentice electrician with IBEW local 569 made a verbal statement in support of the staff recommendation. Uribe acknowledged the generational opportunities PLA agreements would bring to the community.

Jason S. – Representing program Homework SD made a verbal statement in support of the staff recommendation. Jason supported the recommendation and acknowledged the program's

ability to serve as a pipeline for formerly incarcerated individuals, and provide local hire and accountability in hiring.

Nephi Hancock – A Navy veteran and union member made a verbal statement in support of the staff recommendation. Hancock listed various community benefits including local hire and opportunities for apprenticeship.

Kelvin Barrios – Representing Laborers Local 89 made a verbal statement in support of the staff recommendation. Barrios listed benefits to local hire that PLAs would provide.

Ed Wallace – A third year apprentice with the IBEW and member of Homework SD made a verbal statement in support of the staff recommendations. Wallace gave the Board anecdotal examples of how PLAs have been beneficial.

Michelle Krug – A community activist made a verbal statement in support of the staff recommendation. Krug supported the recommendation and listed opportunities for youth in a career path.

Jason Candelario – A member of the IBEW 569 made a verbal statement in support of the staff recommendation. Candelario supported the recommendation and stressed the importance of hiring locally.

Victor Morris – An electrician apprentice with IBEW 569 made a verbal statement in support of the staff recommendation. Morris noted this is an opportunity to support local hire and create career paths.

Daniel Wisma – Representing Iron Workers 229 made a verbal statement in support of the staff recommendation. Wisma acknowledged overarching benefits to the community, stimulating the local economy and the opportunity to join an apprenticeship training program.

Abdur-Rahim Hameed – Representing National Black Contractor Association. Hameed encouraged the Board to halt their decision to approve the recommendation and acknowledged that the decision will affect generations of African Americans. Hameed is in support of the union concepts, however cautioned that the decision is not inclusionary, because it would exclude all federal and state apprenticeship programs.

BOARD COMMENTS

Chair Fletcher thanked the public for their participation. He acknowledged the extensive conversations conducted at the Executive Committee Meeting regarding this policy.

Board Member Whitburn thanked the Chair for including this item on the agenda and thanked the public for their participation. He noted his former union participation and was excited to see the same opportunity be extended to more workers. He listed timelines and budget as benefits the agency would receive. He finalized his comments by supporting the motion.

Board Member Montgomery Steppe acknowledged her participation in the Executive Committee meeting. She thanked the presenter and members of the public who commented during the item and listed various community groups that would benefit from the opportunity. She was unsure about the legality for local hire requirements, but requested that once assessed, to implement the requirement. She acknowledged the construction industry as racist and advocated for intentionality to target and increase participation. She cited an organization in Los Angeles that

would open trades to individuals who have been formerly justice involved. She concluded her remarks by expressing her support for the recommendation.

Board Member Goble provided personal background acknowledging he was not anti-union and stated that the current process is working. He asked if both union and non-union contractors bid for a project, then non-union contractors must pay the dues of union members.

Mr. Betts replied that the agency, for example, could ask the Building Trades Council to refrain from requiring non-union workers to pay union dues. He stated that there are ways to address the issues raised. He acknowledged that there are mechanisms that do need to be put in place to protect non-union workers.

Board Member Goble was concerned that a non-union contractor could pull workers from a union if they did not have enough skilled and trained employees to complete the job. He acknowledged that the Black Contractors Association is not in favor of this item.

Board Member Aguirre supported the motion. She acknowledged Board Member Montgomery Steppe's concerns and was hopeful the policy would ensure safety through a skilled and trained workforce, local hire provisions and focus in advancing BIPOC (Black, Indigenous, People of Color) and women into the trade.

Board Member Mullin spoke against the recommendation. He stated that the benefits that have been attributed to project labor agreements can be achieved without the formalization of a PLA. He was concerned of non-union contractors' reluctances to bid on contracts that have PLA requirements. He also noted concerns regarding administrative costs along with increased expenses due to the reduced pool of labor options.

Vice Chair Sotelo-Solis noted the need to assist minority groups into the programs to keep a prosperous local economy and to invest in the community. She supported the staff recommendation.

Board Member Moreno thanked members of the public for their participation. She was in support of the recommendation, because doing so would allow work to be localized and accredited the multiplier effect.

Board Member Hall asked if the motion could be discussed at the next Board of Director's meeting. He commented that he would like to understand the outcomes of the negotiation before the item is approved.

Board Member Elo-Rivera clarified that he supported the item, because of the opportunities it brings to MTS. He believes that the policy can be anti-racist and a means to address systematic racism with intentionality.

Action Taken

Chair Fletcher moved to adopt Board Policy No. 66, Project Labor Agreements. Board Member Elo-Rivera seconded the motion, and the vote was 11 to 3 in favor with Board Member Sandke absent

REPORT ITEMS:

45. Ridership Recovery Action Plan Update (Mark Olson)

Mark Olson, MTS Manager of Public Relations, presented on the Ridership Recovery Action Plan Update. He outlined the following items: ridership campaign phase I results, ridership goals for FY 2022, ridership gains, ridership campaign phase ii, situational analysis, target audiences, goals, strategies, employer outreach, rider communications, partnerships, beach campaign, paid advertising strategy, free ride day, messaging, artwork samples and timeline.

Chair Fletcher believes the transition to PRONTO, Free Ride Month and the launch of Mid-Coast, coupled with strategic planning will encourage ridership. He also believed that maintaining quality of service is important and a key component to attaining and retaining ridership.

Board Member Moreno praised the September PRONTO role out and acknowledged the strong ridership into October. She thanked staff and the Board Members for the ridership recovery plan.

Board Member Goble cited slides that showed the benefits to using American Rescue Plan funds to promote free ride month to bring more riders to the system. He acknowledged that unemployment benefits ended in early September and that launching the program during that time was a great benefit to the community. He suggested giving free passes to residents along Mid-Coast in order to encourage them to ride transit when the line opens.

Action Taken

No action taken. Informational item only.

46. SANDAG'S Social Equity Early Action Transit Pilots (Denis Desmond and Brian Lane of SANDAG)

Denis Desmond, MTS Director of Planning, and Brian Lane of SANDAG, presented on SANDAG's Social Equity Early Action Transit Pilots. They provided details on: MTS as a participant in SANDAG's Transit Equity Pilot Working Group, social equity commitment, acknowledgments to members and partners, 2021 draft regional plan projects and policies, pilot budget (FY22 - FY24), funding, pilot concepts – free fares for youth, pilot concepts – add trips to core routes in underserved areas, pilot concepts – education and research and timeline.

Board Member Elo-Rivera recognized the decades of advocacy that community organizations have advocated for to move this program forward. He listed various stakeholders that helped make the program come into fruition and advocated for the youth program to capture youth 24 and younger. He continued to acknowledge that the increase in age limit would benefit transitional age youth and may attract more lifelong riders.

Board Member Moreno acknowledged her role as the Chair of the SANDAG Social Equity Working Group and was excited the plan includes both youth opportunity passes and transit improvement along transit lines.

Board Member Aguirre noted the opportunity to continue to explore pathways to increase youth opportunity passes. She acknowledged that in a youth survey, many of the results cited

transportation barriers to acquiring jobs. She encouraged the Board to continue to explore ways to increase the age limit for youth opportunity passes.

Chair Fletcher recognized the years of advocacy that community organizations have advocated for. He agreed that he would also like the age limit to increase from 18 to 24 and listed various benefits both for the community and for the agency.

Action Taken

No action taken. Informational item only.

OTHER ITEMS:

60. Chair Report

There was no Chair report.

61. Chief Executive Officer's Report

Ms. Cooney reported on some of the obstacles associated with the PRONTO roll out. She also acknowledged quiet zone complaints in downtown and that staff was working to address the issue. She also acknowledged service reliability complaints and explained MTS is experiencing labor shortages and exploring ways to encourage new hires.

62. Board Member Communications

There were no Board Member communications.

63. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

64. Next Meeting Date

The next regularly scheduled Board meeting is November 18, 2021.

65. Adjournment

Chair Fletcher adjourned the meeting at 11:20 am.

/S/ Nathan Fletcher

Chairperson

San Diego Metropolitan Transit System

Filed by:

Approved as to form:

/S/ Dalia Gonzalez

Clerk of the Board

San Diego Metropolitan Transit System

/S/ Karen Landers

General Counsel

San Diego Metropolitan Transit
System

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS
ROLL CALL

MEETING OF (DATE): October 14, 2021 CALL TO ORDER (TIME): 9:02am
 RECESS: _____ RECONVENE: _____
 CLOSED SESSION: _____ RECONVENE: _____
 PUBLIC HEARING: _____ RECONVENE: _____
 ORDINANCES ADOPTED: _____ ADJOURN: 11:20am

BOARD MEMBER		(Alternate)		PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
FLETCHER	<input checked="" type="checkbox"/>	(Vargas)	<input type="checkbox"/>	9:02am	11:20am
SOTELO-SOLIS	<input checked="" type="checkbox"/>	(Bush)	<input type="checkbox"/>	9:02am	11:01am
AGUIRRE	<input checked="" type="checkbox"/>	(Leyba-Gonzalez)	<input type="checkbox"/>	9:02am	11:20am
ELO-RIVERA	<input checked="" type="checkbox"/>	(LaCava)	<input type="checkbox"/>	9:02am	11:20am
FRANK	<input type="checkbox"/>	(Mullin)	<input checked="" type="checkbox"/>	9:02am	11:20am
GALVEZ	<input checked="" type="checkbox"/>	(Cardenas)	<input type="checkbox"/>	9:02am	11:20am
GASTIL	<input checked="" type="checkbox"/>	(Mendoza)	<input type="checkbox"/>	9:02am	11:20am
GLORIA	<input type="checkbox"/>	(Whitburn)	<input checked="" type="checkbox"/>	9:02am	11:20am
GOBLE	<input checked="" type="checkbox"/>	(Ortiz)	<input type="checkbox"/>	9:02am	11:20am
HALL	<input checked="" type="checkbox"/>	(McNelis)	<input type="checkbox"/>	10:13am	11:20am
MONTGOMERY STEPPE	<input checked="" type="checkbox"/>	(Von Wilpert)	<input type="checkbox"/>	9:02am	11:20am
MORENO	<input checked="" type="checkbox"/>	(Campillo)	<input type="checkbox"/>	9:02am	11:20am
SALAS	<input checked="" type="checkbox"/>	(Cardenas)	<input type="checkbox"/>	9:02am	11:20am
SANDKE	<input type="checkbox"/>	(Bailey)	<input type="checkbox"/>	-	-
ARAPOSTATHIS	<input checked="" type="checkbox"/>	(Shu)	<input type="checkbox"/>	9:02am	11:20am

SIGNED BY THE CLERK OF THE BOARD:

/S/ Dalia Gonzalez

18 OCTOBER 2021. IN REGARD TO CLAIM #1: I WANT TO BE PAID \$66.07:

Public Comment - Agenda Item No. 3 PROPERTY DAMAGE RELEASE

(California Form)

PLEASE NOTE:
THIS FORM IS EVIDENCE
THAT MTS MANAGEMENT
+ LEGAL DEPT NEED

KNOW BY ALL MEN BY THESE PRESENTS:

That the Undersigned, being of lawful age, for the sole consideration of:

A TOTAL + COMPLETE CULTURE CHANGE. Sixty-six dollars & 07/100 (\$66.07)

to be paid to **Beatrice Marion**, do/does hereby and for my/our/it's executors, administrators, successors and assigns, release, acquit and forever discharge...

San Diego Transit Corporation & Metropolitan Transit System

and his, her, their, or it's agents, servants, successors, heirs, executors, administrators and all other persons, firms, corporations, associations or partnerships of and from any and all claims, actions, causes of action, demands, rights, damages, costs, loss of service, expenses and compensation whatsoever, which the undersigned now has/have or which may hereafter accrue on account of or in anyway growing out of any and all known and unknown, foreseen and unforeseen property damage and the consequences thereof resulting or to result from the occurrence on or about the 2nd day of March, 2021 at or near San Diego, CA.

It is understood and agreed that this settlement is the compromise of a doubtful and disputed claim, and that the payment made is not to be construed as an admission of liability on the part of the party or parties hereby released, and that said releases deny liability therefore and intend merely to avoid litigation and buy their peace. B m

It is further understood and agreed that all rights under Section 1542 of the Civil Code of California and any similar law of any state or territory of the United States are hereby expressly waived. Said section reads as follows: B m

"1542. Certain claims not affected by general release. A general release does not extend to claims which the creditor does not know or suspect to exist in his favor of the time of executing the release, which if known by him must have materially affected his settlement with the debtor." B m

The undersigned further declare(s) and represent(s) that no promise, inducement or agreement not herein expressed has been made to the undersigned, and that this Release contains the entire agreement between the parties hereto, and that the terms of this Release are contractual and not a mere recital. B m

THE UNDERSIGNED HAS READ THE FOREGOING RELEASE AND FULLY UNDERSTANDS IT.

CAUTION: READ BEFORE SIGNING BELOW

I declare under penalty of perjury according to the laws of the State of California that the foregoing is true and correct.

Signed this _____ day of _____, 20____

Print or Type Name: _____

Signature: _____

FOR YOUR PROTECTION CALIFORNIA LAW REQUIRES
THE FOLLOWING TO APPEAR ON THIS FORM.

ANY PERSON WHO KNOWINGLY PRESENTS FALSE OR FRAUDULENT CLAIM
FOR THE PAYMENT OF A LOSS IS GUILTY OF A CRIME AND MAY BE SUBJECT TO
FINES AND CONFINEMENT IN STATE PRISON.

Writen For
BLACK PEOPLE THAT
MTS HAS HARMED

I WILL NOT BE SIGNING THIS FORM. NO SENIOR THAT
MTS HAS HARMED SHOULD BE ASKED TO
SIGN THIS FORM! B. m



Metropolitan Transit System

1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
(619) 557-4584 • FAX (619) 696-1079

May 28, 2021

Ms. Beatrice Marion
3955 Park Blvd #604
San Diego, CA 92103

Re: Agencies: Metropolitan Transit System & San Diego Transit Corporation
Date of Loss: 3/02/21
Our File #: TS-03-0824-21

Dear Ms. Marion:

Please find enclosed a property damage release for your cart claim along with a self-addressed envelope. Your claim for stress & anxiety is rejected (below). If, however you have medical documentation from a provider to support your stress claim, please forward for our review and reconsideration of our rejection.

NOTICE OF REJECTION OF CLAIM

Notice is hereby given that the claim you presented to the Metropolitan Transit System/San Diego Transit Corporation on 5/28/21 is rejected in its entirety. The effective date of the rejection is 5/28/21. Please be advised that there are specific time limitations that you must comply with for bringing a court action against Metropolitan Transit System/San Diego Transit Corporation. The time limitations are subject to the parameters specified below.

WARNING

Subject to certain exceptions, you have only six (6) months from the date this notice was personally delivered or deposited in the mail to file a court action in a municipal or superior court of the State of California on this claim. See Government Code Section 945.6.

This time limitation applies only to causes of action arising under California law for which a claim is mandated by the California Government Tort Claims Act, Government Code Sections 900 et. seq. Other causes of action, including those arising under federal law, may have shorter time limitations for filing.

You may seek the advice of an attorney of your choice in connection with this matter. If you desire to consult an attorney, you should do so immediately.

Regards,

Mark Held


Liability Claims Supervisor

5/28/21
Date



2/14
Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies Include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

DATE: Saturday 22 May 2021

TO: MARK HEID, MTS Liability Claims Supervisor

TO: JAN GARDETTO, ASSISTANT TO GENERAL COUNSEL

CASE #: 395545

619-885-7807

FROM: BERTRICE MARION, MTS PASSENGER / 619-754-2466

3955 PARK BLVD #604

SAN DIEGO, CA 92103

SUBJECT: CLAIMS FOR MY CAR BEING CRUSHED AS I
ATTEMPTED TO DEPART #17, MTS BUS.

NOTE: THIS MEMO WILL EXPLAIN WHY I'M SUBMITTING
2 CLAIMS: ONE FOR REIMBURSEMENT OF
THE COST OF REPLACING MY CAR; AND ONE
FOR MY STRESS AND ANXIETY.

Summary of Facts

1. Background:

ON THE 19TH OF DECEMBER 2020, I Woke up with A SERIOUS ATTACK OF SCIATICA: Pain from my hip to my ANKLE. INITIALLY I COULD NOT WALK. EVENTUALLY, I COULD WALK BUT ONLY VERY SLOWLY AND IN AN UNBALANCED MANNER.

So, when I WENT OUT, my CRUTCH SERVED AS my Support so I WOULDN'T FALL AND POSSIBLY BREAK my Hip.

2. BY LATE FEBRUARY 2021, STILL SUFFERING FROM SCIATICA... I NEVER LEFT my house w/out my CRUTCH FOR SUPPORT.

3. THE MIDDLE OF FEBRUARY I GOT A FLU SHOT. HAD A SERIOUS REACTION TO THE SHOT: MY LEGS FELT LIKE RUBBER. MY LEGS WERE SO WEAK I FELT LIKE THEY WERE GOING TO COLLAPSE AT ANY MOMENT. SO, THERE WAS ANOTHER REASON TO NOT LEAVE my APARTMENT WITHOUT my CRUTCH FOR SUPPORT.

4. I TAKE 3 BLOOD PRESSURE MED FOR HIGH BLOOD PRESSURE. THEY MAKE ME A LITTLE DIZZY. YET, ANOTHER REASON WHY I GO OUT WITH my CRUTCH SO I WON'T FALL AND BREAK my HIP. BY NOW, YOU SHOULD UNDERSTAND HOW IMPORTANT my CRUTCH IS TO ME.

5. I TELL YOU THIS SO YOU UNDERSTAND HOW IMPORTANT MY CART IS TO MY MOBILITY.
6. BY 2 MARCH 2021, I'M FEELING A LITTLE BETTER SO I DECIDE TO TAKE THE #7 BUS TO NORTH PARK. 1ST TIME I'VE BEEN ON A BUS IN A LONG TIME, DUE TO COVID.
7. I CATCH THE #7 ON PARK + UNIVERSITY. THE BUS DRIVER IS POLITE + ACCOMODATING. HE PULLS UP TO THE CURB AND LOWERS THE BUS ALL THE WAY DOWN. I GET OFF AT 30TH + UNIVERSITY. I DON'T HAVE TO ASK HIM - HE AUTOMATICALLY LOWERS THE BUS ALL THE WAY DOWN. GREAT DRIVER!
8. ABOUT AN HOUR + LATER, I CATCH THE #7 BUS TO GO BACK HOME. I HAVE TO ASK THE DRIVER TO PLEASE LOWER THE BUS. HE LOWERS THE BUS A "LITTLE". I HAVE TO PICK UP MY CART SO THAT THE FRONT WHEELS CAN REACH THE BUS + I CAN "STEP UP" ONTO THE BUS. I RING THE Buzzer TO GET OFF, STAND UP FRONT CLOSE TO THE DRIVER AND ASK HIM TO PLEASE LOWER THE BUS. HE LOWERS THE BUS - "A LITTLE."

I Push The Cart off - The Bus is so high above the curb that my cart (back wheels) Roll Back Under The Bus. I Say something to the Driver - and that's when he lowers the Bus all the way down - Crushing my Cart.

I DON'T UNDERSTAND HOW A TRAINED BUS DRIVER MANAGES TO CRUSH A CART AS A PASSENGER GETS OFF THE BUS.

- WAS THIS A DELIBERATE PASSIVE/AGGRESSIVE ACT?

- WAS THIS DRIVER NOT TRAINED TO SAFELY AND PROPERLY OPERATE THE BUS?

* AFTER HE CRUSHED MY CART, I SAID... "NOW LOOK WHAT YOU DID".

HE JUST DROVE OFF... HE JUST DROVE OFF!

So, I'm standing there wondering IF I CAN make it Home without Falling AND BREAKING my hip. Very stressful SITUATION FOR ME.

9. I GET ^{Home} AND I CALL MTS. A WOMAN
PERSON #1 ANSWERED. I ASK HER TO PLEASE LET ME
SPEAK TO A SUPERVISOR.
THE LINE GOES DEAD.

PERSON #2 I CALL BACK. A MAN ANSWERS. I EXPLAIN TO
HIM THAT I NEED TO SPEAK TO A SUPERVISOR
AND THAT I WAS JUST DISCONNECTED FROM A
WOMAN REP.

HE PUTS ME ON HOLD - DOES NOT COME BACK.
I HANG-UP AND CALL BACK. I GET ANOTHER
PERSON #3 MAN WHO ASSURES ME THAT HE WILL GET A
SUPERVISOR FOR ME.

THE SUPERVISOR COMES ON THE LINE, SAYS HER
NAME IS SONJA (IS THIS M. SANCHEZ?).

I'M TRYING TO EXPLAIN TO HER WHY I'M CALLING, BUT
SHE KEEPS TALKING OVER ME... SHE IS NOT HAPPY.
SHE KEEPS TELLING ME THAT I DID NOT HAVE TO TALK
TO HER - THAT I COULD HAVE GIVEN MY REPORT
TO THE THREE PEOPLE I TALKED TO BEFORE I GOT HER.
SHE FINALLY, LET ME TALK AND SHE TOOK MY REPORT.

IN LEGAL DEPT

10. When I talked to JAN GARDETTO, I REQUESTED A COPY OF SONJA'S REPORT. When I RECEIVED A COPY OF THE REPORT (SONJA'S REPORT). IT WAS IN CORRECT. She had NOT WRITTEN DOWN WHAT I TOLD HER. That's why PEOPLE REQUEST A SUPERVISOR - They're SUPPOSE TO BE TRAINED TO TAKE THE TIME AND GET THE FACTS RIGHT.

11. When I talked to MARK HEID, HE ADVISED ME TO ALWAYS REQUEST THAT THE RAMP BE LOWERED. HE SAID THAT'S THE "ONLY" WAY TO PREVENT A SENIOR WITH A CAST FROM FALLING AND POSSIBLY BREAKING A HIP. HE KNOWS WHAT HE IS TALKING ABOUT. AND THAT'S GREAT ADVICE. Breaking a hip is ONE OF THE LEADING CAUSES OF EARLY DEATH IN SENIORS. MANY NEVER RECOVER FROM A BROKEN HIP. THEY HAVE SURGERY, ARE IN PAIN + IMMOBILE FOR A FEW YEARS AND THEN THEY DIE. MARK HEID ADVISED ME TO ALWAYS ASK THE BUS DRIVER TO LOWER THE RAMP.

12. So, a week later I took the #7 BUS AGAIN TO NORTH PARK. I ASKED THE DRIVER TO PLEASE LOWER THE RAMP. HE WAS NOT A HAPPY CAMPER. I RECEIVED THE COLD, PASSIVE AGGRESSIVE TREATMENT. WHEN I WANTED TO GET OFF THE BUS, I HAD TO ASK HIM AGAIN - TO PLEASE LOWER THE RAMP.

MY TRIP BACK HOME - SAME THING - SILENCE FROM THE BUS DRIVER. THEY DON'T WANT TO LOWER THE RAMP. AND THEIR SILENT BEHAVIOR MAKES IT VERY UNCOMFORTABLE FOR THE PASSENGER. THEY KNOW WHAT THEY ARE DOING... THEY ARE LETTING YOU KNOW "NOT TO ASK FOR THE RAMP TO BE LOWERED AGAIN."

B.S., I SPOKE TO DEVIN BROWN, DIRECTOR OF TRANSPORTATION. WE HAD A VERY POLITE AND HONEST DISCUSSION ABOUT HIS BUS DRIVERS NOT WANTING TO "PUT DOWN THE RAMP"; AND MARK HELD'S OPINION ABOUT THE "RAMP NEEDING TO BE LOWERED" FOR THE SAFETY OF SENIOR PASSENGERS. I SUGGESTED THAT HIS DRIVERS NEED TO BE TRAINED TO "OFFER" TO LOWER THE RAMP - SO PEOPLE DON'T HAVE TO ASK. DEVIN THINKS THAT'S A BAD IDEA. PERHAPS MTS LEADERSHIP SHOULD DISCUSS THIS ISSUE.

9/14

7/12

14. So, here is what I'm Requesting:

Claim #1: 63.57 For my New Cart

2.50 Round Trip Bus

TOTAL: 66.07 FARE TO Fashion Valley mall

Claim #2: AN Amount to be determine by your legal Dept., for my stress and anxiety of having to leave my home (without the safety + support of a car) to go to Fashion Valley mall, walk thru the ENTIRE mall (scared all the way that I might fall) to get to the counter where I bought the cart.

Sincerely,



BEATRICE MARION,

Former U.S. General Accountability
Auditor, (GAO)

Public Comment - Agenda Item No. 3

7097 Friars Road
San Diego, California 92108
(619) 220-0909

Make Your Dream Closet
A Reality!
Let Us Design It Today!

Sign up for POP! Rewards
& receive 15% off
your next purchase!

Steel Shopping Cart Black 10049142 \$59.00
Original Price \$64.99

Subtotal	\$59.00
Tax	\$4.57
Total	\$63.57

TENDER:

Discover 4057 \$63.57

Auth: 00544R

Merchant: 601101704683216

Application Label: Discover Credit
CHIP

AID: A0000001523010

TVR: 0000008000

IAD: 0105A08000C00000

TSI: E800

ARC: Z3

AID: A0000001523010

Total savings: \$5.99

Now Hiring! Apply today at
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Come be a part of one of the best
companies in the country to work for.

Our Return Promise:

If the products you purchased don't
meet your expectations, please return
to us for another solution or for a
refund. See containerstore.com/help
for full details. Some restrictions
may apply.



0215191303 SDGPOS6 46783 03/05/21 15:20

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Public Comment - Agenda Item No. 3

Received By _____

U.S. Mail ☐ Inter-Office ☐
Hand Delivered ☐ Other ☐

AGENCY CLAIM FORM

This form is for claims for money or damages against the Metropolitan Transit System (MTS), Metropolitan Transit Development Board (MTDB), its subsidiaries, including San Diego Transit Corporation (SDTC) and San Diego Trolley, Inc. (SDTI).

* Agency Against Which This Claim Is Brought (Check only those that apply.)

Metropolitan Transit System ☒

San Diego Transit Corporation ☐

San Diego Trolley, Inc. ☐

INSTRUCTIONS

1. Read the entire form carefully. (Note required fields)
2. Fill out the form completely. Attach additional information, if necessary.
3. Sign the claim form.
4. Deliver or mail claim to: Claims Administrator
San Diego Metropolitan Transit System (MTS)
1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490

* Required Fields

WHO

* Name Of Claimant:	BEATRICE MARION		
* Address:	3955 PARK BLVD #604		
* City:	SAN DIEGO	* State:	CA
* ZIP Code:	92103		
Home Telephone:	619-254-2466	Business/Day Telephone:	
E-mail Address:	BEATRICE.MARION@MEDITATIONS.COM	Other:	7@GMAIL.COM
Social Security No.:		Birth Date:	MAY 16, 1943
Compass Card No.:	0160	Is Card registered?	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>

WHAT

Complete description of injury, property damage, or loss, so far as known at the time of this claim. If there were no injuries, state "no injuries." (If your claim involves a motor vehicle, include the license number, year, make and model. If your claim involves a trolley or bus, please include the vehicle number.)

* Description Of Injury / Damage / Loss: BUS #7
PLEASE SEE ATTACHED 8 Pg CLAIM FOR PROPERTY DAMAGES;
DID STRESS + ANXIETY.

(Check only those that apply.) Vehicle Damage ☐ Property Loss/Damage ☒ Personal Injury ☐ Other ☒

WHEN

Occurrence or event from which the claim arises

* Date: TUESDAY 2 MAR 2012 Time: ABOUT 3:48 PM

WHERE

Place where damage or injury occurred (exact and specific location):

* Location/Area: HILLCREST

Address: #7 BUS STOP ON PARK BLVD + UNIVERSITY

Onboard bus/ trolley: Boarding Location NORTH PARK 30TH STREET BUS STOP Boarding Time: 3:35 a.m./p.m.

City: SAN DIEGO State: CA ZIP Code: 92103

Vehicle Number: 1002 Vehicle Type: BUS Direction: DOWNTOWN

Specific Location: Platform ☐ Parking Lot ☐ Bus Stop ☒ Station ☐

Route / Station: #7 BUS STOP ON THE STREET Street/Highway ☒ Inside Transit Vehicle ☐ Other ☐

HOW

Describe in detail how the damage or injury occurred (use additional paper if necessary)

Circumstances Giving Rise To Claim Asserted:
PLEASE SEE 8 Pg CLAIM DOCUMENT (ENCLOSED)

12/14

10/12

Public Comment - Agenda Item No. 3

FILING A CLAIM

Claimant Information

Provide the full name, mailing address, and telephone number of the person(s) claiming damage/injury. (Note: all official notices or other correspondence will be sent to the person listed in this section unless a representative's name is provided in the "Notices" section.) If your claim is being filed on behalf of a minor, specify your relationship or association to the minor and the date of birth of the minor. In case of automobile damage, only the registered owner may present a claim for repairs.

Claim Information

- Check the name of the agency(ies) that allegedly caused the damage/injury.
- Enter the dollar amount being claimed as a result of the alleged damage/injury.
- Provide a basis/breakdown of how the total amount being claimed was computed. You may declare expenses incurred and/or future, anticipated expenses. Attach unaltered, clear copies of all bills, payment receipts, and cost estimates to your claim.
- Describe in detail the damage/injury that allegedly resulted from the incident. It is helpful to include photographs of claimed property damage.
- If applicable, provide the street address, city, intersection, cross street, station name, bus stop, bus/trolley number, license number, and route number where the alleged damage/injury occurred.
- Describe in full detail the circumstances that led up to the alleged damage/injury. State all facts that support your claim and why you believe MTS or one of its' subsidiary agencies is responsible or at fault. If known, provide the name(s) of the employee(s) who allegedly caused the injury, damage, or loss. Be sure to identify what particular action by MTS or its employees caused the alleged damage or injury.

Witnesses (Hospitals / Doctors)

- State names, address, and telephone numbers of any person who witnessed the incident. List any hospital or doctor who provided treatment relating to any injury. Attach a list of additional names if necessary.

Notices - Representative Information

- If your claim is being filed by an attorney or authorized representative, provide the name, telephone number, and mailing address of the attorney/representative. (Note: If representative information is provided, all official notices or other correspondence will be sent to the person listed in the "Notices" section.)

Claimant's Signature

- Claim Must Be Signed. The form must be signed by the claimant or the claimant's attorney or authorized representative. A claim will not be accepted without a proper original signature.
— Note: Presentation of false claim is a felony (Penal Code Section 72) —

Claim Submittals


- A complete original claim form and/or late claim application and related documentation must be filed with MTS at the mailing address indicated on the form. Claims may also be personally delivered to MTS at 1255 Imperial Avenue, #1000, San Diego, California 92101 during regular business hours (8:00 a.m. to 5:00 p.m.), Monday through Friday (except holidays).
- Requests for an endorsed copy of the claim and/or late claim application must be submitted in writing along with a self-addressed stamped envelope.
- If you have questions regarding the filing of a claim with MTS, please call MTS at 619-231-1466.
- Any claim against MTS or a subsidiary agency shall be completed in accordance with California Government Code Sections 900-915.4
 - Claims for death, injury to person, or to personal property must be filed not later than six months after the occurrence. (Government Code Sections 911.2)
 - All other claims for damages must be filed not later than one year after the occurrence. (Government Code Section 911.2)
 - Subject to certain exceptions, you have only six (6) months from the date of the written notice of rejection of your claim to file a court action. (Government Code Section 945.6)
 - If written notice of rejection of your claim is not given, you have two (2) years from accrual of the cause of action to file a court action. (Government Code Section 945.6)
- MTS does not provide legal assistance or advice to individuals wishing to file a claim.

After the claim is processed, our adjuster will contact you. No payment will be made until it is determined that MTDB or one of its subsidiaries is legally responsible for your damages.

13/14

11/12

Public Comment - Agenda Item No. 3

EMPLOYEE	* Name And Department Of The Employee(s) Causing The Damage Or Injury (If Known):		ID or Badge #:
	I REQUESTED THE DRIVER'S NAME, TWICE. MRS STOFF WOULD NOT GIVE ME HIS NAME		ID or Badge #:
OTHERS	Name, Address, And Telephone Number Of Any Other Person(s) Injured: N/A		
OWNER	Name And Address Of The Owner Of Any Damaged Property: BEATRICE MARION 3955 PARK BLVD # 604 SAN DIEGO, CA 92103		
DAMAGES	Damage Claimed (amount known as of date claim filed)		Notes / Basis:
	Amount claimed as of this date: \$		Claim < \$10,000- <input type="checkbox"/>
	Estimated amount of future costs: \$		Claim \$10,000-\$25,000- <input type="checkbox"/>
	* Total Amount Claimed: \$		Claim > \$25,000- <input type="checkbox"/>
	PLEASE SEE ENCLOSED 8 Pg Claim Document (ENCLOSED)		
BASIS	* Estimate dollar amount if less than or equal to \$10,000: \$		
	Basis For Computation Of Amounts Claimed (attach copies of all bills, invoices, estimates, etc.): PLEASE SEE ENCLOSED 8 Pg Claim Document		
WITNESSES	Name, Address And Phone # Of All Witness(es), Hospitals, Doctors, Etc.:		Medical Attention Received- <input type="checkbox"/>
	PEOPLE ON THE BUS WHO ARE UNKNOWN TO ME. THE BUS DRIVER WHO JUST DROVE OFF WHEN I SAID... "LOOK WHAT YOU DID".		
ADDITIONAL	Any Additional Information That Might Be Helpful In Considering This Claim: YES. BY THE ACTIONS OF THIS BUS DRIVER, I THINK HE HAS DEMONSTRATED A DISREGARD FOR OLD PEOPLE AND/OR MINORITIES. HE SO CASUALLY USED HIS BUS TO CAUSE HARM. HE'S A DANGER TO THE PUBLIC & SHOULD BE MONITORED. HE'S DONE THIS BEFORE.		
NOTICES	Name, Telephone, And Address To Which Claimant Desires Notices To Be Sent. (if other than above)		Attorney- <input type="checkbox"/>
	* Notice Contact:		Association:
	* Address:		
	* City:		* State:
	* ZIP Code:		
	Telephone:		Fax No.:
	E-mail Address:		Other:
Warning: IT IS A CRIMINAL OFFENSE TO FILE A FALSE CLAIM! (Penal Code Section 72) I have read the matters and statements made in the above claim, and I know the same to be true of my own knowledge, except as to those matters stated upon information or belief and as to such matters I believe the same to be true. I certify under penalty of perjury that the foregoing is TRUE and CORRECT.			
* Claimant's Signature: 		Date: 10 MAR 2021	
Print Name: BEATRICE MARION			



Agenda Item No. 4

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

APPOINTMENT OF SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS) CHAIRPERSON
(SHARON COONEY)

RECOMMENDATION:

That the MTS Board of Directors reelect Mr. Nathan Fletcher as Chairperson for the next term, beginning January 1, 2022 through December 31, 2023.

Budget Impact

None.

DISCUSSION:

Public Utilities Code Section 120050.2 (and MTS Board Policy 22) establishes the procedure for selection of the MTS chairperson: "The chairperson shall be selected by a two-thirds vote of the board, a quorum being present. The chairperson shall serve for a term of two years, except that he or she is subject to removal at any time by a two-thirds vote of the board, a quorum being present." Board Policy 22 also states that, "Prior to the expiration of a Chairperson's term, the Executive Committee shall make a recommendation to the Board on whether to reelect the current Chairperson. Neither statute nor Board policy limits the Board's ability to elect a chair for consecutive terms.

In October 2019, the Board elected Mr. Fletcher as Chairperson for the remainder of his predecessor's term and for the next term, which ran from January 1, 2020 through December 31, 2021. Therefore, the Board must hold an election for Chair to begin January 1, 2022. Mr. Fletcher has expressed interest in continuing as Chair. Staff recommends that the requirement that the reappointment be considered first by the Executive Committee be waived, and that the reelection be taken up by the full Board.

/S/ Sharon Cooney

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com





Agenda Item No. 5

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

APPOINTMENT OF AD HOC NOMINATING COMMITTEE FOR RECOMMENDING
APPOINTMENTS TO MTS COMMITTEES FOR 2022 (SHARON COONEY)

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors appoint an Ad Hoc Nominating Committee to make recommendations to the Board with respect to the appointment of the Vice Chair, Chair Pro-Tem as well as MTS and non-MTS committees for 2022.

Budget Impact

None.

DISCUSSION:

Each year, the Board makes appointments to the following committees:

- Accessible Services Advisory Committee (ASAC)
- Airport Authority Advisory Committee
- Audit Oversight Committee
- Budget Development Committee
- Executive Committee
- Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency (LOSSAN)
- Public Security Committee
- San Diego Association of Governments (SANDAG) Board
- SANDAG Regional Planning Committee
- SANDAG Transportation Committee
- San Diego Regional Building Authority
- Taxicab Advisory Committee

The Executive Committee membership is governed by MTS Board Policy 22.8. The Audit Oversight Committee membership is governed by MTS Board Policy 22.9. Attachment B is a table of committee appointments for 2021.



MTS Board Policy No. 22 (Attachment A) specifies that on or before the Board's first meeting in November, the Board shall appoint less than a quorum of members to an Ad Hoc Nominating Committee.

The Ad Hoc Nominating Committee shall review the list of MTS committees and make recommendations to the Board with respect to the appointment of members of the Board to serve on each committee. The Ad Hoc Nominating Committee is also tasked with reviewing the list of outside boards and/or committees and making recommendations to the Board with respect to the appointment of members of the Board to represent MTS on each outside Board or committee.

The Ad Hoc Nominating Committee normally meets in late December or early January, after the upcoming appointments to the MTS Board are generally known, and forwards its recommendations for appointments of officers and committee members on or before the first Board meeting in January.

The election procedures to appoint an Ad Hoc Nominating Committee pursuant to Robert's Rules of Order are as follows:

1. The Chairperson of the Board opens the agenda item.
2. The Chairperson requests nominations from the floor. Nominations do not require a second.
3. The Chairperson closes the nominations.
4. The Chairperson invites the candidate(s) to address the Board for three minutes.
5. The Chairperson asks for any Board discussion.
6. The Chairperson calls for the vote on each motion for each candidate.
7. A vote is taken on the motion(s) for each candidate based upon the order in which they were nominated. The vote continues until a candidate is elected.

/S/ Sharon Cooney

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachments: A. Board Policy No. 22
B. Table of MTS Committees for 2021

1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
(619) 231-1466 • FAX (619) 234-3407

Policies and Procedures

No. 22

Board Approval: 6/13/19

SUBJECT:

RULES OF PROCEDURE FOR THE SAN DIEGO METROPOLITAN TRANSIT
SYSTEM (MTS) BOARD OF DIRECTORS

PURPOSE:

To define and clarify Board Rules of Procedure and incorporate them in Board Policy.

BACKGROUND:

In 1977, the Board adopted Rules of Procedure by resolution and from time to time amendments have been adopted. The Rules shall be contained in Board Policy for ease of reference and periodic updating. The Board is established and governed by the Mills-Deddeh Transit Development Act, set forth in the Sections 120000 through 120702 of the California Public Utilities Code ("MTS Enabling Legislation"). Section 120101 requires to the Board to "establish rules for its proceedings." In the event the rules of procedure set forth herein conflict with the MTS Enabling Legislation, or other applicable law, the applicable law shall supersede these rules.

22.1 Membership and Organization

22.1.1 Membership in this Board is established by Sections 120050 through 120051.6 of the MTS Enabling Legislation.

22.1.2 The Board consists of 15 members selected as follows:

- a. One member of the County of San Diego Board of Supervisors appointed by the Board of Supervisors.
- b. Four members of the City Council of the City of San Diego, one of whom shall be the mayor, appointed by the City Council.
- c. One member of each city council appointed individually by the City Councils of the Cities of Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, and Santee.



- d. Two members of the City Council of the City of Chula Vista, one of whom shall be the mayor, appointed by the City Council.
- e. The chairperson of the board shall be selected from the board membership by a two-thirds vote of the board, a quorum being present. The chairperson shall serve for a term of two years, except that he or she is subject to removal at any time by a two-thirds vote of the board, a quorum being present.

22.1.3 [RESERVED]

22.1.4 Alternate members of the Board shall be appointed as follows:

- a. The County of San Diego Board of Supervisors shall appoint as its alternate member a county supervisor not already appointed as the primary board member under Section 22.1.2(a), who represents one of the two supervisorial districts within MTS's jurisdiction with the greatest percentage of its area within the incorporated area of the County of San Diego.
- b. The City Councils of the Cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego and Santee shall each individually appoint a member of their respective city councils not already appointed as a primary board member to serve as an alternate member for each member of the city on the board.
- c. At its discretion, a city council or the county board of supervisors may appoint a second alternate member to serve on the board in the event that neither a member nor the alternate member is able to attend a meeting of the board.

22.1.5 This Board shall exercise all powers authorized by the laws of the State of California.

22.1.6 Only the duly selected official representative, or in his or her absence his or her duly selected alternate, shall be entitled to represent a member agency in the deliberations of the Board.

22.1.7 Names of the official representatives and alternates shall be communicated in writing to the Board by each participating member agency and shall thereafter be annually communicated or reaffirmed prior to the February meeting of the Board and at such other times as changes in representation are made by member agencies.

- 22.1.8 The Board shall have the authority to appoint committees or subcommittees and may provide for the appointment of alternates to these committees or subcommittees.
- 22.1.9 Standing committees shall be appointed by the Board as may be required to carry out general and continuing functions and shall be abolished only upon specific action by the Board.
- 22.1.10 Ad hoc specialized subcommittees may be appointed by the Board as the need arises to accomplish specific tasks. Upon completion of its assignment, each ad hoc subcommittee shall disband.
- 22.1.11 Board members serving on such subcommittees shall be compensated as provided by Board ordinance. The Chief Executive Officer is authorized to enter into agreements to compensate individuals who were Board members at the time of their appointments to such subcommittees and who continue to serve on such subcommittees after their terms of office as Board members, subject to the same limitations as exist for compensation of Board members, and subject to replacement by the Board.

22.2 Meetings

- 22.2.1 On or before the first regular meeting of the Board in December of each year, the Board shall adopt a schedule of its meetings by date, time, and location for the coming year. The schedule of the meetings shall be published in the local newspaper of general circulation prior to the next regular meeting. The schedule of meetings shall also be published on the MTS website and posted at the MTS Executive Offices.
- 22.2.2 The Board may, when necessary, change the time and place of regular meetings. Notice of such change shall be posted pursuant to the Ralph M. Brown Act.
- 22.2.3 The Clerk of the Board shall forward written notice of the annual schedule of regular meetings and any changes thereto stating the dates, times, and locations to each member's agency and to the respective members and alternates of the Board and the standing committees.
- 22.2.4 Special meetings may be called and noticed under the provisions of the Ralph M. Brown Act as applicable and, specifically, Section 54956 of the California Government Code. The call and notice shall be posted in an area accessible to the public at least 24 hours prior to the meeting.

Special meetings normally shall be called by a majority of the Board or Executive Committee only upon a finding that

extraordinary circumstances require Board action prior to the next scheduled Board meeting, such as to discuss a work stoppage or significant litigation, or that a special meeting is necessary to hold a workshop, a joint meeting with another agency, or for other special purposes at a future date beyond the next Board meeting. The Chair may call such meetings only when such extraordinary circumstances arise after the last Board or Executive Committee meeting and Board action is required prior to the next regularly scheduled Board or Executive Committee meeting.

- 22.2.5 A majority of the members of the Board shall constitute a quorum for the transaction of business, and all official acts of the Board shall require the affirmative vote of a majority of the members of the Board present.
- a. After a vote of the members is taken, a weighted vote may be called by the members of any two jurisdictions in accordance with Section 120102.5 of the MTS Enabling Legislation and MTS Board Policy No. 27 (Weighted Vote).
- 22.2.6 Parliamentary procedure at all meetings shall be governed by Robert's Rules of Order Newly Revised except as otherwise modified herein.
- 22.2.7 Prior to each regular meeting, the Clerk of the Board shall forward a copy of the agenda to each member in accordance with the schedule adopted by the Board. The agendas shall also be mailed to each person or entity previously requesting such in writing. The Clerk shall post the agenda in an area accessible to the public at least 72 hours before the meeting in accordance with the Ralph M. Brown Act. Agenda materials shall be available as public record in accordance with the Ralph M. Brown Act and, specifically, Section 54957.5 of the California Government Code.
- 22.2.8 The Board may take action on items of business not appearing on the posted agenda in accordance with the Ralph M. Brown Act.
- 22.2.9 Requests for Board action may be initiated by any member of the Board or any staff officer.
- 22.2.10 Communication requests may be initiated by an individual and submitted to the Clerk by letter or on forms provided by the Clerk and must state the subject matter and the action which the writer wishes the Board to take. The Clerk shall review all communication requests so received and shall list them on the Board's docket under those items which the Clerk deems to be proper areas of discussion or action by the Board. When a Communications item is listed on the docket, it is not debatable and must be referred to an appropriate committee, other public agency, or to staff to prepare a report or response.

- 22.2.11 Any permanent rule of the Board as set forth herein and unless otherwise established by law may be suspended temporarily by a two-thirds vote of the members present.

22.3 Amendments

- 22.3.1 The Board shall be responsible for making all amendments to these rules.
- 22.3.2 Proposed amendments may be originated by the Board, or any member of such, or by the Chief Executive Officer.
- 22.3.3 Each proposed amendment shall be considered by the Board and a copy thereof forwarded by the Clerk of the Board to the official representative of each member agency.

22.4 Ordinances

- 22.4.1 Every ordinance shall be signed by the Chairperson of the Board and attested by the Clerk of the Board.
- 22.4.2 On the passage of all ordinances, the votes of the several members of the Board shall be entered on the minutes.
- 22.4.3 Ordinances shall not be passed at other than a regular meeting or at an adjourned regular meeting. However, an urgency ordinance may be passed at a special meeting. Except when, after reading the title, further reading is waived by regular motion adopted by unanimous vote of the Board members present, all ordinances shall be read in full either at the time of introduction or passage. When ordinances, other than urgency ordinances, are altered after introduction, they shall be passed only at a regular or at an adjourned regular meeting held at least five days after alteration. Corrections of typographical or clerical errors are not alterations within the meaning of this section.
- 22.4.4 Consistent with Section 120109 of the MTS Enabling Legislation, the Clerk of the Board shall cause a proposed ordinance or proposed amendment to an ordinance, and any ordinance adopted by the Board, to be published at least once, in a newspaper of general circulation published and circulated in the Board's area of jurisdiction.
- 22.4.5 The publication of an ordinance, as required by subdivision 22.4.4, may be satisfied by either of the following actions:
- a. The Board may publish a summary of a proposed ordinance or proposed amendment to an ordinance. The summary shall be prepared by the Clerk of the Board and General Counsel. The summary shall be published and a certified copy of the full text of the proposed ordinance or proposed amendment shall be posted in the office of the

Clerk of the Board at least five (5) days prior to the Board meeting at which the proposed ordinance or amendment is to be adopted. Within 15 days after adoption of the ordinance or amendment, the Board shall publish a summary of the ordinance or amendment with the names of those Board members voting for and against the ordinance or amendment, and the Clerk of the Board shall post in the office of the clerk a certified copy of the full text of the adopted ordinance or amendment along with the names of those Board members voting for and against the ordinance or amendment.

- b. If the person designated by the Board determines that it is not feasible to prepare a fair and adequate summary of the proposed ordinance or amendment, and if the Board so orders, a display advertisement of at least one-quarter of a page in a newspaper of general circulation in the Board's area of jurisdiction shall be published at least five (5) days prior to the Board meeting at which the proposed ordinance or amendment is to be adopted. Within 15 days after adoption of the ordinance or amendment, a display advertisement of at least one-quarter of a page shall be published. The advertisement shall indicate the general nature of, and provide information regarding, the adopted ordinance or amendment, including information sufficient to enable the public to obtain copy of the complete text of the ordinance or amendment and the name of those Board members voting for and against the ordinance amendment.

22.4.6 Ordinances shall take effect thirty days after their final passage. An ordinance takes effect immediately, if it is an ordinance for the immediate preservation of the public peace, health, or safety, containing a declaration of the facts constituting the urgency and is passed by a four-fifths vote of the Board.

22.5 Public Comment

22.5.1 At a public hearing of the Board, persons wishing to provide comment and testimony shall be permitted to address the Board after submitting a written request to speak to the Clerk identifying the person and the subject agenda item. The Chairperson may limit the time for each presentation and may permit additional time to speakers representing a group of individuals or organizations to avoid duplicative testimony. Ordinarily, each speaker will be allowed no more than three minutes.

22.5.2 Persons wishing to comment on agenda items other than a public hearing must submit a written request to speak in advance to the Clerk identifying the person and the subject agenda item. Comments must be limited to issues relevant to the particular agenda item. The Chairperson may limit the time for each presentation and may permit additional time to speakers

representing a group of individuals or organizations to avoid duplicative testimony. Ordinarily, each speaker will be allowed no more than three minutes.

22.5.3 Public comment on matters not on the agenda will be permitted on items of interest to the public that are within the subject matter jurisdiction of the Board. Persons wishing to comment must submit a written request in advance to the Clerk identifying the person and subject matter. The Chairperson may limit the time for each speaker. Ordinarily, each speaker will be allowed no more than three minutes.

22.6 Chairperson

Prior to the expiration of a Chairperson's term, the Executive Committee shall make a recommendation to the Board on whether to reelect the current Chairperson. In the event that the Board does not reelect a chairperson, or in the event of a vacancy in the position of Chairperson, the Executive Committee shall create an ad hoc nominating committee that shall, by whatever means it deems appropriate, recommend to the Board a candidate or candidates for the position of Chairperson. The Board shall then vote to elect a Chairperson in accordance with Section 22.1.2(e).

22.7 Election of Board Officers and Appointments to Committees

22.7.1 On or before the Board's first meeting in November, the Board shall appoint less than a quorum of members to an Ad Hoc Nominating Committee. The Ad Hoc Nominating Committee shall review the list of MTS committees and make recommendations to the Board with respect to the appointment of members of the Board or former Board members to serve on each MTS committee.

22.7.2 The Ad Hoc Nominating Committee shall also review the list of outside boards and/or committees and make recommendations to the Board with respect to the appointment of members of the Board to represent MTS on each outside board or committee.

22.7.3 The Ad Hoc Nominating Committee shall also make a recommendation to the Board with respect to the appointment of the Vice Chairperson and the Chair Pro Tem and any other board officers.

22.7.4 The Ad Hoc Nominating Committee shall forward its recommendations for appointments of officers and committee members on or before the first Board meeting in January.

22.7.5 At its first meeting in January, the Board shall elect a Vice Chairperson and a Chair Pro Tem from amongst its members. The Vice Chairperson shall preside in the absence of the Chairperson. In the event of the absence or inability to act by the Chairperson and Vice Chairperson, the Chair Pro Tem shall preside.

22.7.6 The Board shall then vote on the recommendations made by the Ad Hoc Nominating Committee with respect to all other committee appointments.

22.7.7 In the event that a Board member vacates his or her position on the Board, at the next meeting, the Chairperson shall take nominations from the floor to fill any opening in any Committee positions vacated by that Board member.

22.8 Executive Committee

22.8.1 The Executive Committee of the Board shall consist of the Chairperson, the Vice Chairperson (if he or she is not already a voting member), a member from the County of San Diego, a member from the City of San Diego, the Transportation Committee Representative (if he or she is not already a voting member), one member who represents the cities of Chula Vista, National City, Coronado, and Imperial Beach (the "South Bay Cities' representative"), and one member who represents the cities of Lemon Grove, La Mesa, El Cajon, Poway, and Santee (the "East County Cities' representative"). The South Bay Cities' representative and the East County Cities' representative shall serve as members of the Executive Committee for a term of two years each. The terms of these two members shall be staggered so as to avoid replacement of both members at the same time.

22.8.2 The East County and South Bay representatives shall serve in the following order:

East County: El Cajon, La Mesa, Lemon Grove, Santee, Poway—each serving a two-year term.

South Bay: Chula Vista, Coronado, Imperial Beach, National City—each serving a two-year term.

After each member has served as either the East County or South Bay representative, the rotation schedule shall repeat.

22.8.3 The alternates to the Executive Committee members shall be as follows:

22.8.3.1 The alternate for the County of San Diego shall be the alternate appointed by the County of San Diego to serve as the alternate for the Board.

2.8.3.2 The alternate for the City of San Diego shall be selected by the City of San Diego from amongst the three remaining City of San Diego Board members.

- 2.8.3.3 The alternates for the East County Cities' and the South Bay Cities' representatives shall be the representative from the city that is next in the rotation order set forth in section 22.8.2 above (for example, if the City of El Cajon is currently the primary Executive Committee member, then the City of La Mesa member shall be the alternate Executive Committee member). Alternates shall be appointed for a term of two years or such lesser term as necessary to coincide with the term of the member for whom the alternate is appointed.
- 22.8.4 The Vice Chairperson shall attend each Executive Committee meeting as a voting member. The Vice Chairperson shall serve as the alternate to the Chairperson in his or her absence and as a second alternate at large for any of the Executive Committee representatives and shall be a voting member when serving in this capacity.
- 22.8.5 At its first meeting in January, the Board shall vote on the Ad Hoc Nominating Committee's recommendation for the representative and alternate to the San Diego Association of Governments (SANDAG) Transportation Committee to serve for a term of one year. In the event that the Board votes to appoint a member of the Board who does not serve on the Executive Committee, then the appointed SANDAG Transportation Committee representative, or the alternate in his or her absence, shall attend the Executive Committee meetings as a voting member.
- 22.8.6 The primary purpose of the Executive Committee shall be to review and recommend consent items for the agenda of the next MTS Board of Directors meeting; add or delete items as appropriate; and provide input and direction on emerging policies, plans, and issues, in advance, for Board consideration. The Executive Committee shall have the authority to create ad hoc subcommittees for purposes of carrying out its duties and responsibilities.
- 22.8.7 Three members shall constitute a quorum of the Executive Committee, and a majority vote of the members present shall be required to approve any item. In the absence of a quorum, the Chairperson may review and recommend consent items for the agenda, establish the order of items, and add or delete items.
- 22.8.8 The Executive Committee shall adopt operating procedures as are necessary for the conduct of its business.
- 22.9 Audit Oversight Committee
- 22.9.1 The Audit Oversight Committee shall be comprised of the same members that make up the Executive Committee and such other

individuals as the Board may appoint at the first MTS Board meeting each calendar year. The Board may also appoint individuals who are not members of the Board to serve as non-voting advisory members to the Audit Oversight Committee

22.9.2 No additional compensation shall be paid to the members of the Audit Oversight Committee unless a meeting takes place on a day other than a regularly scheduled MTS Board meeting or MTS Executive Committee meeting. Compensation shall be paid to any additional voting members who are appointed to serve on the Audit Oversight Committee. No compensation shall be paid to any non-voting advisory member appointed by the MTS Board.

22.9.3 The primary duties and responsibilities of the Audit Oversight Committee shall be to ensure that management is maintaining a comprehensive framework of internal control, to ensure that management's financial reporting practices are assessed objectively, and to determine to its own satisfaction that the financial statements are properly audited and that any problems uncovered in the course of the audit are properly reported and resolved.

22.9.4 The Audit Oversight Committee shall:

- a. Review the scope of the annual financial statement audit and any other audits the committee feels are appropriate. The financial statement or CAFR audit should be conducted by an external, independent, public accounting firm experienced in municipal financial audits (external auditor).
- b. Review the purpose and scope of any nonaudit services to be performed by the external auditor.
- c. Oversee the procurement of the external auditor and any related advisory services with final approval by the Board.
- d. Oversee the preparation of annual financial statements, the annual financial reporting process, internal controls, and the external auditor using an appropriate degree of professional skepticism.
- e. Assess the performance of the external auditor.
- f. Provide a forum for internal auditor(s) to report findings during committee meetings. Internal auditor(s) are MTS employee(s) who report to management and primarily perform operational and compliance audits. In unusual circumstances involving significant fraud, waste, or abuse, the internal auditors must contact the Chairperson of the Audit Oversight Committee.

- g. Establish a procedure for receipt, retention, and treatment of complaints regarding accounting, internal controls, or auditing matters.

22.9.5

The Audit Oversight Committee shall perform the following tasks each year and, to the extent possible, adhere to this timetable:

- a. Prior to the fiscal year end, review the independent audit engagement letter.
- b. Prior to the fiscal year end establish a plan for review of the audits with external auditor.
- c. In October or November, review a draft of the Comprehensive Annual Financial Report
- d. Prior to the fiscal year end, review the management letter and management's response to the letter from the previous year.

22.9.6

At a minimum, and no later than the MTS Board meeting for the CAFR final adoption, the Audit Oversight Committee shall publically ask the following questions of MTS management and/or the external auditors:

- a. What is the name of the audit firm performing the audit, and how long has such firm been under contract to perform such audits?
- b. Was the audit performed in accordance with generally accepted auditing standards and generally accepted government auditing standards? If not, why?
- c. Has the external auditor prepared an unqualified opinion regarding the financial statements? If not, what type of opinion was issued and why?
- d. Did the external auditor issue a management letter?
- e. Did the external auditor find any nonmaterial weaknesses or reportable conditions?
- f. How did the external audit firm maintain its independence during the course of the audit?
- g. Describe, in general, the audit procedures performed.
- h. Were any new accounting principles adopted? If so, what was their effect?

- i. Does the external auditor recommend any changes in the accounting policies used or their application? Did management apply the best accounting principles or merely permitted ones?
- j. Describe any significant accounting adjustments affecting the financial statements (prior year as well as current year).
- k. Did the external auditor encounter any difficulties in dealing with management in performing the audit?
- l. Were there any disagreements with management regarding any accruals, estimates, reserves, or accounting principles?
- m. Did the external auditor have the full cooperation of MTS management and staff?
- n. Assess the quality of the accounting, internal controls, and the competency of staff.
- o. Were there any accounting issues on which the audit firm sought the advice of other audit firms or regulatory bodies?
- p. Are there new pronouncements and/or risks affecting future financial statements which the Audit Oversight Committee should be aware of?

22.9.8 A majority of the members of the Audit Oversight Committee shall constitute a quorum, and a majority vote of the members present shall be required to approve any item.

22.9.9 The Audit Oversight Committee shall adopt operating procedures as are necessary for the conduct of its business.

22.10 Board Member Standards of Conduct

22.10.1 The purpose of this policy is to emphasize that each Board member occupies a position of public trust that demands the highest moral and ethical standard of conduct.

22.10.2 This policy shall be supplemental and in addition to the Conflict of Interest Code of the Board and any applicable laws or regulations (including, but not limited to, the Brown Act, Government Code section 1090 and the Political Reform Act) and is not intended to supersede any provisions thereof.

22.10.3 Board members shall not engage in any business or transaction or have a financial or other personal interest, actual, potential, or

apparent, which is incompatible with the proper discharge of his or her official duties or would tend to impair his or her independence of judgment or action in the performance of such duties. Such business, transaction, or interest shall constitute a conflict of interest.

22.10.4

No Board member shall engage in any enterprise or activity that shall result in any of the following:

- a. Using the prestige or influence of the Board office for private gain or advantage of the member or another person.
- b. Using time, facilities, equipment, or supplies of the Board for the private gain or advantage of the member or another person.
- c. Using official information not available to the general public for private gain or advantage of the member or another person.
- d. Receiving or accepting money or other consideration from anyone other than the Board for the performance of acts done in the regular course of duty.
- e. Receiving or accepting, directly or indirectly, any gift or favor from any one doing business with the Board under circumstances from which it could reasonably be inferred that such was intended to influence such person in such person's duties or as a reward for official action.
- f. Soliciting any gift or favor in such person's official capacity, either directly or indirectly, when such solicitation might reasonably be inferred as to have a potential effect on such person's duties or decision, or when the individual's position as a Board member would in any way influence the decision of the person being solicited.
- g. Engaging in or accepting private employment or rendering services for private interest, direct or indirect, which may conflict with such person's responsibility or duty, or which, because of that person's position, may influence a decision to the benefit of the organization in which such person has an interest.

22.10.5

If a Board member has an actual, potential, or apparent conflict of interest in the subject of an agenda item, and the Board will make a decision regarding this agenda item during an open session meeting, the Board member must recuse himself or herself or, in the case of uncertainty, request a binding determination from the Board's General Counsel. If the Board member has a conflict, he

or she may observe, but not participate, in the decision-making process.

- 22.10.6 If a Board member has an actual, potential, or apparent conflict of interest in the subject of an agenda item to be discussed during a closed session meeting, the Board member shall be disqualified and not present during such discussion so as not to make, participate in making, or in any way attempt to use his or her official position to influence the discussion or decision. In such case, the Board member must recuse himself or herself or, in the case of uncertainty, request a binding determination from the Board's General Counsel. In accordance with the Brown Act, the Board member would be entitled to any information that is publicly reported. The Board member would not, however, be privy to any confidential or privileged information or communications pertaining to the closed session agenda item.
- 22.10.7 No Board member shall disclose to any person, other than members of the Board and other Board staff designated to handle such confidential matters, the content or substance of any information presented or discussed during a closed session meeting unless the Board authorizes such disclosure by the affirmative vote by a majority of the Board.
- 22.10.8 No Board member may disclose confidential or privileged information or communications to any person other than a Board member, General Counsel to the Board, or other Board staff designated to handle such matters, unless disclosure is mandated by law or the Board authorizes such disclosure by the affirmative vote of a majority of the Board.
- 22.10.9 A Board member shall not be privy to confidential or privileged information or communications concerning threatened, anticipated, or actual litigation affecting the Board where the Board member has an actual, potential, or apparent conflict of interest. In the case of uncertainty as to whether a conflict of interest exists, the Board's General Counsel shall issue a binding determination.
- 22.10.10 No Board member shall represent a position on an issue to be the Board's unless the Board has formally adopted such position at a public meeting.
- 22.10.11 Any violation of this policy shall constitute official misconduct if determined by an affirmative vote of the majority of the Board in an open and public meeting. The Board may elect to censure the Board member and the violation may be subject to criminal and/or civil penalties as provided for by applicable law.

Original Policy approved on 4/5/84.
Policy revised on 1/12/84.

Policy revised on 7/11/85.
Policy revised on 1/8/87.
Policy revised on 1/11/90.
Policy revised on 8/23/90.
Policy revised on 1/10/91.
Policy revised on 3/24/94.
Policy revised on 1/14/99.
Policy revised on 6/14/01.
Policy revised on 1/10/02.
Policy revised on 1/24/02.
Policy revised on 5/8/03.
Policy revised 2/26/04.
Policy revised 1/12/06.
Policy revised 3/9/06.
Policy revised 3/23/06.
Policy revised 6/14/07.
Policy revised 7/19/07.
Policy revised 2/21/08.
Policy revised 12/11/08.
Policy revised 2/12/15.
Policy revised 11/10/16.
Policy revised 11/9/2017, changes effective 1/1/2018.
Policy revised 6/13/2019.

2021 SLATE OF MTS COMMITTEES AND OUTSIDE AGENCY APPOINTMENTS

Chair Vice Chair Chair Pro Tem	Nathan Fletcher -- Chair Alejandra Sotelo-Solis – Vice Chair Mary Salas – Chair Pro Tem
Accessible Services Advisory Committee (ASAC)	Alejandra Sotelo-Solis – Chair
Airport Authority Advisory Committee	Bill Sandke – Committee Representative Ronn Hall – Alternate
Audit Oversight Committee	Nathan Fletcher – Chair Alejandra Sotelo-Solis – Vice Chair Plus, Executive Committee (listed below)
Budget Development Committee	Vivian Moreno – Chair Todd Gloria – Committee Representative (<i>Alternate: Stephen Whitburn</i>) Nathan Fletcher – Committee Representative Mary Salas – Committee Representative Bill Sandke – Committee Representative
Executive Committee	Nathan Fletcher – Chair & County Representative (<i>County Alternate: Nora Vargas</i>) Alejandra Sotelo-Solis – Vice Chair Mary Salas – Chair Pro Tem Sean Elo-Rivera – City of San Diego Representative (<i>Alternate: Monica Montgomery Steppe</i>) George Gastil – East County Representative (<i>Alternate: Ronn Hall</i>) Bill Sandke – South Bay Representative (<i>Alternate: Paloma Aguirre</i>) Monica Montgomery Steppe – SANDAG Transportation Committee Representative (<i>Alternate: Paloma Aguirre</i>)
Los Angeles - San Diego Rail Corridor Agency (LOSSAN) Board	Caylin Frank – Board Representative Bill Sandke – Alternate
Public Security Committee	Monica Montgomery Steppe – Chair Paloma Aguirre – Vice Chair Todd Gloria – Committee Representative (<i>Alternate: Stephen Whitburn</i>) Jill Galvez – Committee Representative Ronn Hall – Committee Representative Sean Elo-Rivera – Committee Representative
SANDAG Board	Paloma Aguirre – Board Representative Vivian Moreno – Alternate
SANDAG Regional Planning Committee	Jill Galvez – Committee Representative George Gastil – Alternate
SANDAG Transportation Committee	Monica Montgomery Steppe – Committee Representative Paloma Aguirre – Alternate
San Diego Regional Building Authority	Steve Goble – Committee Representative
Taxicab Advisory Committee	Sean Elo-Rivera – Chair



**Metropolitan
Transit
System**

Agenda Item No. 6

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

AUTHORIZATION OF REMOTE TELECONFERENCED MEETINGS

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize remote teleconferenced meetings for any public meetings held by MTS, including all Brown Act committees, for the next thirty (30) days pursuant to Assembly Bill (AB) 361 and make the following findings:

- 1) The MTS Board has considered the current circumstances of the COVID-19 pandemic and its impact in San Diego County; and
- 2) State or local officials continue to recommend measures to promote social distancing. On September 23, 2021, County of San Diego Public Health Officer, Wilma J. Wooten, M.D., M.P.H., issued a recommendation supporting the use of teleconferencing for attendance at public meetings as "a social distancing measure that may help control transmission of the SARS-CoV-2 virus." (Attachment A)

Budget Impact

None with this action.

DISCUSSION:

On March 17, 2020, Governor Newsom issued Executive Order N-29-20, suspending the teleconferencing rules set forth under the Ralph M. Brown Act (Brown Act), Government Code Section 54950 et seq. On June 11, 2021, Governor Newsom issued Executive Order N-08-21, clarifying the suspension of the teleconferencing rules set forth in the Brown Act, noting that those provisions would remain suspended through September 30, 2021. On September 16, 2021, Governor Newsom signed AB 361, which allows legislative bodies subject to the Brown Act to continue meeting by teleconference, provided they make certain findings, including that meeting in person would present imminent risks to the health or safety of attendees. AB 361 requires that certain findings be made by the legislative body every 30 days.



The purpose of this agenda item is for the MTS Board of Directors to make findings supporting the continuation of a teleconference option for Board or committee members and for teleconference attendance by members of the public at MTS Board and committee meetings consistent with the requirements of AB 361.

AB 361 added subdivision (e) to Government Code section 54953 (emphasis added), providing for streamlined teleconference attendance at public meetings subject to the Brown Act, subject to the governing board making specified findings:

(e) (1) A local agency may use teleconferencing without complying with the requirements of paragraph (3) of subdivision (b) if the legislative body complies with the requirements of paragraph (2) of this subdivision in any of the following circumstances:

(A) The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.

(B) The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(C) The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, pursuant to subparagraph (B), that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(2) A legislative body that holds a meeting pursuant to this subdivision shall do all of the following:

(A) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(B) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3. In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment. The agenda shall identify and include an opportunity for all persons to attend via a call-in option or an internet-based service option. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(C) The legislative body shall conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body of a local agency.

(D) In the event of a disruption which prevents the public agency from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control which prevents members of the public from offering public comments using the call-in option or internet-based service option, the body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption which prevents the public agency from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(E) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(F) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(G) (i) A legislative body that provides a timed public comment period for each agenda item shall not close the public comment period for the agenda item, or the opportunity to register, pursuant to subparagraph (F), to provide public comment until that timed public comment period has elapsed.

(ii) A legislative body that does not provide a timed public comment period, but takes public comment separately on each agenda item, shall allow a reasonable amount of time per agenda item to allow public members the opportunity to provide public comment, including time for members of the public to register pursuant to subparagraph (F), or otherwise be recognized for the purpose of providing public comment.

(iii) A legislative body that provides a timed general public comment period that does not correspond to a specific agenda item shall not close the public comment period or the opportunity to register, pursuant to subparagraph (F), until the timed general public comment period has elapsed.

(3) If a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference without compliance with paragraph (3) of subdivision (b), the legislative body shall, not later than 30 days after teleconferencing for the first time pursuant to subparagraph (A), (B), or (C) of paragraph (1), and every 30 days thereafter, make the following findings by majority vote:

(A) The legislative body has reconsidered the circumstances of the state of emergency.

(B) Any of the following circumstances exist:

(i) The state of emergency continues to directly impact the ability of the members to meet safely in person.

(ii) State or local officials continue to impose or recommend measures to promote social distancing.

(4) For the purposes of this subdivision, “state of emergency” means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Article 1 (commencing with Section 8550) of Chapter 7 of Division 1 of Title 2).

The circumstances set forth in Government Code section 54953(e)(1)(A) and (e)(3) still apply and support the continuation of a teleconference option for Board or committee members and for teleconference attendance by members of the public at MTS Board and committee meetings for the upcoming 30-day period. Staff recommends that the Board make the following findings:

- 1) The MTS Board has considered the current circumstances of the COVID-19 pandemic and its impact in San Diego County; and
- 2) State or local officials continue to recommend measures to promote social distancing. On September 23, 2021, County of San Diego Public Health Officer, Wilma J. Wooten, M.D., M.P.H., issued a recommendation supporting the use of teleconferencing for attendance at public meetings as “a social distancing measure that may help control transmission of the SARS-CoV-2 virus.” (Attachment A)

/S/ Sharon Cooney
Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachment: A. September 23, 2021 County of San Diego Health Officer Teleconferencing Recommendation



County of San Diego

NICK MACCHIONE, FACHE
AGENCY DIRECTOR

HEALTH AND HUMAN SERVICES AGENCY
PUBLIC HEALTH SERVICES

WILMA J. WOOTEN, M.D.
PUBLIC HEALTH OFFICER


HEALTH OFFICER TELECONFERENCING RECOMMENDATION

COVID-19 disease prevention measures, endorsed by the Centers for Disease Control and Prevention, include vaccinations, facial coverings, increased indoor ventilation, handwashing, and physical distancing (particularly indoors).

Since March 2020, local legislative bodies—such as commissions, committees, boards, and councils—have successfully held public meetings with teleconferencing as authorized by Executive Orders issued by the Governor. Using technology to allow for virtual participation in public meetings is a social distancing measure that may help control transmission of the SARS-CoV-2 virus. Public meetings bring together many individuals (both vaccinated and potentially unvaccinated), from multiple households, in a single indoor space for an extended time. For those at increased risk for infection, or subject to an isolation or quarantine order, teleconferencing allows for full participation in public meetings, while protecting themselves and others from the COVID-19 virus.

Utilizing teleconferencing options for public meetings is an effective and recommended social distancing measure to facilitate participation in public affairs and encourage participants to protect themselves and others from the COVID-19 disease. This recommendation is further intended to satisfy the requirement of the Brown Act (specifically Gov't Code Section 54953(e)(1)(A)), which allows local legislative bodies in the County of San Diego to use certain available teleconferencing options set forth in the Brown Act.

September 23, 2021


Wilma J. Wooten, M.D., M.P.H.
Public Health Officer
County of San Diego



**Metropolitan
Transit
System**

Agenda Item No. 7

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

**ADOPTION OF THE 2022 SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)
EXECUTIVE COMMITTEE AND BOARD OF DIRECTORS MEETING SCHEDULE**

RECOMMENDATION:

That the MTS Board of Directors adopt the 2022 Executive Committee and Board of Directors meeting schedule (Attachment A).

Budget Impact

None.

DISCUSSION:

The MTS Board of Directors annually adopts its meeting schedule for the next calendar year. The meeting schedule reflects Executive Committee and Board of Directors meetings throughout the 2022 calendar year (Attachment A). Meetings are scheduled to primarily occur on the first and second Thursdays of every month, with some exceptions due to conferences, holidays and other conflicts.

/S/ Sharon Cooney

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachment: A. 2022 MTS Executive Committee and Board of Directors Meeting Schedule





Metropolitan Transit System

2022

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

BOARD OF DIRECTORS AND
EXECUTIVE COMMITTEE MEETINGS
James R. Mills Building
1255 Imperial Avenue, 10th Floor

Executive Committee Meetings Thursdays at 9:00 a.m.	Board Meetings Thursdays at 9:00 a.m.
January 13	January 20
February 3	February 10
March 3	March 10 (Finance Workshop)
April 7	April 14 (Finance Workshop)
May 5	May 12 (Public Hearing)
June 9 (AOC)	June 16
July 14	July 21
August 4	August 11
September 1	September 15
October 6	October 20
November 3	November 10
December 1	December 8

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.





Agenda Item No. 8

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

TAXICAB ADVISORY COMMITTEE – GUIDELINE REVISIONS

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors approve the proposed revisions to the Taxicab Advisory Committee Guidelines.

Taxicab Advisory Committee Recommendation

At its October 27, 2021 meeting, the Taxicab Advisory Committee voted 15 to 0 (Committee Members: Sean Elo-Rivera, Akbar Majid, Alfred Banks, Antonio Hueso, Brian Hilemon Daryl Mayekawa, David Tasem, George Abraham, Guillermo Morquecho, Marc Nichols, Margo Tanguay, Michael Trimble, Peter Zschiesche, Nancy Gudiño, Nasser Tehrani in favor, with Committee Members Hamid Amini absent) to recommend that the Board of Directors approve the staff recommendation.

Budget Impact

None with this Item.

DISCUSSION:

The Taxicab Advisory Committee (TAC) is responsible for providing feedback and recommendations to staff, Chief Executive Officer (CEO), and/or Board of Directors on taxicab related matters. The Taxicab Advisory Committee is currently comprised of 16 voting members, which includes taxicab lease driver representatives, taxicab permit holder representatives, and tourist and travel focused organizations. The taxicab lease driver representatives and the taxicab permit holder representatives are elected by the taxicab industry every 3 years.

I. Proposed Revisions to the Permit Holder Category

Current TAC Guidelines designate five (5) seats for representation of taxicab permit holders. Of these five (5) seats, three (3) seats are for representation of permit holders with four (4) or more



taxicabs and two (2) seats are for representation of permit holders of one (1) to three (3) taxicabs.

As background, of the 588 total taxicab permit holders, 167 taxicab permit holders own more than one (1) taxicab and 421 taxicab permit holders own only one (1) taxicab. Currently, the majority of taxicab permit holders are owner operated (i.e. the individual both owns a MTS taxicab permit and drives the taxicab).

In addition, there are less and less taxicab permit holders maintaining large taxicab fleets. MTS has found it difficult to find permit holders who are both eligible and willing to participate on the TAC for the multiple permit holder category.

To ensure MTS does not have vacancies on TAC and to also ensure more equal representation for the majority of permit holders that are owner operated, staff proposes to revise the permit holder categories as follows:

- Two (2) seats for permit holders of two (2) or more taxicabs; and
- Four (4) seats for permit holders of one (1) taxicab.

This proposal would continue to ensure that TAC is represented by both single permit holders and multiple permit holders, while also expanding the pool of eligible permit holders with multiple taxicabs. This change would result in an increase in the number of permit holder representatives on TAC, from five (5) to six (6).

II. Proposed Revision to Number of Lease Driver Representatives

Current TAC Guidelines designate four (4) seats for representation of taxicab lease drivers and one (1) seat for a representative from United Taxi Workers.

There are approximately 628 total licensed taxicab drivers operating within MTS's area of jurisdiction. Of the 628 licensed taxicab drivers, 421 taxicab drivers both own their taxicab permit and drive their taxicab, while 207 are taxicab lease drivers.

Since the majority of taxicab permit holders both own and drive their taxicabs, there is a reduction in the number of taxicab lease drivers in the industry. This in turn also reduces the the pool of eligible lease drivers' representatives on TAC. To ensure the number of lease drivers' representatives on TAC equates fairly to the number of lease drivers available, the proposed change would decrease the number of lease driver representatives on the TAC from four (4) to three (3).

III. Proposed Revision to Votes per Permit Holder

In prior TAC elections, permit holders with more than one taxicab were allowed to cast a number of votes equivalent to the number of permits held at the time of the election (i.e. a permit holder with 10 taxicabs would have the ability to vote 10 times for their favored candidate).

To allow for more equal voting representation, staff proposes to allow permit holders to cast one (1) vote for each seat, irrespective of the number of taxicab permits held at the time of the election.

IV. Proposed Revision to Voting per Category

In previous elections, taxicab lease drivers were only allowed to vote in the taxicab lease driver category and permit holders were only allowed to vote within the permit holder category.

Staff proposes to remove this limitation and instead allow taxicab lease drivers and taxicab permit holders to vote in both categories, expanding their voting ability for whom they believe would be the best TAC representatives to both categories.

V. Proposed Revision to Experience Requirement

Current TAC guidelines require both taxicab permit holder and taxicab lease driver candidates have at least three (3) years of taxicab experience leading up to the election.

Staff proposes removing the three (3) year experience requirement and only require that permit holder and lease driver candidates be in good standing with MTS and the Sheriff's Licensing Division at the time of the election. This revision would expand the pool of eligible candidates, while also encouraging individuals new to the industry to participate in TAC.

Other revisions to the TAC guidelines are minor and non-substantive.

/S/ Sharon Cooney
Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachment: A. Proposed red-line revisions to Taxicab Advisory Committee Guidelines



SAN DIEGO METROPOLITAN TRANSIT SYSTEM TAXICAB ADVISORY COMMITTEE GUIDELINES

1 PURPOSE

The Taxicab Advisory Committee's purpose is to:

- 1.1 Provide feedback to the Chief Executive Officer and designated staff on taxicab matters to formulate recommended courses of action that the Chief Executive Officer or Board of Directors, whichever applicable, may review for approval;
- 1.2 ———Review summaries of administrative hearing officer decisions concerning taxicab owner-permit holder and lease driver penalties;
- 1.3 Discuss taxicab owners' permit holders/lease drivers' written grievances;
- 1.4 Review summaries of complaints concerning taxicab service;
- 1.5 Review vehicle inspection criteria, process, results, and rankings;
- 1.6 Review the Chief Executive Officer's Annual Fee Schedule; and
- 1.7 Comment on MTS's work program concerning taxicab matters.

2 MEMBERSHIP

Sixteen voting members are appointed as follows:

- 2.1 One representative of the MTS Board of Directors appointed on an annual basis, who will be designated by the MTS Board of Directors to serve as Chair of the Taxicab Advisory Committee.
- 2.2 One member appointed by the San Diego Convention and Visitor's Bureau, the San Diego County Regional Airport Authority, San Diego Convention Center, Gaslamp Quarter Association, Cross Border Express and the United Taxi Workers of San Diego (UTWSD), each serving a three-year term.
 - a. Each organization or agency may designate one (1) alternate member by providing written notification to the MTS Clerk of the Taxicab Advisory Committee.
 - b. The UTWSD member must either be: a current member of the UTWSD; or be a current employee or other authorized representative of the UTWSD.



2.3 ~~Five Six~~ taxicab ~~owners permit holders with at least three years' experience and~~ in good standing, each serving a three-year term, elected by taxicab ~~permit holders and lease drivers-owners~~, divided as follows: ~~two-four~~ seats are designated for representation of ~~owners-a permit holder with~~ of one ~~to three~~ taxicabs; and ~~three-two~~ seats are designated for representation of ~~owners-permit holders~~ of ~~fourtwo~~ or more taxicabs.

2.4 ~~2.4—Four-Three~~ taxicab lease drivers in possession of a San Diego Sheriff's Department-issued Taxicab Driver Identification Card valid in the MTS areas of jurisdiction, being in good standing with the Sheriff's Licensing Division, ~~each serving a three-year term, elected by taxicab permit holders and lease drivers, and currently serving as a driver for at least three years leading up to the election.~~

~~2.4.2.5~~ The election shall comply with the following guidelines:

a. ~~Lease driver representatives shall be elected by licensed drivers operating in MTS areas of jurisdiction.~~

a. ~~Taxicab~~ Lease driver representative elections shall take place every three years at the same time as the ~~owner-taxicab permit holder~~ representative elections.

b. ~~Taxicab lease drivers and taxicab permit holders are permitted to cast one vote per seat.~~

~~2.5-6~~ The taxicab ~~owners~~ ~~permit holders~~, lease drivers and UTWSD representatives shall meet the eligibility requirements at all times while serving on the Taxicab Advisory Committee.

2.7 A taxicab ~~owner-permit holder~~ member unable to attend a meeting may appoint an alternate from the same ~~or similarly-sized company~~ ~~permit category, that is in good standing with MTS,~~ to attend in their absence.

~~2.87~~ A taxicab ~~lease~~ driver unable to attend a meeting may appoint a ~~another taxicab lease driver, who is in good standing with the Sheriff's Licensing Division, -with a similar experience level (within 2 years), not less than three years,~~ to attend in their absence.

~~2.8-9~~ The Taxicab Advisory Committee or the Chief Executive Officer or designee shall make an interim appointment if a member's seat becomes vacant within the three-year term.

~~2.9-10~~ The Vice Chair will be the ~~Taxicab For-Hire Vehicle~~ Administration Manager.

~~2.10-11~~ One non-voting member will be appointed by the County of San Diego's Department of Agriculture, Weights and Measures.

~~2.11-12~~ One non-voting member will be appointed by the County of San Diego Sheriff's Department.

3 REMOVAL AND RESIGNATION

3.1 Any member who misses four (4) consecutive meetings may be subject to removal. For any member who has missed three (3) consecutive meetings, a documented warning shall be provided to the member.

3.2 A member may resign by providing written notification to the MTS Clerk of the Taxicab Advisory Committee.

4 MEETINGS

- 4.1 Taxicab Advisory Committee meetings are subject to the provisions of the Ralph M. Brown Act, California Government Code, Section 54950, et. seq.
- 4.2 Taxicab Advisory Committee meetings will be held quarterly at the offices of MTS and/or via remote teleconferenced meetings, as permissible.
- 4.3 The agenda for each meeting will be posted in the MTS lobby and/or MTS website, as permissible.
- 4.4 The agenda, backup materials, and minutes of the previous meeting will be sent to each member in advance of the meetings, upon request.
- 4.5 The Chair may call additional meetings, as necessary.
- 4.6 Fifty-one percent attendance is a quorum to hold a meeting.

5 VOTING

- 5.1 Each voting member of the Taxicab Advisory Committee has an equal vote.
- 5.2 Fifty-one percent of the votes of those in attendance will approve an item.
- 5.3 A roster of the Taxicab Advisory Committee members who voted will be provided to the MTS Board of Directors, along with the item, for MTS Board action on an agenda item.

6 SUBCOMMITTEES

- 6.1 MTS Board of Directors approval is required to establish a standing subcommittee. The Workshop of Regulatory Matters is a standing subcommittee for Taxicab Advisory Committee and is subject to the Brown Act.
- 6.2 Chief Executive Officer or designee approval is required to establish an ad hoc subcommittee.

7 APPROVAL

- 7.1 These Guidelines were revised by the MTS Board of Directors on ~~July 30, 2020~~ November 18, 2021.
- 7.2 The MTS Chief Executive Officer shall have the authority to implement additional procedures to carry out elections and maintain regular and orderly meetings of the Taxicab Advisory Committee.



Agenda Item No. 9

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

JOB ORDER CONTRACTING (JOC) SERVICES - CONTRACT AMENDMENT

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute Amendment 2 to MTS Doc. No. L1282.0-16 (in substantially the same format as Attachment A) with The Gordian Group totaling \$300,000.00, and extend for an additional five-year period for the continued provision of JOC services.

Budget Impact

The total budget for this project shall not exceed \$800,000.00 (\$500,000 for the current contract plus \$300,000 for Amendment 2). The contract will be funded by each project that uses the service on a fee-for-service basis.

DISCUSSION:

The JOC is a method of procuring maintenance, repair, and minor construction services under which a catalog of specific construction tasks with pre-set unit prices is provided to potential bidders who submit competitive bids for a multiplier, or unit price Adjustment Factor, that will be applied to the pre-set unit prices. Once contractors are selected, the total price for a specific project will be the sum of all pre-set unit prices required for that specific project, multiplied by their respective adjustment factors.

The job order is a firm fixed-price, indefinite quantity contract for renovation, maintenance, repair, and minor new construction projects. A price book of construction tasks and technical specifications is prepared by the JOC consultant and provided to bidders, who submit competitive bids for an adjustment factor, or percentage increase, to be applied to each of the various tasks.

In December 2014, the San Diego Association of Governments (SANDAG) and MTS launched a joint procurement for the development and implementation of a JOC Consultant for a variety of minor routine or recurring construction, renovation, alteration, or repair of existing public facilities. A single response was received from The Gordian Group and was determined to be responsive and responsible. As prescribed by the Federal Transit Administration (FTA) Circular 4220.1F a detailed price analysis was held to make certain that the price was fair and



reasonable in comparison with prevailing market prices for similar products and with the features of the product that was offered. The fees charged by The Gordian Group vary annually based on the total value of work orders for the prior calendar year.

On September 17, 2015, the MTS Board approved MTS Doc No. L1282.0-16 to Gordian for JOC consulting services for the preparation and provision of software, technical specifications, unit price books, and Invitation for Bid (IFB) forms for various types of maintenance, repair and minor construction projects. Since the inception of the agreement, MTS has paid, and/or encumbered \$341,645.07 as its share of fees to Gordian.

On April 23, 2020, the CEO approved Amendment 1, which extended the current agreement for fourteen (14) months and removed MTS's requirement to pass thru the contractor's 1% share of the Contractor's License Fee (CFL). Previously, MTS paid Gordian's contractor's 1% share of CFL. This was done by deducting 1% from the gross amount of each work order. The Amendment required contractors to pay their 1% CFL directly to Gordian.

Under proposed Amendment 2, Gordian will continue to provide JOC consulting services for the preparation and provision of software, technical specifications, unit price books, and IFB forms for various types of maintenance, repair and minor construction projects. The current agreement is scheduled to expire on November 22, 2021. The time extension is necessary in order to coincide with the expiration date of the Gordian's current General Services Administration (GSA) agreement number GS-35F-0081Y, and will allow MTS to continue using its existing JOC construction contracts.

The contract and subsequent amendments are summarized below:

Contract/Amendment	Purpose	Amount	Board Approval Date
L1282.0-16	Original contract	\$500,000.00	9/17/15 (AI 22)
Amendment 1	Extend agreement and remove CFL.	\$0.00	CEO Approval 4/23/20
Amendment 2	Add funds and extend agreement.	\$300,000.00	Today's proposed action.

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to execute Amendment 2 to MTS Doc. No. L1282.0-16 (in substantially the same format as Attachment A) with The Gordian Group totaling \$300,000.00, and extend for an additional five-year period for the continued provision of JOC services.

/S/ Sharon Cooney

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachment: A. Draft Amendment 2 MTS Doc No. L1282.2-16



Metropolitan Transit System

Amendment 2

Date: November 18, 2021

MTS Doc No. L1282.2-16

Job Order Contracting (JOC) Consulting Programming Software Services

The Gordian Group
Ammon T. Leshner
Vice President
30 Patewood Dr., Suite 350
Greenville, SC, 29615

This shall serve as Amendment No. 2 to the original agreement L1282.0-16 as further described below.

SCOPE

There shall be no change to the Scope of Work as a result of this Amendment.

SCHEDULE

MTS shall extend the base term of the agreement from November 22, 2021 to November 21, 2026.

PAYMENT

The total value of this contract, including this amendment, shall be in the amount of \$800,000 (\$500,000 for the current contract plus \$300,000.00 for this amendment). 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

Ammon T. Leshner, Vice President
The Gordian Group

Date: _____





Agenda Item No. 10

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

NETWORK EQUIPMENT FOR NETWORK DEVICES REFRESH – PURCHASE ORDER

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute a Purchase Order to AT&T Corp. for the provision of Cisco network equipment for MTS Network Devices Refresh in the amount of \$1,146,769.93.

Budget Impact

The total budget for this project shall not exceed \$1,146,769.93 (inclusive of 7.75% CA sales tax). The project will be funded as follows:

Funding Source	Description	Subtotal
CIP: 1007106201 Network Equipment Refresh	Hardware, Initial Install and Set-up, (inclusive of Sales Tax 7.75%); Hardware License (non-taxable)	\$229,146.95
CIP: 1007106101 Trolley Station Network Communication Equipment	Hardware, Initial Install and Set-up, (inclusive of Sales Tax 7.75%); Hardware License (non-taxable)	\$701,694.16
571250-661010 IT Operating Budget	Maintenance Support (non-taxable)	\$215,928.82
Grand Total:		\$1,146,769.93

DISCUSSION:

MTS utilizes a hardware network infrastructure that consists of Routers, Switches, and Access Points throughout the MTS network. These network devices are MTS core communication components for a wide range of systems and applications such as Fare system, Trolley monitoring devices, Video Servers, Voice over Internet Protocol (VoIP), and day-to-day user data. A typical network device has a lifespan of five (5) years. In order to maintain continuity and optimum uptime of our network, it is important to cycle out older network devices as they reach this age. In addition, the end of life beyond five years becomes increasingly high in maintenance costs, lack of availability of parts, and increased risk of cyber threats and attacks.



This project will fund the upcoming fiscal year's equipment refresh to replace specified network devices to maintain optimum performance and uptime, and reduce the possibility of device failure. As the MTS Information Technology (IT) staff maintains a five-year life span for all production network devices, procurement of equipment takes place on a year-to-year basis due to changes in equipment technology and manufacturers' configuration offerings. It is anticipated that this Purchase Order will be sufficient to refresh the specified MTS network devices for the upcoming year as part of the overall network equipment refresh program.

On September 14, 2021, MTS issued an Invitation for Bids (IFB) to procure Cisco Network Devices for Network Refresh. Two (2) bids were received on the due date of September 30, 2021 from the following bidders, including overall total amounts, inclusive of any delivery charges and CA sales tax as follows:

Bidder Name	Overall Total Amount
AT&T CORP.	\$1,146,769.93
NETXPERTS INC. – Small Business (SB)	\$1,236,801.66

MTS staff has deemed AT&T Corp. to be the lowest responsive and responsible bidder. The submitted pricing was determined to be a fair and reasonable price in comparison to the bids received, Manufacturer's Bill of Material (BOM) price estimate and other authorized Cisco providers' online pricing.

AT&T Corp. California Multiple Award Schedule (CMAS) Cooperative Purchasing Program reference number #3-21-08-1074 was utilized for this pricing. CMAS is a cooperative purchasing program facilitating a competitively assessed and cost compared public procurement multiple awards. The CMAS agreements listed products, services, and prices are primarily from the federal General Services Administration (GSA) Schedule IT 70 that provides a significantly lower rate than the national average, and the Cisco Network Devices, equipment and all related peripherals, products and service is one of such items available on the Agreement.

Therefore, staff recommends that the MTS Board authorize the CEO to execute a Purchase Order to AT&T Corp. for the provision of Cisco network equipment for MTS Network Devices Refresh in the amount of \$1,146,769.93.

/S/ Sharon Cooney
Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachment: A. Bid Price

TABLE 1 (10084612)				AT&T CORP.		
Item#	QTY	Product Part Number	Product Description	Taxable Yes (Y) or No (N)	Unit Price (USD)	Extended List Price (USD)
1	10	C9300-48P-E	Catalyst 9300 48-port PoE+, Network Essentials	Y	\$ 4,318.66	\$ 43,186.60
2	10	PWR-C1-715WAC-P/2	715W AC 80+ platinum Config 1 SecondaryPower Supply	Y	\$ 534.57	\$ 5,345.70
3	10	C9300-NM-8X	Catalyst 9300 8 x 10GE Network Module	Y	\$ 1,090.53	\$ 10,905.30
4	10	STACK-T1-1M	Cisco Catalyst 3850 Series Stack Cable STACK-T1-50CM, Cisco StackWise 480 - stacking cable - 3.3 ft	Y	\$ 85.53	\$ 855.30
5	2	FPR2130-NGFW-K9	Cisco Firepower 2130 NGFW Appliance, 1U, 1 x NetMod Bay	Y	\$ 9,248.78	\$ 18,497.56
6	2	FPR2K-PWR-AC-400	Firepower 2000 Series 400W AC Power Supply	Y	\$ 748.40	\$ 1,496.80
7	4	FPR2K-NM-8X10G	Cisco Firepower 8 port SFP+ Network Module	Y	\$ 12,332.20	\$ 49,328.80
8	1	FMC1600-K9	Cisco Firepower Management Center 1600 Chassis	Y	\$ 10,569.61	\$ 10,569.61
9	1	AIR-AP3802I-BK910 (set of 10)	802.11ac W2 10 AP w/CA; 4x4:3SS; Int Ant; mGig -B Domain	Y	\$ 8,989.29	\$ 8,989.29
10	10	AIR-AP3802E-B-K9	802.11ac W2 AP w/CA; 4x4:3; Mod; Ext Ant; mGig B Domain	Y	\$ 925.88	\$ 9,258.80
11	2	L-FPR2130T-TMC-5Y	Cisco FPR2130 Threat Defense Threat, Malware and URL 5Y Subscriptions	N	\$ 18,226.81	\$ 36,453.62
12	16	CVR-QSFP-SFP10G=	QSFP to SFP10G adapter	Y	\$ 149.21	\$ 2,387.36
13	6	SFP-10G-LR=	10GBASE-LR SFP Module	Y	\$ 1,765.10	\$ 10,590.60
14	2	CON-SSSNT-FPR2130W	SOLN SUPP 8X5XNBD Cisco Firepower 2130 NGFW Appliance, 1U, 5 Years	N	\$ 12,465.96	\$ 24,931.92
15	1	CON-SSSNT-FCM1600K	SOLN SUPP 8X5XNBD Cisco Firepower Management Center 1600 C 5 Years	N	\$ 13,530.76	\$ 13,530.76
16	10	CON-SSSNT-C93004PE	SOLN SUPP 8X5XNBD Catalyst 9300 48-port PoE+, Network Esse 5 Years	N	\$ 3,047.00	\$ 30,470.00
17	10	CON-SSTCM-C93E48	SOLN SUPP SW SUBC9300 DNA Essentials 5 years	N	\$ 180.06	\$ 1,800.60
18	10	C9300-DNA-E-48	C9300 DNA Essentials, 48-Port Term Licenses 5 Years	N	\$ 799.72	\$ 7,997.20
Subtotal:					\$	286,595.82

TABLE 2 (10086744)				AT&T CORP.		
Item#	QTY	Product Part Number	Product Description	Taxable Yes (Y) or No (N)	Unit Price (USD)	Extended List Price (USD)
1	3	C9500-32QC-A	Catalyst 9500 32-port 40/100G only, Advantage	Y	\$ 13,171.91	\$ 39,515.73
2	3	C9K-PWR-650WAC-R/2	650W AC Config 4 Power Supply front to back cooling	Y	\$ 898.09	\$ 2,694.27
3	2	QSFP-100G-LR4-S=	100GBASE LR4 QSFP Transceiver, LC, 10km over SMF	Y	\$ 14,100.43	\$ 28,200.86
4	4	QSFP-100G-ER4L-S=	100GBASE QSFP Transceiver, 40KM reach over SMF, Duplex LC	Y	\$ 32,072.33	\$ 128,289.32
5	2	C9800-40-K9	Cisco Catalyst 9800-40 Wireless Controller	Y	\$ 18,389.36	\$ 36,778.72
6	2	C9800-AC-750W-RED	Cisco Catalyst 9800-40 750W AC Power Supply, Reverse Air	Y	\$ 427.23	\$ 854.46
7	220	C9120AXE-B	C9120AX External 802.11ax 4x4:4 MIMO;IOT;BT5;mGig;USB;RHL	Y	\$ 680.94	\$ 149,806.80
8	220	AIR-ANT2544V4M-R=	2.4GHz 4dBi/5GHz 4dBi Multi Mount Omni Ant., 4-port,RP-TNC	Y	\$ 396.34	\$ 87,194.80
9	220	AIR-ANT2566P4W-R=	2.4 GHz 6 dBi/5 GHz 6 dBi Directional Ant., 4-port, RP-TNC	Y	\$ 324.60	\$ 71,412.00
10	3	CON-SNTP-C9532ACQ	SNTC-24X7X4 Catalyst 9500 32-port 40/100G only, Adva 5 years	N	\$ 12,781.32	\$ 38,343.96
11	2	CON-SSSNT-C98004KA	SOLN SUPP 8X5XNBD Cisco Catalyst 9800-40 Wireless Controll 1 Year	N	\$ 24,041.49	\$ 48,082.98
12	220	CON-SNT-C120AXE9	SNTC-8X5XNBD Cisco Catalyst 9120AX Series 1 Year	N	\$ 267.13	\$ 58,768.60
13	3	C9500-DNA-P-5Y	C9500 DNA Premier,40X/24Q/48Y4C/32C/32QC ,5Year Term License	N	\$ 9,233.17	\$ 27,699.51
14	220	AIR-DNA-A-5Y	Wireless Cisco DNA On-Prem Advantage, 5Y Term Lic	N	\$ 395.59	\$ 87,029.80
Subtotal:						\$ 804,671.81

San Diego, California Sales Tax (7.75%) for Taxable line items only:				\$	55,502.30
Freight Charges/ Shipping FOB specified destination (No Charge):				\$	0.00
GRAND TOTAL (Basis of Award):				\$	1,146,769.93

*Please specify the reference number of the Cooperative Purchasing Agreement used a the basis of your bid.

RETURN THIS FORM WITH YOUR BID, RETAIN OTHER PAGES FOR YOUR RECORDS



REVISED

Agenda Item No. 11

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

**3RD PARTY ADMINISTRATION SERVICES FOR WORKERS COMPENSATION BENEFITS
SERVICES – 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. G2460.0-21 (in substantially the same format as Attachment A) with CorVel Enterprise Comp, Inc. for 3rd Party Administration Services for Workers Compensation Benefits Services for a five (5) year base period with five (5) optional 1-year extensions in the amount of \$4,906,919.14.

Budget Impact

The total budget for this project shall not exceed \$4,906,919.14. The project will be funded by accounts 905014-525400 Fringe Benefits Workers Compensation – San Diego Transit Corporation (SDTC), 905016-525400 Fringe Benefits Works Compensation - San Diego Trolley Incorporated (SDTI) and 905010-525400 Fringe Benefits Workers Compensation – MTS.

DISCUSSION:

MTS utilizes a third-party administrator (TPA) to provide a bundled service program for claims administration, medical bill review, managed care (i.e. utilization review, nurse case management, surveillance, etc.), Medicare/Medicaid S-Chip reporting and assistance managing MTS's Medical Provider Network (MPN). These services are for MTS and its wholly-owned subsidiaries: SDTC, and SDTI. MTS's current contract with TRISTAR Risk Management will terminate on January 31, 2022.

MTS has outsourced its workers' compensation program to a TPA since 2001. Prior to that time, MTS self-administered workers' compensation with in-house claims and support staff. The TPA provides comprehensive services on all workers' compensation claims from inception to resolution. The examiners and other staff work closely with MTS's Risk Department staff to ensure benefits are provided appropriately to employees in coordination with state mandates



and MTS's internal protocols. The TPA also issues payments for medical treatment and the other ancillary services identified above.

On May 7, 2021, MTS issued a Request for Proposals for Workers Compensation Administrative Services. Five (5) proposals were received by the due date of July 23, 2021 from the following:

1. American Claims Management, Inc. dba ACM
2. Athens Administrators Service, Inc. dba Athens Administrators
3. CorVel Enterprise Comp, Inc.
4. Pacific Secured Equities, Inc. dba Intercare Holdings Insurance Services, Inc.
5. TRISTAR Risk Management

All five proposals were deemed responsive and responsible and were evaluated by a committee comprised of representatives from the MTS Legal, Finance, Risk Management and Human Resources departments. The proposals were evaluated on the following:

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

The following table illustrates the total scores and ranking of each:

PROPOSER	TOTAL AVG. TECH SCORE	TOTAL COST (5-Year Base plus 5 1-year Options)	COST SCORE (5-Year Base only)	<u>COST SCORE (10 Years (Base + Options)</u>	TOTAL AVG. SCORE TOTAL POSSIBLE: 100	RANKING (5-Year Base only)	<u>RANKING (10 Years (Base + Options)</u>
CorVel	58.40	\$5,108,909.96	30.00	<u>30.00</u>	88.40	1	<u>1</u>
Athens	56.00	\$7,727,038.00	20.85	<u>19.84</u>	76.85	2	<u>2</u>
Intercare	55.80	\$5,798,703.75 <u>8,296,178.42</u>	19.06	<u>18.47</u>	74.86	3	<u>3</u>
TRISTAR	49.40	\$6,568,256.00	24.66	<u>23.33</u>	74.06	4	<u>4</u>
ACM	42.00	\$5,505,178.75	28.43	<u>27.84</u>	70.43	5	<u>5</u>

As a result of the initial review, three firms were determined to be within the competitive range (CorVel, Intercare, and Athens). MTS invited these firms to participate in the interview process and requested for additional clarifications related to each proposal. Interviews were held on October 21, 2021 and October 24, 2021. Subsequent to the interviews, the evaluation committee rescored the proposers as follows:

PROPOSER	TOTAL AVG. TECH SCORE	TOTAL COST (5-Year Base plus 5 1-year Options)	<u>COST SCORE (5-Year Base only)</u>	<u>COST SCORE (10 Years (Base + Options) COST SCORE</u>	TOTAL AVG. SCORE TOTAL POSSIBLE: 100	<u>RANKING (5-Year Base only) RANKING</u>	<u>RANKING (10 Years (Base + Options)</u>
CorVel	59.20	\$5,068,159.96	<u>30.00</u>	<u>30.00</u> <u>30.00</u>	89.20	1	<u>1</u>
Athens	54.40	\$7,727,038.00	<u>20.85</u>	<u>19.84</u> <u>20.85</u>	75.25	2	<u>2</u>
Intercare	55.40	\$5,798,703.75 <u>8,296,178.42</u>	<u>19.06</u>	<u>19.06</u> <u>18.47</u>	74.46	3	<u>3</u>

Based on the updated scores and information gained during the interviews, CorVel remained as the highest-ranked proposer. MTS identified items that required further discussions and requested for a Best and Final Offer (BAFO) from CorVel.

After negotiations and clarifications, staff was able to reduce CorVel's proposal by \$201,990.82 (or roughly 3.94%) from the original price of \$5,108,909.96 to a final negotiated price of \$4,906,919.14 over the 10-year term.

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

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to execute MTS Doc. No. G2460.0-21 in substantially the same format as Attachment A) with CorVel Enterprise Comp, Inc. for Third Party Administration Services for Workers Compensation Benefits for a five (5) year base period with five (5) optional 1-year extensions in the amount of \$4,906,919.14.

/S/ Sharon Cooney
Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachments: A. Draft MTS Doc. No. G2460.0-21
B. CorVel's Best and Final Offer (BAFO)



Metropolitan Transit System

STANDARD AGREEMENT

FOR

MTS DOC. NO. G2460.0-21

3RD PARTY ADMINISTRATION SERVICES FOR WORKERS COMPENSATION SERVICES

THIS AGREEMENT is entered into this _____ day of _____, 2021 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: CorVel Enterprise Comp, Inc. Address: 1920 Main Street, Suite 900
Irvine CA 92614
 Form of Business: Corporation City State Zip
 (Corporation, Partnership, Sole Proprietor, etc.) Email: richard.schweppe@corvel.com
 Telephone: (714) 585-8331

Authorized person to sign contracts Richard Schweppe Director and Assistant treasurer
Name Title

The Contractor agrees to provide services as specified in the conformed Scope of Work (Exhibit A), Contractor's Cost/Pricing Form (Exhibit B), and in accordance with the Standard Agreement, including Standard Conditions (Exhibit C), Federal Requirements, and signed MTS Forms (Exhibit D).

The contract term is for a 5-year base with 5 optional 1-year extensions, exercisable at MTS's sole discretion, for a total of 10 years. Base period shall be effective February 1, 2022 through January 31, 2027 and option years shall be effective February 1, 2027 through January 31, 2032, if exercised by MTS.

Payment terms shall be net 30 days from invoice date. The total cost of this contract shall not exceed \$2,276,017.98 for the base years and \$2,630,901.16 for the option years, for a contract total not-to-exceed \$4,906,919.14 without the express written consent of MTS.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CORVEL ENTERPRISE COMP, INC.
By: _____ Sharon Cooney, Chief Executive Officer	By _____
Approved as to form:	
By: _____ Karen Landers, General Counsel	Title: _____



		BASE PERIOD						OPTION PERIOD																				
		Year 1	Year 2	Year 3	Year 4	Year 5	Total Base Period			Option Year 1	Option Year 2	Option Year 3	Option Year 4	Option Year 5	Total Option Period	Grand Total												
Administration Fees																												
1	Claims Administration Services	\$	263,575.00	\$	263,575.00	\$	268,846.50	\$	274,223.43	\$	279,707.90	\$	1,349,927.83	Claims Administration Services	\$	279,707.90	\$	279,707.90	\$	285,302.06	\$	291,008.10	\$	296,828.26	\$	1,432,554.21	\$	2,782,482.04
2	Medical Bill Review Auditing																											
	a. Bills (Rate per Bill)	\$	8.50	\$	8.50	\$	8.67	\$	8.84	\$	9.02			Medical Bill Review Auditing	\$	9.02	\$	9.02	\$	9.20	\$	9.38	\$	9.57				
	b. Peer Review (Price per Case)	\$	225.00	\$	225.00	\$	229.50	\$	234.09	\$	238.77			b. Peer Review (Price per Case)	\$	238.77	\$	238.77	\$	243.55	\$	248.42	\$	253.39				
	c. PPO Savings Cost Allocation *	24%	24%	24%	24%	24%								c. PPO Savings Cost Allocation											\$	-	\$	-
3	Managed Care (Nurse Case Management)																											
	a. Telephone (Cost per Hour)	\$	120.00	\$	120.00	\$	122.40	\$	124.85	\$	127.34			Managed Care (Nurse Case Management)	\$	127.34	\$	127.34	\$	129.89	\$	132.49	\$	135.14				
	b. Field (Cost per Hour)	\$	120.00	\$	120.00	\$	122.40	\$	124.85	\$	127.34			b. Field (Cost per Hour)	\$	127.34	\$	127.34	\$	129.89	\$	132.49	\$	135.14				
4	Medical Provider Network (MPN)																											
	a. Set-up Fee (One-time fee)	waived	n/a	n/a	n/a	n/a	\$	-						Medical Provider Network (MPN)	n/a	n/a	n/a	n/a	n/a	n/a	\$	-	\$	-	\$	-	\$	-
	b. Annual Subscription/Maintenance Services (Annual Cost)	\$1.00 per bill	\$1.00 per bill	\$1.00 per bill	\$1.00 per bill	\$1.00 per bill								b. Annual Subscription/Maintenance Services (Annual Cost)	\$1.00 per bill	\$1.00 per bill	\$1.00 per bill	\$1.00 per bill	\$1.00 per bill	\$	-	\$	-	\$	-	\$	-	
	c. MPN Toll Free Number (Cost per Call)	Included	Included	Included	Included	Included								c. MPN Toll Free Number (Cost per Call)	Included	Included	Included	Included	Included									
5	Medicare/Medicaid Legislation Reform 2011 (Per Report)	Included	Included	Included	Included	Included								Medicare/Medicaid Legislation Reform 2011 (Per Report)														
	a. ISO Index Fees (8.65 per request) *	\$	15.00	\$	15.00	\$	15.30	\$	15.60	\$	15.91			a. ISO Index Fees	\$	15.91	\$	15.91	\$	16.23	\$	16.55	\$	16.89				

		BASE PERIOD						OPTION PERIOD								
		Year 1	Year 2	Year 3	Year 4	Year 5	Total Base Period		Option Year 1	Option Year 2	Option Year 3	Option Year 4	Option Year 5	Total Option Period	Grand Total	
Calculated Costs																
1	Claims Administration Services	\$ 263,575.00	\$ 263,575.00	\$ 268,846.50	\$ 274,223.43	\$ 279,707.90	\$ 1,349,927.83	Claims Administration Services	\$ 279,707.90	\$ 279,707.90	\$ 285,302.06	\$ 291,008.10	\$ 296,828.26	\$ 1,432,554.21	\$ 2,782,482.04	
2	Medical Bill Review Auditing							Medical Bill Review Auditing								
	a. Bills (Assumes 5,000 bills per year)	\$ 42,500.00	\$ 42,500.00	\$ 43,350.00	\$ 44,217.00	\$ 45,101.34	\$ 217,668.34	a. Bills (Assumes 6,000 bills per year)	\$ 54,121.61	\$ 54,121.61	\$ 55,204.04	\$ 56,308.12	\$ 57,434.28	\$ 277,189.66	\$ 494,858.00	
	b. Peer Review (Price per Review)	\$ 225.00	\$ 225.00	\$ 229.50	\$ 234.09	\$ 238.77	\$ 1,152.36	b. Peer Review (Price per Review)	\$ 7,163.15	\$ 7,163.15	\$ 7,306.42	\$ 7,452.55	\$ 7,601.60	\$ 36,686.87	\$ 37,839.23	
	c. PPO Savings Cost Allocation	24%	24%	24%	24%	24%		c. PPO Savings Cost Allocation	24%	24%	24%	24%	24%	\$ -	\$ -	
3	Managed Care (Nurse Case Management)							Managed Care (Nurse Case Management)								
	a. Telephone (Assumes 200 hours per year)	\$ 24,000.00	\$ 24,000.00	\$ 24,480.00	\$ 24,969.60	\$ 25,468.99	\$ 122,918.59	a. Telephone (Assumes 300 hours per year)	\$ 38,203.49	\$ 38,203.49	\$ 38,967.56	\$ 39,746.91	\$ 40,541.85	\$ 195,663.29	\$ 318,581.88	
	b. Field (Assumes 900 hours per year)	\$ 108,000.00	\$ 108,000.00	\$ 110,160.00	\$ 112,363.20	\$ 114,610.46	\$ 553,133.66	b. Field (Assumes 1,000 hours per year)	\$ 127,344.96	\$ 127,344.96	\$ 129,891.86	\$ 132,489.70	\$ 135,139.49	\$ 652,210.97	\$ 1,205,344.63	
4	Medical Provider Network (MPN)							Medical Provider Network (MPN)								
	a. Set-up Fee (One-time fee)	waived	n/a	n/a	n/a	n/a	\$ -	a. Set-up Fee (One-time fee)	n/a	n/a	n/a	n/a	n/a	\$ -	\$ -	
	b. Annual Subscription/Maintenance Services (Annual Cost)	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 25,000.00	b. Annual Subscription/Maintenance Services (Annual Cost)	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 30,000.00	\$ 55,000.00	
	c. MPN Toll Free Number (Assumes 25 Calls Per Year)	Included	Included	Included	Included	Included	\$ -	c. MPN Toll Free Number (Assumes 35 Calls Per Year)	Included	Included	Included	Included	Included	\$ -	\$ -	
5	Medicare/Medicaid Legislation Reform 2011 (Assumes 50 Submissions per Year)	Included	Included	Included	Included	Included	\$ -	Medicare/Medicaid Legislation Reform 2011 (Assumes 75 Submissions per Year)	Included	Included	Included	Included	Included	\$ -	\$ -	
	a. ISO Index Fees	\$ 1,213.87	\$ 1,213.87	\$ 1,238.15	\$ 1,262.43	\$ 1,287.68	\$ 6,216.00	a. ISO Index Fees	\$ 1,287.68	\$ 1,287.68	\$ 1,313.43	\$ 1,339.70	\$ 1,366.49	\$ 6,594.97	\$ 12,810.96	
TOTAL ANNUAL COSTS (BUNDLED PROGRAM)- BAFO		\$ 444,514.11	\$ 444,514.11	\$ 453,304.39	\$ 462,269.99	\$ 471,415.38	\$ 2,276,017.98	TOTAL ANNUAL COSTS (BUNDLED PROGRAM)- BAFO	\$ 513,829.02	\$ 513,829.02	\$ 523,985.60	\$ 534,345.31	\$ 544,912.21	\$ 2,630,901.16	\$ 4,906,919.14	



Agenda Item No. 12

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

INVESTMENT REPORT – QUARTER ENDING SEPTEMBER 30, 2021

INFORMATIONAL ONLY

Budget Impact

None.

DISCUSSION:

Attachment A comprises a report of the San Diego Metropolitan Transit System (MTS) investments as of September 30, 2021. The combined total of all investments has increased quarter to quarter from \$91.2 million to \$152.3 million. This \$61.1 million increase is attributable to \$62.6 million in Federal Transit Administration (FTA) Preventative Maintenance and \$32.7 million in FTA revenue for capital projects, partially offset by \$19.6 million in capital expenditures, \$4.3 million in CalPERS unfunded liability payment, as well as normal timing differences between other payments and receipts.

The first column provides details about investments restricted for capital improvement projects.

The second column, unrestricted investments, reports the working capital for MTS operations allowing payments for employee payroll and vendors' goods and services.

MTS remains in compliance with Board Policy 30 and is able to meet expenditure requirements for a minimum of the next six months as required.

/S/ Sharon Cooney

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachment: A. Investment Report for the Quarter Ending September 30, 2021



**San Diego Metropolitan Transit System
Investment Report
September 30, 2021**

Institution / Issuer	Function	Investment Type	Restricted	Unrestricted	Total	Avg. Rate of Return	Benchmark	
J.P. Morgan Chase	Operating Funds	Depository Bank	-	47,968,954	47,968,954	0.02%	*	0.070% WSJ Money Market
U.S. Bank - Retention Trust Account	Restricted for Capital Support	Depository Bank	8,531,874	-	8,531,874	N/A	**	-
San Diego County Treasurer's Office	State Grant Funds	Investment Pool	18,116,689	-	18,116,689	0.740%		0.048% S&P US T-Bill 0-3 Mth Index
Subtotal: Restricted for Capital Support			26,648,562	-	26,648,562			
Local Agency Investment Fund (LAIF)	Investment of Surplus Funds	Investment Pool	-	51,868,733	51,868,733	0.206%		0.048% S&P US T-Bill 0-3 Mth Index
San Diego County Treasurer's Office	Investment of Surplus Funds	Investment Pool	-	25,776,922	25,776,922	0.740%		0.048% S&P US T-Bill 0-3 Mth Index
Subtotal: Investment Surplus Funds			-	77,645,655	77,645,655			
Grand Total Cash and Investments			\$ 26,648,562	\$ 125,614,609	\$ 152,263,171			

*-The .01% is an annual percentage yield on the average daily balance that exceeds \$30 million

** - Per trust agreements, interest earned on retention account is allocated to trust beneficiary (contractor)



Agenda Item No. 13

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

DESIGN SERVICES FOR IRIS RAPID ROUTE AND STATION INFRASTRUCTURE
IMPROVEMENTS – WORK ORDER AMENDMENT

RECOMMENDATION:

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

- 1) Ratify Amendment 1 to Work Order WOA2075-AE-54 to MTS DOC No. G2075.0-18 (Attachment A) with Dokken Engineering (Dokken) in the amount of \$96,513.63 to provide right-of-way support for the project; and
- 2) Authorize the Chief Executive Officer (CEO) to execute Amendment 2 to Work Order WOA2075-AE-54 to MTS DOC No. G2075.0-18 (in substantially the same format as Attachment B) with Dokken in the amount of \$10,254.73 for design services and plan updates to include a proposed curb ramp at the Northwest Corner (NWC) of the Coronado Avenue/Beyer Boulevard intersection.

Budget Impact

The total budget for this project shall not exceed \$917,180.40. This project is funded by MTS Capital Improvement Project (CIP) 1009113001 – Iris Rapid Route and Station Infrastructure Improvements.

Description	Amount
Board Approved WOA2075-AE-54 Tasks 1-6	\$647,270.61
Board Approved WOA2075-AE-54 Tasks 7-11 (not yet exercised)	\$163,141.43
Total Board Approval	\$810,412.04
Ratify Amendment 1 (WOA2075-AE-54.01)	\$96,513.63
Authorize Amendment 2 (WOA2075-AE-54.02)	\$10,254.73
Today's Board Ratification/Authorization	\$106,768.36
Updated Contract Amount	\$917,180.40

DISCUSSION:

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.



In 2018, MTS staff applied for and received a Transit and Intercity Rail Capital Program (TIRCP) grant to add a new Rapid Bus Feeder service between Imperial Beach and the Otay Mesa International Border crossing, connecting both communities to the UC San Diego Blue Line Trolley. Consistent with the grant program's goal to significantly reduce emissions of greenhouse gases, the new Rapid route will be served by 12 new, 60-foot Battery Electric Buses (BEB). The new service will be called Rapid Bus Route 925, or Iris Rapid, operating at 7.5-min headways in the peak hours, with buses from the MTS South Bay Maintenance Facility (SBMF) on Main Street in Chula Vista.

MTS completed a route plan for Iris Rapid, which identified station stops along the route, and recommended upgrades at each location, including new shelters and Variable Message Signs (VMS) at the stops, and the addition of four (4) bus bays on the west side of the trolley tracks at the Iris Avenue Transit Center.

On January 12, 2016, SANDAG and MTS issued a joint Request for Statement of Qualifications (RFSQ) for On-Call A&E Design Consulting services. The RFSQ resulted in the approval of 8 firms qualified to perform A&E services. Tasks are assigned to the firms through a work order process. MTS selects the most qualified firm based on the capability to perform the scope of work.

For this project, staff selected Dokken Engineering from the MTS-SANDAG as-needed Architectural & Engineering (A&E) design consulting services list, and on July 30, 2020, the MTS Board authorized a design services work order in the amount of \$810,412.04. On April 20, 2021, the CEO approved Amendment 1 to provide right-of-way support for the Iris Rapid corridor project and station design.

Under proposed work order Amendment 2, Dokken shall provide design services and plan updates to include a proposed curb ramp at the NWC of the Coronado Avenue/Beyer Boulevard intersection. This design addition was requested by the City of San Diego, in lieu of having to install new sidewalk improvements along the north side of Coronado Avenue and a crosswalk at the westbound approach of the Coronado Ave/30th Street intersection. Furthermore, this design inclusion requires additional topographic surveying and mapping at the location of the proposed curb ramp.

Therefore, staff recommends that the MTS Board of Directors:

- 1) Ratify Amendment 1 to Work Order WOA2075-AE-54 to MTS DOC No. G2075.0-18 (Attachment A) with Dokken in the amount of \$96,513.63 to provide right of way support for the project; and

- 2) Authorize the CEO to execute Amendment 2 to Work Order WOA2075-AE-54 to MTS DOC No. G2075.0-18 (in substantially the same format as Attachment B) with Dokken in the amount of \$10,254.73 for design services and plan updates to include a proposed curb ramp at the NWC of the Coronado Avenue/Beyer Boulevard intersection.

/S/ Sharon Cooney
Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachments: A. Amendment 1 WOA2075-AE-54.01
B. Draft Amendment 2 WOA2075-AE-54.02



April 12, 2021

MTS Doc. No. G2075.0-18
WOA2075-AE-54.01

Mr. John Klemunes, PE
Regional Manager
Dokken Engineering
1450 Frazee Road, Suite 100
San Diego, CA 92108

Dear Mr. Klemunes:

Subject: AMENDMENT NO. 1 TO WORK ORDER WOA2075-AE-54, TO MTS DOC. NO. G2075.0-18,
ENGINEERING SERVICES FOR IRIS RAPID – CORRIDOR AND STATION DESIGN

This letter shall serve as Amendment No. 1 for professional services, Work Order WOA2075-AE-54, under the General Engineering Consultant Agreement, MTS Doc. No. G2075.0-18, as further described below.

SCOPE OF SERVICES

This Amendment shall provide right of way support for the Iris Rapid corridor and station design. Work provided under this Work Order will be performed in accordance with the attached Scope of Services (Attachment A).

SCHEDULE

There shall be no change to the schedule as a result of this Amendment. The Scope of Services, as described above, shall be for a period of 29 weeks from the date of the Notice to Proceed.

PAYMENT


This Amendment shall increase the payment amount by \$96,513.63. Payment shall be based on actual costs in the amount not to exceed \$743,784.24 without prior authorization of MTS (Attachment B).

Please sign below, and return the document to the Contracts Specialist at MTS. All other terms and conditions shall remain the same and in effect.

Sincerely,


Sharon Cooney
Chief Executive Officer

Accepted:


John Klemunes, PE *president*
Regional Manager, Dokken Engineering

Date: 4/20/2021

Attachments: Attachment A, Scope of Services
Attachment B, Negotiated Fee Proposal



ATTACHMENT A

SCOPE OF SERVICES

MTS “Iris Rapid” – Corridor & Station Design

MTS has selected Dokken as the Prime Consultant to provide schematic design, design development, and final engineering for the MTS “Iris Rapid” Corridor & Station Design which is located within both the City of San Diego and City of Imperial Beach. The plans are currently 50% complete and are in their initial review cycles at both agencies. The primary intent of this addendum is to provide right-of-way acquisition services related to the current project design.

I. SCOPE OF SERVICES

Dokken Engineering will provide right-of-way acquisition support for parcels 633-031-24 (EB Imperial Beach Blvd at 13th Street, 7-Eleven property) and 627-302-32 (WB Coronado Ave at Saturn Blvd, Jack in the Box property) which will require both permanent and temporary acquisitions. In addition, optional tasks are included for parcels 760-107-25-00 (Veteran’s Park) and 633-140-12 (South Bay Community Park) in the event that plat & legals are necessary for permanent right-of-way acquisition, as well as determining the exact right-of-way limits regarding the SB Seacoast Drive at Dahlia Avenue location (parcel 625-181-13). Also, an optional task is being included to cover direct costs related to the submittal fees for both agencies.

Provided below is summary of the scope of services and deliverables Dokken Engineering and Aguirre & Associates will provide for the Iris Rapid Corridor and Station Project:

TASK 12: RIGHT-OF-WAY SUPPORT

12.1 Project Management & Coordination Services

To eliminate any unforeseen issues, Dokken Engineering’s team works closely with the applicable funding sources to ensure all changes regarding certification, documentation, and procedures are implemented. By coordinating our efforts, Dokken Engineering ensures that all the current documentation and procedures are used for all right-of-way efforts for local public agency projects.

Dokken Engineering will complete the following work:

- Attain title reports, maps (engineering plans), plat maps and legal descriptions;
- Review title reports and implement solutions for items that may affect title or cause a delay in escrow;
- Provide all gathered information to the appraiser and attain a detailed timeline to complete the assigned task;
- Monitor progress and provide any additional information to the designated appraiser;
- Review all reports supplied by the appraiser for quality assurance;
- Design, grading, and construction coordination regarding the Denny’s property (APN 628-110-18) for impacts to the existing stormwater BMP adjacent to the WB Coronado at Hollister Street Bus Station.
- Prepare draft acquisition documentation for Client review and approval;
- Provide final appraisal report and acquisition documentation to the Client for final review;
- Prepare staff reports for approval of just compensation;
- Make offers in person to each property owner;
- Attain executed acquisition documentation from each affected property owner;
- Provide possession documentation in lieu of purchase contracts;
- Supply condemnation support, if required;
- Deliver fully executed documentation to escrow/title officers to close escrow and provide title insurance;
- Coordinate the close of escrow and provide original copies of acquisition files to the Client;
- Provide the Client with original acquisition files.

12.2 Project Tracking Table

Jamie Formico (Dokken Engineering) will maintain the project tracking table and ensure that it is sent to the Client on the regularly requested schedule. As a component of effective project management and to keep the project on schedule and the Client current with acquisition data, a project tracking table will be created. This table will outline milestones and supply completion dates, comments, and any additional information the Client may request.

12.3 Order Title Reports/Title Research

Dokken Engineering will obtain title reports for the two affected properties: APNs 633-031-24 and 627-302-32. The Dokken Engineering right-of-way team will perform all necessary research for each parcel being acquired. Agents may resolve or oversee resolution of problems relating to unusual circumstances regarding title or ownership and uncover any flaws, noting any exceptions pertaining to property such as mortgage liens, restrictions, easements, and rights of way.

12.4 Appraisal Process

Upon receipt preliminary title reports and final plat maps and legal descriptions, appraisals will be completed for the two affected parcels (APNs 633-031-24 and 627-302-32) by licensed General Real Estate Appraisers. Notice of intent to appraise letters along with acquisition policy brochures will be provided to all impacted property owners. Appraisals will be arranged so that the property owner may accompany the appraiser during the inspection of the property. This allows the property owner the opportunity to provide additional information to the appraiser.

All appraisals will be prepared by an appraiser licensed with the State of California and will comply with all laws applicable to the specific appraisal and the Uniform Standards of Professional Appraisal Practice 49 CFR 24.2(a)(3). Appraisals will include a summary and a complete analysis for all valuation conclusions. Documentation obtained during the inspection, such as pictures, will be included in each report. Title information pertaining to ownership, drawings, and information relative to the parcel will be reviewed by the appraiser.

12.5 Summary Statement

Dokken Engineering will complete a Summary Statement Relating to the Purchase of Real Property or an Interest Therein (Caltrans Exhibit 8-EX-16) for each property. This document will be delivered to property owners with the offer package during the initial meeting.

12.6 Negotiations for Right-of-Way

Permanent and temporary acquisition will be required from two parcels (APNs 633-031-24 and 627-302-32). All "Good Faith Negotiations" will be completed by Dokken Engineering's Right-of-Way Team. After completion of the appraisal process and just compensation determination, Dokken Engineering will prepare the offer package and meet with all owners in person to present and explain the offer package details. The offer package will include the offer letter, written summary of just compensation with supporting appraisal information, property owner exhibit showing property map with right-of-way take locations, Title VI information, "Your Property – Your Transportation Project" booklet. Dokken Engineering will negotiate with the property owner to arrive at a mutually agreeable settlement and prepare necessary purchase agreements such as Grant Deeds, Easement Deeds, and Temporary Construction Easement Deeds. Dokken Engineering will obtain receipt of delivery of offer and/or present and secure tenant information statements, as applicable, during the initial meeting.

Dokken Engineering will work closely with the Client to aid in the recommendation of the appropriate course of action with regard to the various acquisitions with property owners requesting additional compensation and/or services beyond the initial offer package. Recommended settlement packages with justifications and impasse letters will be provided to the Client for review. Working with the property owners to agreeable terms will be Dokken Engineering's focus. There may be situations where condemnation is unavoidable, such as clouds in the title. In the event the Client will need to attain property through the condemnation process, Dokken Engineering will assist in the preparation

of all necessary condemnation reports, letters, and packages.

Additionally, Dokken Engineering will attend, at the request of the Client, any Public Community Meetings regarding the project.

Dokken Engineering's Right-of-Way Agents hold California Real Estate Salesperson's Licenses and are working under the direct supervision of a California Real Estate Licensed Broker.

12.7 Escrow Coordination

Upon reaching an agreement on the terms and conditions of the acquisition with the property owner, Dokken Engineering will be available to assist the Client in opening escrow. Dokken Engineering will supply fully executed agreements along with other supporting information to escrow to close each transaction. Dokken Engineering will work closely with the Client to assist in the timely closing of all transactions. For the convenience of the property owner, our right-of-way team has a California Notary who will be available to notarize any documentation that is required. Fully executed deeds and easements will be delivered to the Client for acceptance prior to recording. In the event escrow services are not required, Dokken Engineering is available to perform these services and record the required documentation.

12.8 Right-of-Way Certification

Dokken Engineering will coordinate with the Client and supply all required documentation for the right-of-way certification. Dokken Engineering will review all acquisition documents for proper and complete execution, including formal acceptance.

12.9 Project Close-Out

The original acquisition file for each affected parcel will be provided to the Client upon completion of the project. Each acquisition file will contain property information, diary report, written correspondence, just compensation documentation, appraisal(s), offer package, negotiations, title documentation, copies of recorded documents, and all applicable documentation.

12.10 Prepare IB at 13th Street Plat & Legal (APN 633-031-24)

Aguirre & Associates will establish the easterly parcel line, then prepare right-of-way and temporary construction easement Plats & Legals for this location.

12.11 Prepare Coronado at Saturn Blvd Plat & Legal (APN 627-302-32)

Aguirre & Associates will prepare right-of-way and temporary construction easement Plats & Legals for this location.

TASK 13 OPTIONAL TASKS: DIRECT COSTS/REIMBURSABLES RELATED TO AGENCY SUBMITTALS & PERMIT FEES

13.1 Agency Submittals & Permit Reimbursables:

A direct cost of \$40,000.00 is being allocated to cover agency submittal and permit fees related to both the City of Imperial Beach and the City of San Diego DSD.

II. DELIVERABLES

Task 12

1. Project Tracking Table
2. Two Preliminary Title Reports
3. Appraisal Reports

4. Summary Statement Relating to the Purchase of Real Property or an Interest Therein (Caltrans Exhibit 8-EX-16)
5. Right-of-Way Agreements, Grant and Easements Deeds, Administrative Settlements, Diaries, Written Summary of Acquisitions, Impasse Letters
6. Escrow Documents & Closing Statements
7. Right-of-Way Certification Documentation
8. Original Acquisition Files
9. Plat & Legal Documentation

Task 13 (Optional)

1. Agency Submittal Receipts & Backup Documentation

III. SCHEDULE OF SERVICES/MILESTONES/DELIVERABLES

Schedule to be determined by the project team. Right-of-way acquisition tasks shall be performed concurrently with PS&E production and review.

IV. MATERIALS TO BE PROVIDED BY DOKKEN and/or MTS

N/A

V. SPECIAL CONDITIONS/ASSUMPTIONS

Any condition listed below applies solely to this Task Order and does not otherwise alter the Agreement or other Task Orders. The Scope and Fees are based on the following assumptions.

- A. This task order will be limited to the time and materials fee budget negotiated as shown in Attachment B.
- B. All deliverables will be provided in electronic format.

ATTACHMENT B

NEGOTIATED FEE PROPOSAL

Work Order Estimate Summary

Att. A, AI 13, 11/18/2021

MTS Doc. No. G2075.0-18

Work Order No. WOA2075-AE-54.01

Attachment: B

Work Order Title: "IRIS RAPID" – CORRIDOR AND STATION DESIGN

Project No:

Table 1 - Cost Codes Summary (Costs & Hours)

Item	Cost Codes	Cost Codes Description	Total Costs
1		Labor	\$48,113.63
2		ODC	\$48,400.00

Totals = \$96,513.63

Table 2 - TASKS/WBS Summary (Costs & Hours)

Item	TASKS/WBS	TASKS/WBS Description	Labor Hrs	Total Costs
1	TASK 12	Right-of-way Acquisition (Parcels 633-031-24 & 627-302-32)	346.0	\$56,513.63
2	TASK 13	Direct Costs/Reimbursables Related to Agency Submittals & Permit Fees		\$40,000.00

Totals = 346.0 \$96,513.63

Table 3 - Consultant/Subconsultant Summary (Costs & Hours)

(If Applicable, Select One)				Consultant	Labor Hrs	Total Costs
DBE	DVBE	SBE	Other			
			X	Dokken	313.0	\$91,710.03
X				Aguirre & Associates	33.0	\$4,803.60

Totals = 346.0 \$96,513.63

Work Order Estimate Summary

Att. A, AI 13, 11/18/2021

Total Hours =	313
Total Costs =	\$91,710.03

Consultant: **Dokken Engineering**

MTS Doc. No.: **G2075.0-18**

Work Order No.: **WOA2075-AE-54.01**

**"IRIS RAPID" –
CORRIDOR AND
STATION DESIGN**

Attachment: **B**

Item	TASKS/WBS	TASKS/WBS Description	ODCs (See Attachment)	Mark Tarrall Project Manager	ROW Specialist	ROW Agent	Professional Land Surveyor	Total Hours	Totals	Percent of Total	
				\$ 268.46	\$ 149.14	\$ 119.31	\$ 119.31			Hours	Costs
12	TASK 12	Right-of-way Acquisition (Parcels 633-031-24 & 627-302-32)									
12.1	Project Management and Coordination Services			32	6			38	\$9,485.56		
12.2	Project Tracking Table				10	16		26	\$3,400.36		
12.3	Order Title Reports/Title Research (2 reports)	\$1,900.00				10		10	\$3,093.10		
12.4	Appraisal Process (2 reports)	\$6,500.00				10		10	\$7,693.10		
12.5	Summary Statement					10		10	\$1,193.10		
12.6	Negotiations for Right of Way (2 parcels)				10	120		130	\$15,808.60		
12.7	Escrow Coordination					40		40	\$4,772.40		
12.8	Right of Way Certification				10	10		20	\$2,684.50		
12.9	Project Close-out				4	25		29	\$3,579.31		
	Subtotals (Hours) =	N/A		32	40	241		313	\$43,310.03		
	Subtotals (Costs) =	\$8,400.00		\$8,590.72	\$5,965.60	\$28,753.71		313	\$51,710.03	100.0%	56.4%
OPTIONAL TASKS											
13	TASK 13	Direct Costs/Reimbursables Related to Agency Submittals & Permit Fees									
13.1	Agency Submittals & Permit Reimbursables	\$40,000.00							\$40,000.00		
	Subtotals (Hours) =	N/A							\$40,000.00		
	Subtotals (Costs) =	\$40,000.00							\$40,000.00	-----	43.6%
Totals Without Optional (Summary) =								313	\$51,710.03		
Total Without Optional (Hours) =				32	40	241		313	\$ 83,310.03		
Total Without Optional (Costs) =				\$8,400.00	\$8,590.72	\$5,965.60	\$28,753.71				
Totals With Optional (Summary) =								313	\$91,710.03		
Total With Optional (Hours) =				32	40	241		313	\$91,710.03		
Total with Optional (Costs) =				\$48,400.00	\$32.00	\$5,965.60	\$28,753.71				
Percentage of Total (Hours) =						13%	77%	90%			
Percentage of Total (Costs) =				53%		7%	31%	91%			

Work Order Estimate Summary

Att. A, AI 13, 11/18/2021

Consultant/ Subconsultant: **Dokken Engineering**

Contract No: **G2075.0-18**

Task Order No. **WOA2075-AE-54.01**

Work Order Title: **"IRIS RAPID" – CORRIDOR AND STATION DESIGN**

Attachment: **B**

TASKS/WBS (12-14)

ODC Item	Description	Unit	Unit Cost	TASK 12		TASK 13		TASK 14					
				Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total
1	Appraisal	1	\$3,250.00	2	\$6,500.00								
2	Preliminary Title Reports	1	\$950.00	2	\$1,900.00								
3	Agency Submittal & Permit Fees	1	\$40,000.00			1	\$40,000.00						
4													
5													
				Subtotal =		Subtotal =		Subtotal =		Subtotal =		Subtotal =	

TASKS/WBS

ODC Item	Description													TOTALS	
		Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total
1	Appraisal													2	\$6,500.00
2	Preliminary Title Reports													2	\$1,900.00
3	Agency Submittal & Permit Fees													1	\$40,000.00
		Subtotal =		Subtotal =		Subtotal =		Subtotal =		Subtotal =		Subtotal =		Totals =	

Work Order Estimate Summary

Att. A, AI 13, 11/18/2021

Total Hours =	33
Total Costs =	\$4,803.60

Consultant/Subconsultant:	Aguirre & Associates	MTS Doc. No.:	G2075.0-18
Work Order Title:	"IRIS RAPID" – CORRIDOR AND STATION DESIGN	Work Order No.:	WOA2075-AE-54.01
		Attachment:	B

Item	TASKS/WBS	TASKS/WBS Description	ODCs (See Attachment)	Principal Land Surveyor	Project Land Surveyor	Technician	Survey Crew	Total Hours	Totals	Percent of Total	
				\$ 183.38	\$ 146.39	\$ 100.74	\$ 398.87			Hours	Costs
12	TASK 12	Right-of-way Acquisition (Parcels 633-031-24 & 627-302-32)									
12.10		Prepare IB at 13th Street Plat & Legal (APN 633-031-24)		1	5	6	3	15	\$2,716.38		
12.11		Prepare Coronado at Saturn Plat & Legal (APN 627-302-32)			6	12		18	\$2,087.22		
		Subtotals (Hours) =	N/A	1	11	18	3	33	\$4,803.60		
		Subtotals (Costs) =		\$183.38	\$1,610.29	\$1,813.32	\$1,196.61	33	\$4,803.60	100.0%	100.0%
		Totals Without Optional (Summary) =						33	\$4,803.60		
		Total Without Optional (Hours) =		1	11	18	3	33	\$ 4,803.60		
		Total Without Optional (Costs) =		\$183.38	\$1,610.29	\$1,813.32	\$1,196.61				
		Totals With Optional (Summary) =						33	\$4,803.60		
		Total With Optional (Hours) =		1	11	18	3	33	\$4,803.60		
		Total with Optional (Costs) =		\$183.38	\$1,610.29	\$1,813.32	\$1,196.61				
		Percentage of Total (Hours) =		3%	33%	55%	9%	100%			
		Percentage of Total (Costs) =		4%	34%	38%	25%	100%			

**Work Order Estimate
Summary**

Att. A, AI 13, 11/18/2021

Consultant/ Subconsultant: **Aguirre & Associates**

Contract No: **G2075.0-18**

Task Order No. **WOA2075-AE-54.01**

Work Order Title: **"IRIS RAPID" – CORRIDOR AND STATION DESIGN**

Attachment: **B**

TASKS/WBS (12-14)

ODC Item	Description	Unit	Unit Cost	TASK 12		TASK 13		TASK 14					
				Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total
1													
2													
Subtotal =						Subtotal =				Subtotal =			

TASKS/WBS (6-10)

ODC Item	Description	TASK 6		TASK 7		TASK 8		TASK 9		TASK 10		TASK 11		TOTALS		
		Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total	Quantity	Total	
1																
2																
Subtotal =				Subtotal =				Subtotal =				Subtotal =				
														Totals =		



Metropolitan Transit System

November 18, 2021

MTS Doc. No. G2075.0-18
WOA2075-AE-54.02

Mr. John Klemunes, PE
Regional Manager
Dokken Engineering
1450 Frazee Road, Suite 100
San Diego, CA 92108

Dear Mr. Klemunes:

Subject: AMENDMENT NO. 2 TO WORK ORDER WOA2075-AE-54, TO MTS DOC. NO. G2075.0-18,
ENGINEERING SERVICES FOR IRIS RAPID – CORRIDOR AND STATION DESIGN

This letter shall serve as Amendment No. 2 for professional services, Work Order WOA2075-AE-54, under the General Engineering Consultant Agreement, MTS Doc. No. G2075.0-18, as further described below.

SCOPE OF SERVICES

This Amendment shall provide design services and plan updates to include a proposed curb ramp at the northwest corner (NWC) of the Coronado Avenue/Beyer Boulevard intersection.. Work provided under this Work Order will be performed in accordance with the attached Scope of Services (Attachment A).

SCHEDULE

There shall be no change to the schedule as a result of this Amendment. The Scope of Services, as described above, shall be for a period of 29 weeks from the date of the Notice to Proceed.

PAYMENT

This Amendment shall increase the payment amount by \$10,254.73. Payment shall be based on actual costs in the amount not to exceed \$754,038.97 without prior authorization of MTS (Attachment B).



Please sign below, and return the document to the Contracts Specialist at MTS. All other terms and conditions shall remain the same and in effect.

Sincerely,

Accepted:

Sharon Cooney
Chief Executive Officer

John Klemunes, PE
Regional Manager, Dokken Engineering

Date: _____

Attachments: Attachment A, Scope of Services
Attachment B, Negotiated Fee Proposal



Agenda Item No. 14

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

FARE COLLECTION (CHANGE ORDERS FOR SAGE SOFTWARE, SALESFORCE
LICENSES & PRONTO FARE MEDIA CARD ORDER) – CONTRACT AMENDMENT

RECOMMENDATION:

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

1. Ratify Amendment 8 to MTS Doc. No. G2091.0-18, with Innovations in Transportation, Inc. (INIT), in the amount of \$37,816.95 (Attachment A); and
2. Authorize the Chief Executive Officer (CEO) to execute Amendment 9 to MTS Doc. No. G2091.0-18, with INIT in the amount of \$166,624.60 (in substantially the same format as Attachments B).

Budget Impact

The total value of the action items above are \$204,441.55, bringing the total INIT contract amount to \$43,445,161.40, as shown in the table below. This project is funded by Capital Improvement Program (CIP) 1009004902 – Fare System Upgrades.

Date Issued	Board Approval Date	Document	Description	Amount
01/1/19	12/13/18	Agreement	Fare collection system	\$37,667,727.57
12/12/19	12/13/18	Amendment 1	Commence work on options previously approved on 12/13/18	Included in agreement
12/18/19	12/12/19	Amendment 2	Commence work on new options	\$1,093,731.49
05/26/20	09/17/20	Amendment 3	Change Order - Integrate Conduent's CAD/AVL solution	\$57,681.00
09/17/20	09/17/20	Amendment 4	Change Order - Rail Validator Masts	\$907,267.08
1/13/21	12/10/20	Amendment 5	Adds CA Sales Tax; and Change Orders - revises TVM spare	\$2,478,990.86



			parts & cashless conversion kits, and adds gateway services	
03/18/21	03/11/21	Amendment 6	Change Orders - adds customer and institution website scope updates, adds a new reduced fares program enrollment, adds driver control unit screen flow changes, adds SAGE operator separation, adds Customer Relationship Module (CRM) payment encryption changes and applies the fare media capital credit	\$765,271.76
06/28/21	06/17/21	Amendment 7	Change Orders – adds transfer and business rule changes to website and CRM; modified 2 phase bus validator and Driver Control Unit (DCU) installation; installation of modified ticket validator arm	\$270,050.09
09/13/21	(Ratify) 11/18/21	Amendment 8	<i>Change Orders - Additional SAGE software; and Salesforce licenses.</i>	\$37,816.95
TBD	Approve 11/18/21)	Amendment 9	<i>Change Order – PRONTO Fare Media Card Order</i>	\$166,624.60
Total Board Approved Amount				\$43,445,161.40

DISCUSSION:

On December 13, 2018 (AI 31), the MTS Board approved MTS Doc. No. G2091.0-18 with INIT for the design and implementation of a new fare collection system. This includes provision of services, equipment, software, parts, and support. Amendments 1-7 have subsequently been Board approved to provide additional functionality, integration and scope modifications.

Today's proposed action would ratify Amendment 8, which was previously issued under the CEO's Policy 41 authority, and approve a new Amendment 9, as described below.

Amendment 8 (Ratify):

Amendment No. 8 (Attachment A) was issued on September 13, 2021 and added change orders for additional SAGE software and Salesforce licenses.

The SAGE extension allows the consolidation of multiple orders into a single invoice. This feature ensures the agency's Finance department to efficiently process orders from the PRONTO fare system, significantly reducing staff time in performing this task.

Twenty (20) temporary salesforce licenses were added for a six month period to handle higher than expected call volumes at their call center. MTS serves as the region's PRONTO support center. The PRONTO support center utilizes a Salesforce customer relationship module in order to assist our customers. During the transition, the support center received higher than expected call volumes. In order to better assist our customers, it was necessary to increase our support center staffing levels.

MTS staff determined the quote to be fair and reasonable in comparison to MTS Independent Cost Estimate (ICE) of \$28,414.00. The variance between the actual costs and ICE was due to higher than expected annual maintenance costs of the SAGE maintenance subscription.

Amendment 9 (Approve):

Under Amendment 9 (Attachment B), MTS requires the manufacturing and delivery of smart card media for use within PRONTO. Due the global chip shortage impacting supply chains in recent months, delivery times are impacted and MTS needs fare media to replenish media inventory as PRONTO adoption increases.

This “bridge order” for 100,000 cards is required to expedite delivery of cards through existing contract vehicles. If this order does not occur, the existing supply of media will be exhausted.

The costs are summarized below:

Change Order	Total
Amendment 8	\$37,816.95
Amendment 9	\$166,624.60
Overall Board Approval	\$204,441.55

Therefore, staff recommends that the MTS Board of Directors:

1. Ratify Amendment 8 to MTS Doc. No. G2091.0-18, with INIT, in the amount of \$37,816.95 (Attachment A); and
2. Authorize the CEO to execute Amendment 9 to MTS Doc. No. G2091.0-18, with INIT in the amount of \$166,624.60 (in substantially the same format as Attachments B).

/S/ Sharon Cooney
Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachments: A. Amendment 8
B. Draft Amendment 9

1255 Imperial Avenue, Suite 1000
San Diego, CA 92101
Tel 619.231.1466 Fax 619.234.3407

Amendment 8

September 13, 2021

MTS Doc No. G2091.8-18

ACCOUNT BASED FARE COLLECTION SYSTEM

INIT Innovations in Transportation, Inc.
Roland Staib
President and CEO
424 Network Station
Chesapeake, VA 23320

This shall serve as Amendment No.8 to the original agreement G2091.0-18 as further described below.

SCOPE

The scope of work is amended as shown below:

1. Additional SAGE Software Package

MTS is requesting a SAGE extension that will allow the consolidation of multiple orders into a single invoice. The detailed changes are shown in Exhibit A – Additional SAGE Software Package, Proposal # 2021-380-02.

2. Additional Salesforce Licenses

MTS is requesting twenty (20) temporary Salesforce licenses for a six (6) month period to handle higher than expected call volumes at their call center. The detailed changes are shown in Exhibit B - Additional Salesforce Licenses, Proposal #: 2021-480-01.

SCHEDULE

There are no changes to the overall schedule provision of the agreement. The contract termination date remains December 31, 2028.

PAYMENT

1. The cost for SAGE installation, configuration, the first year subscription, and INIT implementation services is \$4,137.00. The subscription cost for ten (10) additional years is \$12,079.95. Tax is not applicable since this scope of work does not include any equipment or deliverables.
2. The cost for twenty (20) additional Salesforce licenses for a six month period is \$21,600.00. Tax is not applicable since this scope of work does not include any equipment or deliverables.
3. This brings the total for Amendment 8 to \$37,816.95.

The overall contract amount approved/options exercised by MTS is increased to \$30,182,688.26. This amount shall not be exceeded without prior written approval from MTS.

Please sign and return the copy marked *original* 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



Roland Staib, President and CEO
INIT Innovations in Transportation, Inc.

Date: 9/20/2021

Attachment: A. Additional SAGE Software Package, Proposal # 2021-380-02
B. Additional Salesforce Licenses, Proposal # 2021-480-01

INIT Innovations in Transportation, Inc.
 424 Network Station
 Chesapeake, VA, 23320

Phone: 757-413-9100
 sales@initusa.com
 www.initusa.com

Att. A, AI 14, 11/18/2021



MTS – Additional SAGE Software Package

Customer: MTS San Diego, CA
Requested by: Israel Maldonado
Prepared by: Eddie Estrada
Proposal #: 2021-380-02
Date: 8/20/2021
Validity: 90 Days

Warranty: Not applicable
Delivery: 2 weeks upon receipt of change order
Invoicing:
Milestones: 100% Upon Delivery

Existing Contract G2091.0-18 Terms & Conditions apply

Description:

Customer requesting a Sage extension to allow consolidation of multiple orders into a single invoice.

Solution:

Brainsell to provide SAGE functionality enhancement for the batching of multiple orders from one site into one invoice.

Scope of Work:

This proposal includes:

- Brainsell, INIT subcontractor for installation, and testing
- Annual license cost for the "Update Sales Orders" Sage extension
- INIT System Engineer for coordinating efforts
- Project Management

Pricing:

Item	Description	Qty	Price per unit USD	Price Total USD
1 Brainsell Services				
1.1	Sage Enhancement installation and configuration	1	1,920.00	1,920.00
1.2	Sage "Update Sales Order" subscription	1	1,112.00	1,112.00
2 Services				
2.1	Systems Engineer (in hours)	1.5	230.00	345.00
2.2	Project Management (in hours)	4	190.00	760.00
Sub-total:				\$4,137.00
GRAND TOTAL:				\$4,137.00



Extended Maintenance:

Item	Description	Qty	Price per unit USD	Price total USD
3	Extended Warranty - Year 1-10			
3.1	Sage "Update Sales Order" subscription - Year 1	1	1,128.68	1,128.68
3.2	Sage "Update Sales Order" subscription - Year 2	1	1,145.61	1,145.61
3.3	Sage "Update Sales Order" subscription - Year 3	1	1,162.79	1,162.79
3.4	Sage "Update Sales Order" subscription - Year 4	1	1,180.24	1,180.24
3.5	Sage "Update Sales Order" subscription - Year 5	1	1,197.94	1,197.94
3.6	Sage "Update Sales Order" subscription - Year 6	1	1,215.91	1,215.91
3.7	Sage "Update Sales Order" subscription - Year 7	1	1,234.15	1,234.15
3.8	Sage "Update Sales Order" subscription - Year 8	1	1,252.66	1,252.66
3.9	Sage "Update Sales Order" subscription - Year 9	1	1,271.45	1,271.45
3.10	Sage "Update Sales Order" subscription - Year 10	1	1,290.52	1,290.52
GRAND TOTAL excl. Tax				\$12,079.95

INIT Contact

Name: Eddie Estrada
Position: Account Manager
Phone: 757-413-9100 x464
Email: eestrada@initusa.com

Signature:

A handwritten signature in blue ink, appearing to read "E. Estrada", written over a horizontal line.

Eddie Estrada
Account Manager

A handwritten signature in blue ink, appearing to read "Roland Staib", written over a horizontal line.

Roland Staib
CEO

INIT Innovations in Transportation, Inc.
424 Network Station
Chesapeake, VA, 23320

Phone: 757-413-9100
sales@initusa.com
www.initusa.com

Att. A, AI 14, 11/18/2021



MTS – Additional Salesforce Licenses

Customer: MTS San Diego, CA
Requested by: Israel Maldonado
Prepared by: Julie Allison
Proposal #: 2021-480-01
Date: 8/22/2021
Validity: Until Aug 31, 2021

Warranty: Not applicable
Delivery: See below
Invoicing
Milestones: 100% Upon Delivery

Existing Contract G2091.0-18 Terms & Conditions apply

Description:

MTS is requesting twenty (20) temporary Salesforce licenses for a six (6) month period to handle higher than expected call volumes at their call center.

Scope of Work:

This proposal includes:

- Twenty (20) Salesforce licenses and related support for 6 months

Pricing:

Item	Description	Qty	Price per unit USD	Price Total USD
1	Salesforce Licenses			
1.1	Salesforce licenses and support for 6 months (\$180 / month)	20	1,080.00	21,600.00
GRAND TOTAL				\$21,600.00

California taxes do not apply to software licenses.

Support Maintenance:

Support Maintenance is included in the price above.

Customer Responsibilities:

MTS must sync new users to PRONTO Azure before the licenses can be assigned. MTS shall notify INIT once this has been done.

Delivery:

INIT can grant new licenses to Salesforce very quickly (e.g. 1 day from receipt of order or Notice to Proceed) once MTS notifies INIT that they have been synced to PRONTO Azure.

INIT Contact

Name: Julie Allison
Position: Director, Account Management
Authorized Representative of INIT, Innovations in Transportation Inc.
Phone: 757-413-9100 x352
Email: jallison@initusa.com

INIT Innovations in Transportation, Inc.
424 Network Station
Chesapeake, VA, 23320

Phone: 757-413-9100
sales@initusa.com
www.initusa.com

Att. A, AI 14, 11/18/2021



Signature:



Julie Allison
Director, Account Management

Roland Staib
CEO



Metropolitan Transit System

Amendment 9

DATE TBD

MTS Doc No. G2091.9-18

ACCOUNT BASED FARE COLLECTION SYSTEM

INIT Innovations in Transportation, Inc.
Roland Staib
President and CEO
424 Network Station
Chesapeake, VA 23320 □

This shall serve as Amendment No.9 to the original agreement G1931.0-16 as further described below.

SCOPE

This amendment adds 100K extended use cards for PRONTO, and associated services, as detailed in Exhibit 1 - INIT Proposal # 2021-559-02.

SCHEDULE

There are no changes to the overall schedule provision of the agreement. The contract termination date remains December 31, 2028.

PAYMENT

The cost for the 100K extended use cards, associated services, shipping and tax is \$166,624.60 as shown in Exhibit 1. This amount shall not be exceeded without prior written approval from MTS. The overall contract amount approved/options exercised by MTS is increased to \$30,349,312.86. 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

Roland Staib, President and CEO
INIT Innovations in Transportation, Inc.

Date: _____

Attachment: A. INIT Proposal # 2021-559-02



INIT Innovations in Transportation, Inc.
424 Network Station
Chesapeake, VA, 23320

Phone: 757-413-9100
sales@initusa.com
www.initusa.com

Att. B, AI 14, 11/18/2021



MTS – 100K Extended Use Cards

Customer: MTS San Diego, CA
Requested by: Israel Maldonado
Prepared by: Jennifer Wallman
Proposal #: 2021-559-02
Date: 10/15/2021
Validity: Until October 31, 2021

Warranty: Not applicable
Delivery: See below
Invoicing
Milestones: 100% Upon Delivery

Existing Contract G2091.0-18 Terms & Conditions apply

Description:

MTS is requesting an order of 100,000 extended use cards.

Scope of Work:

This proposal includes 100,000 extended use cards and associated services, detailed below.

Card Details:

Quantity: 100,000

Art works: up to 5 different art works

Chip: EV1 256b preferred but EV3 2k possible if EV1 is not available

Plastic: Composite PET/PVC

Magstripe: yes

Encoding: yes (same format than other INIT cards)

Return file: required (same format than other INIT cards)

Personalization: Card number, 3 digit security code, barcode and inventory number on the bottom right

Project Management and Systems Engineering efforts for coordination and testing.

Pricing:

Item	Description	Qty	Price per unit USD	Price Total USD
1	Extended Use Cards			
1.1	Extended Use Cards	100,000	1.43	143,000.00
2	Services			
	Project Management/Systems Engineering – coordination and testing	1	11,040.00	11,040.00
	Expedited Shipping	1	600.00	600.00
Subtotal				154,640.00
GRANT TOTAL incl 7.75% Sales Tax				\$166,624.60

Delivery and Validity Notes:

The vendor has 100,000 of these extended use cards currently and they could be shipped immediately, if we can get the order in first. Otherwise, it's a lead time of approximately 52 weeks upon receipt of purchase order or letter of intent due to the international chip shortage.



The chip shortage is a global issue affecting all industries (smartphone, computers, automobiles, appliances etc.) and will get worse before it gets better, so we recommend placing this, and future orders for cards immediately. Our supplier costs and inventory are only valid for a limited time due to the constant price changes that currently exist, hence the short validity date for this proposal.

INIT Contact

Name: Jennifer Wallman
Position: Account Manager
Phone: 757-413-9100 x421
Email: jwallman@initusa.com

Signature:

A handwritten signature in black ink, appearing to read "Julie Allison", is written over a horizontal line.

Julie Allison
Director, Account Management

A handwritten signature in black ink, appearing to read "Roland Staib", is written over a horizontal line.

Roland Staib
President and CEO



Agenda Item No. 15

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

BUS RAPID TRANSIT (BRT) – WORK ORDER AGREEMENT

RECOMMENDATION:

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

- 1) Ratify Work Order MTSJOC324-04 under Job Order Contract (JOC) to MTS Doc. No. PWG324.0-21 (Attachment A) with ABC General Contractor, Inc. (ABCGC), in the amount of \$25,420.13 for the repair of the Light-Emitting Diode (LED) shelter lamps at the Del Lago, Rancho Bernardo, Sabre Springs and Escondido transit centers;
- 2) Authorize the Chief Executive Officer (CEO) to execute Change Order MTSJOC324-04.01 under JOC to MTS Doc. No. PWG324.0-21 (in substantially the same format as Attachment B) with ABCGC, in the amount of \$85,362.77 for the replacement of the High Intensity Discharge (HID) lamps with LED lamps at the Del Lago transit center and parking lot; and
- 3) Authorize the CEO to execute Change Order MTSJOC324-04.02 under JOC to MTS Doc. No. PWG324.0-21 (in substantially the same format as Attachment C) with ABCGC, in the amount of \$102,631.43, for the replacement of the HID lamps with LED lamps at the Rancho Bernardo transit center and parking lots.

Budget Impact

The total budget for this project shall not exceed \$213,414.33. Under separate MTS Doc No. L1282.-16, with The Gordian Group, MTS will pay a 1.95% JOC software license fee in the amount of \$4,161.58. This project is funded by the BRT Operating Budget 846012-571140.

DISCUSSION:

In June 2021, staff procured an evaluation of the lighting needs at all BRT stations and stops. The survey revealed that there were a number of lights that needed replacement, and/or upgrades. This project consists of repairs and upgrades to the lighting at various BRT stations and stops, including replacing HID lights with LED lights. The primary reason is to convert the technology away from HID to LED. LED lights have proven to last up to 50% longer than standard HID bulbs, and LED lights run much cooler than HID and require approximately 80% less energy to run. These benefits are consistent with MTS's continued effort to reduce on-going



operating costs and energy consumption, which directly reduces the Agency's carbon footprint. Phase I of the project will focus on repairing the lighting at the BRT stations along the I-15 corridor, as these stations' lights are in the greatest need of repair. Phase II will repair and replace lighting at the following stops:

1. UTC Transit Center #95031
2. El Cajon/30th Street #10543
3. El Cajon Blvd./ 35th Street #10190
4. Noble Dr. at La Jolla Village Square Dr. #13024
5. Noble Dr./Lebon Dr. #11151
6. El Cajon Blvd./ 35th Street #11334
7. El Cajon Blvd./30th Street #11296
8. Park Blvd./ University Ave. #13550
9. El Cajon Blvd./ 43rd Street #10986
10. El Cajon Blvd./ Texas Street #99199
11. El Cajon Blvd./ 43rd Street #10609
12. Noble Dr. at Towne Center Dr. #13267
13. Executive Dr. at Regents Rd. #99459
14. Villa La Jolla Dr./ Gillman Dr. # 99463
15. Gillman Dr./ Myers Dr. #10374
16. Noble Dr. at La Jolla Village Square Dr. #13058

The work is necessary to ensure visibility and safety of both MTS staff and patrons.

On September 15, 2021, the CEO approved the original work order for repair of the LED shelter lamps at the Del Lago, Rancho Bernardo, Sabre Springs and Escondido transit centers.

Under proposed Change Orders 1 and 2, ABCGC will replace the HID lamps with LED lamps at the Del Lago and Rancho Bernardo transit center parking lots. This will complete Phase I of the project.

The Work Order and amendments are summarized below:

Work Order No.	Description	Amount	Board Approval Date
MTSJOC324-04	Original work order	\$25,420.13	CEO approval on 9/15/21 per Board Policy No. 41
MTSJOC324-04.01	HID replacement Del Lago Transit Center	\$85,362.77	Today's proposed action.
MTSJOC324-04.02	HID replacement Rancho Bernardo Transit Center	\$102,631.43	Today's proposed action

On October 6, 2020, MTS issued an Invitation for Bids (IFB) seeking a contractor to provide JOC building and facilities construction services that primarily consists of repair, remodeling, or other repetitive work, and general building and facility contracting services. These services include, but are not limited to, demolition, maintenance, and modification of existing buildings and facilities, as well as any required incidental professional and technical services.

JOC is a procurement method under which public agencies may accomplish frequently encountered repairs, maintenance, and construction projects through a single, competitively procured long-term agreement.

The JOC program includes a catalog of pricing for a variety of potential tasks to be performed under the contract that have been pre-priced by the contractor, the Gordian Group. All potential contractors are subject to the pricing within this catalog. Each contractor then includes an adjustment factor, escalating their proposed price from the catalog price, to determine the total cost of the task order. The adjustment factor represents an average percentage increase over the catalog price (i.e. 1.25 adjustment factor represents 25% above the catalog price) for that respective task within the project. In order to select the lowest responsive and responsible bidder, MTS staff compares each contractor's proposed adjustment factor.

Nine (9) bids were received and MTS determined that ABCGC was the lowest responsive and responsible bidder. On December 10, 2020, the MTS Board authorized the CEO to execute MTS Doc. No. PWG324.0-21 with ABCGC for General Building Construction Services.

Today's proposed action would issue a work order to ABCGC under this JOC master agreement. Pricing for this repair work order was reviewed and determined to be fair and reasonable. ABC will be providing all materials, labor, and equipment for the lighting replacements and repairs. Work is expected to be completed by December 2021.

Therefore, staff recommends that the MTS Board of Directors:

- 1) Ratify Work Order MTSJOC324-04 under JOC to MTS Doc. No. PWG324.0-21 (in substantially the same format as Attachment A) with ABCGC, in the amount of \$25,420.13 for repair of the LED shelter lamps at the Del Lago, Rancho Bernardo, Sabre Springs and Escondido transit centers;
- 2) Authorize the CEO to execute Change Order MTSJOC324-04.01 under JOC to MTS Doc. No. PWG324.0-21 (Attachment B) with ABCGC, in the amount of \$85,362.77 for the replacement of the High Intensity Discharge (HID) lamps with LED lamps at the Del Lago transit center and parking lot; and
- 3) Authorize the CEO to execute Change Order MTSJOC324-04.02 under JOC to MTS Doc. No. PWG324.0-21 (in substantially the same format as Attachment C) with ABCGC, in the amount of \$102,631.43, for the replacement of the HID lamps with LED lamps at the Rancho Bernardo transit center and parking lots.

/S/ Sharon Cooney
Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachments: A. Work Order MTSJOC324-04
B. Draft Change Order MTSJOC324-04.01
C. Draft Change Order MTSJOC324-04.02



**JOB ORDER CONTRACT
WORK ORDER**

PWG324.0-21
CONTRACT NUMBER

MTSJOC324-04
WORK ORDER NUMBER

THIS AGREEMENT is entered into this 15 day of September 2021, 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: ABC General Contractor, Inc. Address: 3120 National Avenue

Form of Business: Corporation San Diego, CA 92113
(Corporation, partnership, sole proprietor, etc.)

Telephone: (619) 247-7113

Authorized person to sign contracts: Kenneth Czubernat President
Name Title

Pursuant to the existing Job Order Contract (MTS Doc. No. PWG324.0-21), MTS issues a Work Order to Contractor to complete the detailed Scope of Work (attached as Exhibit A.), the Cost Breakdown for the Scope of Work (attached as Exhibit B.), and the subcontractor listing form applicable to this Work Order (attached as Exhibit C.)

TOTAL PAYMENTS TO CONTRACTOR SHALL NOT EXCEED \$25,420.13

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

ABC GENERAL CONTRACTOR, INC.

By: Sharon Cooney
Sharon Cooney, Chief Executive Officer

Firm: Jim Cappadocia Digitally signed by Jim
Cappadocia
Date: 2021.09.15 15:00:23 -07'00'

Approved as to form:

By: Jim Cappadocia
Signature

By: Karen Landers
Karen Landers, General Counsel

Title: General Manager



EXHIBIT A (Scope of Work)



San Diego Metropolitan Transit System

1255 Imperial Ave
San Diego, California 92101

Final Scope of Work

Date: 8/31/2021

Job Order Contracting

To:

From:

Contract No: PWG324.0-21
Job Order No: MTSJOC324-04
Job Order Title: BRT Lighting
Location: UTC
8615 Genesee Ave.
San Diego, CA 92122

Brief Scope of Work:

MTS is requesting lighting repairs and upgrades at the following locations:
Escondido TC, Del Lago TC, Rancho Bernardo TC and Sabre Springs TC, .

BRT Lighting DSOW - Phase I

The following is a detailed scope of work broken down by individual locations along I-15. The work detailed below is a result of the BRT lighting survey which found multiple ballasts, lamps, fixtures, and power supplies that needed replacing at various locations. The full detailed scope broken down by location is as follows:

Del Lago Transit Station #99434:

- R&R (12) 12/60 LED Drivers model #701507-60-C-2
- R&R Miscellaneous Connectors

Rancho Bernardo Transit #99474:

- R&R (22) 12/60 LED Drivers model #701507-60-C-2
- R&R Miscellaneous Connectors

Sabre Springs/ Penasquitos Transit Center #23018:

- R&R (22) 12/60 LED Drivers model #701507-60-C-2
- R&R Miscellaneous Connectors

Escondido Transit Center #99496:

- R&R (12) 12/60 LED Drivers model #701507-60-C-2
- R&R Miscellaneous Connectors

Diana Hernandez, Passenger Facilities Coordinator

Date

EXHIBIT B (Cost Breakdown)



Att. A - AL 15, 11/18/2021

Price Proposal Detail

By Division Report

Version: 2.0

Approved 08/20/2021 01:47:24 PM PST

Job: MTSJOC324-04: BRT Lighting

JOC Name (Contractor): ABC General Inc.
Contract Name: JOC Building and Facilities Construction Services
Contract Number: PWG324.0-21
Job Order Number: MTSJOC324-04
Job Order Name: BRT Lighting
Location: UTC
Cost Proposal Date: August 20, 2021
Proposal Value: \$25,420.13

Division		NPP Total	Demo	Division Totals
01	General Requirements	\$0.00	\$0.00	\$16,707.03
26	Electrical	\$0.00	\$0.00	\$8,713.10
Proposal Total:				\$25,420.13
The Percentage of Non Pre-Priced on this Proposal:				0.00%



Att. A - AL 15, 11/18/2021

Price Proposal Detail

By Division Report

Version: 2.0

Approved 08/20/2021 01:47:24 PM PST

Job: MTSJOC324-04: BRT Lighting

JOC Name (Contractor): ABC General Inc.
Contract Name: JOC Building and Facilities Construction Services
Contract Number: PWG324.0-21
Job Order Number: MTSJOC324-04
Job Order Name: BRT Lighting
Location: UTC
Cost Proposal Date: August 20, 2021
Proposal Value: \$25,420.13

Record #	CSI Number	MOD	UOM	Description	Unit Price	Factor	Total
01 General Requirements							\$16,707.03
1	012220000010		HR	Electrician			
	Accepted				Quantity	x Unit Price	x Factor = LineTotal
		Installation	HR		82.00	x \$78.27	x 0.9645 = \$6,190.30
	Equipment Excluded		Materials Excluded				\$6,190.30
	User Note:						
	Item Note: For tasks not included in the Construction Task Catalog® and as directed by owner only.						
	Owner Comments:						
	Contractor Comments:						
2	012220000010	0001	HR	For Foreman, Add			
	Accepted				Quantity	x Unit Price	x Factor = LineTotal
		Installation	HR		40.00	x \$3.91	x 0.9645 = \$150.85
	Equipment Excluded		Materials Excluded				\$150.85
	User Note:						
	Item Note: For tasks not included in the Construction Task Catalog® and as directed by owner only.						
	Owner Comments:						
	Contractor Comments:						
3	012220000084		HR	Flagperson For Traffic Control			
	Accepted				Quantity	x Unit Price	x Factor = LineTotal
		Installation	HR		64.00	x \$74.04	x 0.9645 = \$4,570.34
	Equipment Excluded		Materials Excluded				\$4,570.34
	User Note:						
	Item Note:						
	Owner Comments: V:1.2-MTS will provide flag person at their expense.						
	Contractor Comments: V:1.3-Our liability insurance requires we provide our own traffic control.						



Att. A - Al 15, 11/18/2021

Price Proposal Detail

By Division Report

Version: 2.0

Approved 08/20/2021 01:47:24 PM PST

Job: MTSJOC324-04: BRT Lighting

4	012223000005	DAY	40' Engine Powered, Telescoping Boom Man Lift With Platform							
	Accepted		Quantity	x	Unit Price	x	Factor	=	LineTotal	
		Installation	DAY	10.00	x	\$376.96	x	0.9645	=	\$3,635.78
Labor Excluded		Equipment Excluded								\$3,635.78
	User Note:									
	Item Note:									
	Owner Comments:									
	Contractor Comments:									
5	015526000046	DAY	Type III Barricade, Up To 5' Wide With Three Reflective Rails							
	Accepted		Quantity	x	Unit Price	x	Factor	=	LineTotal	
		Installation	DAY	55.00	x	\$2.69	x	0.9645	=	\$142.70
Labor Excluded		Equipment Excluded								\$142.70
	User Note:									
	Item Note:									
	Owner Comments:									
	Contractor Comments:									
6	015526000094	DAY	Trailer Mounted Flashing Arrow Board							
	Accepted		Quantity	x	Unit Price	x	Factor	=	LineTotal	
		Installation	DAY	10.00	x	\$94.00	x	0.9645	=	\$906.63
Labor Excluded		Equipment Excluded								\$906.63
	User Note:									
	Item Note:									
	Owner Comments:									
	Contractor Comments:									
7	017113000002	EA	First 25 Miles, Equipment Delivery, Pickup, Mobilization And Demobilization Using A Rollback Flatbed Truck							
	Accepted		Quantity	x	Unit Price	x	Factor	=	LineTotal	
		Installation	EA	5.00	x	\$230.26	x	0.9645	=	\$1,110.43
		Materials Excluded								\$1,110.43
	User Note:									
	Item Note:	Includes loading, tie-down of equipment, delivery of equipment, off loading on site, rigging, dismantling, loading for return and transporting away. For equipment such as trenchers, skid-steer loaders (bobcats), industrial warehouse forklifts, sweepers, scissor platform lifts, telescoping and articulating boom man lifts with up to 40' boom lengths, etc.								
	Owner Comments:									
	Contractor Comments:									



Job: MTSJOC324-04: BRT Lighting

Record #	CSI Number	MOD	UOM	Description	Unit Price		Factor			Total
26 Electrical										\$8,713.10
8	260120910003		EA	Lock Out/Tag Out Breaker Or Motor Starter						
Accepted				Quantity	x	Unit Price	x	Factor	=	LineTotal
	Installation	EA		68.00	x	\$19.77	x	0.9645	=	\$1,296.64
Materials Excluded										\$1,296.64
User Note:										
Item Note:										
Owner Comments: V:1.2-Why is qty 74 if we only order 68 drivers										
Contractor Comments:										
9	260120910004		EA	Lock Out/Tag Out Tags						
Accepted				Quantity	x	Unit Price	x	Factor	=	LineTotal
	Installation	EA		68.00	x	\$3.09	x	0.9645	=	\$202.66
										\$202.66
User Note:										
Item Note:										
Owner Comments:										
Contractor Comments:										
10	260120910006		EA	Motors, Disconnects And Other Single Source Devices, Existing Circuit Tracing Per Device						
Accepted				Quantity	x	Unit Price	x	Factor	=	LineTotal
	Installation	EA		68.00	x	\$16.45	x	0.9645	=	\$1,078.89
										\$1,078.89
User Note:										
Item Note:										
Owner Comments: V:1.2-Why is qty 74 when we order 68 drivers										
Contractor Comments:										
11	260150520511		EA	6" Diameter, 16 Watt, 1,450 Lumens, 3500K CCT, Comm Retrofit Downlight (LG LGE-CRDL-16-35-1450)						
Accepted				Quantity	x	Unit Price	x	Factor	=	LineTotal
	Installation	EA		68.00	x	\$93.54	x	0.9645	=	\$6,134.91
	Demo	EA		68.00	x	\$0.00	x	0.9645	=	\$0.00
										\$6,134.91
User Note:										
Item Note: No sensor, ZigBee ready driver										
Owner Comments:										
Contractor Comments:										
Total:										\$25,420.13
Proposal Total:										\$25,420.13
The Percentage of Non Pre-Priced on this Proposal:										0.00%



Att. A - AL 15, 11/18/2021

Price Proposal Detail

By Division Report

Version: 2.0

Approved 08/20/2021 01:47:24 PM PST

Job: MTSJOC324-04: BRT Lighting

EXHIBIT C (Subcontractor Listing)

San Diego Metropolitan Transit System

1255 Imperial Ave
San Diego, CA 92101

Subcontractor Report

Date: 8/31/2021

Job Order Contracting

Contract #: PWG324.0-21
Job Order #: MTSJOC324-04
Job Order Title: BRT Lighting
Location: UTC
Contractor: ABC General Inc.
Subcontractor: ACM Lighting Services

Subcontractor Name	License Number	Describe Nature of Work (Trade)	Certifications	Subcontractor Total	%
ACM Lighting Services 1411 Rimpau Ave Suite 202, Carona, CA 92879	758630	Electrician		\$14,705.34	57.85%



Att. B, AI 15, 11/18/2021

CONSTRUCTION CHANGE ORDERProject Name: **BRT Lighting**Date: **11/18/21**To: **MTS**Contract Number: **MTSJOC324-04**From (Contractor): **ABC General Contractor, Inc.**CCO Number: **01****Description of Work****Fieldwork Directive Issued:**

N/A

This CCO is prepared in accordance with and incorporates Section Changes and Extra Work of the Contract Documents and consists of:

Removal and replacement of the HID lights at the Del Lago Transit Center parking lot.

A. Contractor Cost Proposal

\$ 85,362.77 L.S.

L.S.

Subtotal A: \$ 85,362.77

B. Subcontractors Costs

\$ -

Subtotal B: \$ -

C. Contractor Credits

Subtotal C: \$ -

Total = (A + B + C)

Total: \$ 85,362.77

Original Contract value:

\$ 25,420.13

Adjustment by Change Order No. **X** through Change Order **X** (if applicable)

\$ -

Adjustment by this Change Order

\$ 85,362.77

New Contract Amount

Total:

\$ 110,782.90

The Contract Time due to this Change Order will be: ☒ Increased ☐ Decreased ☐ Unchanged

by 30 days

Original Completion Date:

10/22/21

Adjustment by Change Order No. **X** through Change Order **X** (if applicable)

0

Adjustment by this Change Order

30

New Completion Date

11/21/21

Milestones Affected:

Contractor

Date:

MTS Chief Executive Officer

Date:

Follow all applicable procedures and provide all appropriate documentation as required by the Contract Documents.

B-1

EXHIBIT A (Scope of Work)

Del Lago Transit DSOW

- Provide labor and boom truck to replace 61 existing HID lights with LED
- New LED lights to be #OAL-101-LED-9000L-MVOLT-50K-T3D-SL-70W
- Provide and install miscellaneous hardware for new LEDs
- Provide and install pole brackets for all new LEDs
- Haul and recycle existing HID lights.
- 31 Fixtures are on bus waiting areas/canopies
- 30 Fixtures located in passenger parking area

OAL-101-LED

LED Small Area Light

up to 105 Wattage / up to 13500 Lumens

Catalog Number:

Att. B, At 15, 11/18/2021

Project Name:

BRT Lighting / MTS

Note:

124 Fixtures

Type:

APPLICATIONS:

The Oracle LED Small Area Light is designed with wide spread distribution for even illumination of parking lots, walkways, hardscapes, roadways, and public spaces. The optimal fixture where low mounting heights are required either on a building wall or pole mounted.

FEATURES:

- The one piece die-cast aluminum housing with UV resistant polycarbonate optical lens, outstanding corrosion protection.
- LED Driver options: MVOLT 120-277V / 347V / 480V
- Suitable for mounting heights ranging from 8'-20' in area lighting applications
- Lumen output from 9000-13400lm with efficacy up to 130lm/W
- Mounting Options: square pole, round pole, wall mount, and slipfitter
- Fixtures are IP66 rated and suitable for use in ambients from -40°C to 45°C (-40°F to 113°F)
- Optical Distribution Options: Type III & Type V
- UL Wet location listed

SPECIFICATIONS:

LUMENS	9000 / 13500 lumens
WATTAGE	70W / 105W
CCT	40K, 50K
CRI	70
LIGHT EFFICIENCY	130 lumens/watt
VOLTAGE	120-277 VAC / 347V / 480V
POWER FREQUENCY	50/60 Hz
FINISH	Bronze
APPLICABLE ENVIRONMENT	Dry/Damp/Wet location
WORKING TEMPERATURE	-40°C to 45°C

DISTRIBUTION:



Type III

Type 3 optics produce an asymmetrical pattern that directs the majority of the light forward and equally on both sides of the luminaire.

Type V

Type 5 optics produce a symmetrical square pattern that distributes light equally on all sides of the luminaire.



Ordering Guide > Example: OAL-101-LED-13500L-DIM10-MVOLT-40K-T3D-BZ-PHC-OAL-101-ACC-PM

SERIES	PERFORMANCE	DIMMING	VOLTAGE	CCT	DISTRIBUTION	FINISH	ACCESSORIES	MOUNTING
OAL-101-LED	9000L 13500L	DIM10 - 0-10V Dimming	MVOLT 120-277V 347V 480V	40K 50K	T3D T5D	BZ BK WH SL	PHC MS	OAL-101/201/301-ACC-PM - Pole Mount OAL-101/201/301-ACC-WM - Wall Mount OAL-101/201/301-ACC-SFM - Slipfitter Mount

* For more lumen package options, consult factory

* Support 0-10V dimming, consult the factory

* Other colors, consult factory

* For more mounting options, please consult a field mounting accessories page

Submittal form is available @ www.oraclelighting.com
Tel: 323-888-1973 • Fax: 323-888-1977

Specifications and Dimensions
subject to change without notice.

Issued 1118-Rev. 1

OAL-101-LED

LED Small Area Light

up to 105 Wattage / up to 13400 Lumens

Catalog Number:

Att. B, AI 15, 11/18/2021

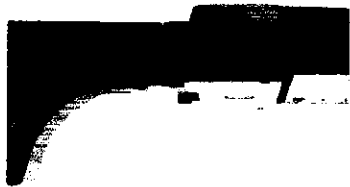
Project Name:

BRT Lighting / MTS

Note:

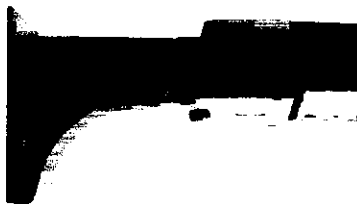
Type:

MOUNTING:



OAL-101/201/301-ACC-PM
Pole Mount

Standard versatile mounting arm is simple to install and can be used with existing poles for retrofit installations.



OAL-101/201/301-ACC-WM
Wall Mount

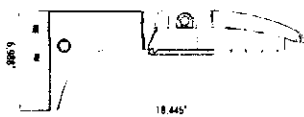
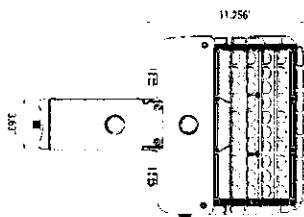
Wall Mount is easy to install for direct wall mounting with 1/2" conduit wiring or standard J-box mounting.



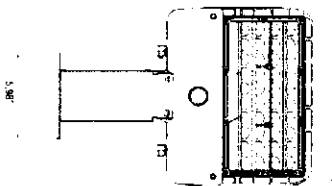
OAL-101/201/301-ACC-SFM
Slipfitter Mount

An optional cast aluminum mast arm adapter secures fixture head to nominal 2"(2-3/8" O.D. pipe size) horizontal steel tenon arm.

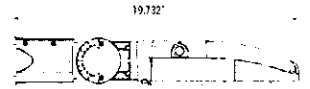
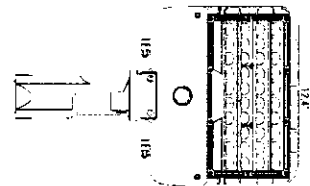
DIMENSION:



Weight:
11.8 lb (70W)
11.98 lb (105W)

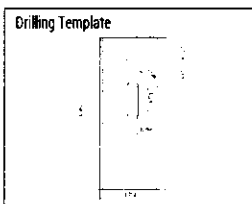
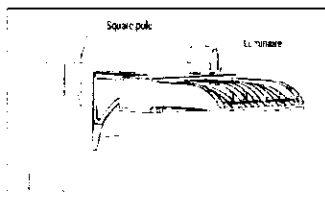
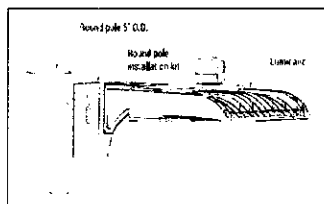


Weight:
13.45 lb (70W)
13.84 lb (105W)

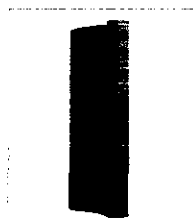


Weight:
11 lb (70W)
11.40 lb (105W)

MOUNTING DIMENSION:



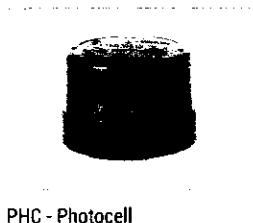
INSTALLATION KIT:



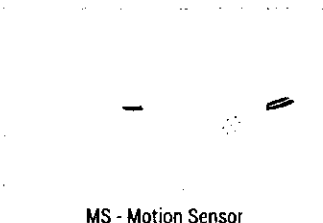
Round Pole Installation Kit

Standard versatile mounting arm for area light application, with K/O to install photocell or sensor. Furnished with two 5/16" hex head stainless-steel bolts and two 1/2" hex head stainless-steel screw. Suitable for 4" and 5" round poles.

ACCESSORIES:



PHC - Photocell



MS - Motion Sensor

Submittal form is available @ www.oraclelighting.com
Tel: 323-888-1973 • Fax: 323-888-1977

Specifications and Dimensions
subject to change without notice.

B-5
Issued-BTT 10-Rev. 1

EXHIBIT B (Cost Breakdown)



JOC Name (Contractor): ABC General Inc.
Contract Name: JOC Building and Facilities Construction Services
Contract Number: PWG324.0-21
Job Order Number: MTSJOC324-04.01
Job Order Name: BRT Lighting
Location: UTC
Cost Proposal Date: November 3, 2021
Proposal Value: \$85,362.77

Division		NPP Total	Demo	Division Totals
01	General Requirements	\$0.00	\$0.00	\$9,573.35
26	Electrical	\$0.00	\$11,442.72	\$75,789.42
Proposal Total:				\$85,362.77
The Percentage of Non Pre-Priced on this Proposal:				0.00%



JOC Name (Contractor): ABC General Inc.
Contract Name: JOC Building and Facilities Construction Services
Contract Number: PWG324.0-21
Job Order Number: MTSJOC324-04.01
Job Order Name: BRT Lighting
Location: UTC
Cost Proposal Date: November 3, 2021
Proposal Value: \$85,362.77

Record #	CSI Number	MOD	UOM	Description	Unit Price		Factor		Total	
01 General Requirements									\$9,573.35	
1	012220000084		HR	Flagperson For Traffic Control						
Accepted				Quantity	x	Unit Price	x	Factor	=	LineTotal
		Installation	HR	40.00	x	\$74.04	x	0.9645	=	\$2,856.46
Equipment Excluded		Materials Excluded							\$2,856.46	
User Note:										
Item Note:										
2	012223000008		DAY	60' Engine Powered, Telescoping Boom Man Lift With Platform						
Accepted				Quantity	x	Unit Price	x	Factor	=	LineTotal
		Installation	DAY	12.00	x	\$553.28	x	0.9645	=	\$6,403.66
Labor Excluded		Equipment Excluded							\$6,403.66	
User Note:										
Item Note:										
3	017419000044		EA	Hauling With 2-3 CY Pick-up Truck, Van Or Trailer, Up To 15 Miles						
Accepted				Quantity	x	Unit Price	x	Factor	=	LineTotal
		Installation	EA	4.00	x	\$81.19	x	0.9645	=	\$313.23
		Materials Excluded							\$313.23	
User Note:										
Item Note: Each first 15 miles per trip										



Record #	CSI Number	MOD	UOM	Description	Unit Price		Factor			Total
26	Electrical									\$75,789.42
4	265619000164		EA	60 LEDs, 68 Watt, Arm Mount, Rectangular, LED Area Fixture (CREE® BetaLED® Edge® ARE-EDG)						
	Accepted			Quantity	x	Unit Price	x	Factor	=	LineTotal
		Installation	EA	61.00	x	\$1,093.69	x	0.9645	=	\$64,346.70
										\$64,346.70
	User Note:									
	Item Note:									
5	265621000018		EA	250 Watt Metal Halide, Enclosed And Gasketed, Exterior Roadway Fixture						
	Accepted			Quantity	x	Unit Price	x	Factor	=	LineTotal
		Installation	EA	0.00	x	\$516.72	x	0.9645	=	\$0.00
		Demo	EA	61.00	x	\$194.49	x	0.9645	=	\$11,442.72
										\$11,442.72
	User Note:									
	Item Note:									
Total:										\$85,362.77
Proposal Total:										\$85,362.77
The Percentage of Non Pre-Priced on this Proposal:										0.00%

EXHIBIT C

(Subcontractor Listing)

San Diego Metropolitan Transit System

1255 Imperial Ave
San Diego, CA 92101

Subcontractor Report

Date: 11/4/2021

Job Order Contracting

Contract #: PWG324.0-21
Job Order #: MTSJOC324-04.01
Job Order Title: BRT Lighting
Location: UTC
Contractor: ABC General Inc.
Subcontractor: ACM Lighting Services

Subcontractor Name	License Number	Describe Nature of Work (Trade)	Certifications	Subcontractor Total	%
ACM Lighting Services 1411 Rimpau Ave Suite 202, Carona, CA 92879	758630	Electrician		\$61,498.11	72.04%

CONSTRUCTION CHANGE ORDER

Project Name: **BRT Lighting**

Date: **11/18/21**

To: **MTS**

Contract Number: **MTSJOC324-04**

From (Contractor): **ABC General Contractor, Inc.**

CCO Number: **02**

Description of Work

Fieldwork Directive Issued:

N/A

This CCO is prepared in accordance with and incorporates Section Changes and Extra Work of the Contract Documents and consists of:
Removal and replacement of the HID lights at the Rancho Bernardo Transit Center parking lot.

A. Contractor Cost Proposal

\$ 102,631.43 L.S.

L.S.

Subtotal A: \$ 102,631.43

B. Subcontractors Costs

\$ -

Subtotal B: \$ -

C. Contractor Credits

Subtotal C: \$ -

Total = (A + B + C)

Total: \$ 102,631.43

Original Contract value:

\$ 25,420.13

Adjustment by Change Order No. 1 through Change Order 1 (if applicable)

\$ 85,362.77

Adjustment by this Change Order

\$ 102,631.43

New Contract Amount

Total:

\$ 213,414.33

The Contract Time due to this Change Order will be: ☐ Increased ☐ Decreased ☒ Unchanged

by 0 days

Original Completion Date:

10/22/21

Adjustment by Change Order No. 1 through Change Order 1 (if applicable)

30

Adjustment by this Change Order

0

New Completion Date

11/21/21

Milestones Affected:

Contractor

Date:

MTS Chief Executive Officer

Date:

EXHIBIT A (Scope of Work)

Rancho Bernardo Transit DSOW

- Provide labor and boom truck to replace 63 existing HID lights with LED
- 63 New LED lights to be #OAL-101-LED-9000L-MVOLT-50K-T3D-SL-70W
- 9 New LED lights to be #OAL-201-LED-26000L-MVOLT-50K-T3D-SL-150W
- Provide and install miscellaneous hardware for new LEDs
- Provide and install pole brackets for all new LEDs
- Haul and recycle existing HID lights.
- Transit Station has 63 existing HID lights
- Transit Station to receive 9 additional new LED Lights

OAL-201-LED

LED Medium Area Light

up to 200 Wattage / up to 26000 Lumens

Catalog Number:

Att. C, AI 15, 11/18/2021

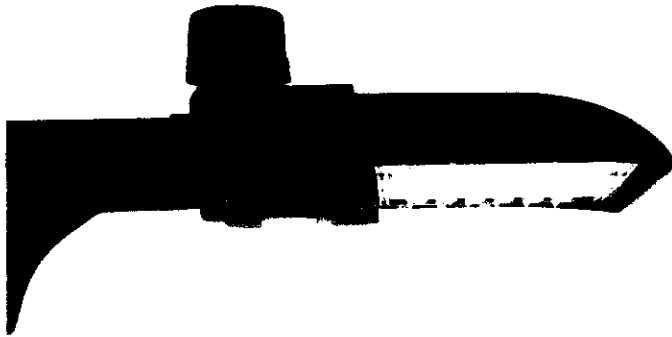
Project Name:

BRT Lighting / MTS

Note:

9 Fixtures

Type:



SPECIFICATIONS:

LUMENS	20000 / 26000 lumens
WATTAGE	150W / 200W
CCT	40K, 50K
CRI	70
LIGHT EFFICIENCY	146 lumens/watt
VOLTAGE	120-277 VAC / 347V / 480V
POWER FREQUENCY	50/60 Hz
FINISH	Bronze
APPLICABLE ENVIRONMENT	Dry/Damp/Wet location
WORKING TEMPERATURE	-40°C to 45°C



** DesignLights Consortium (DLC) qualified product. Not all versions of this product may be DLC qualified. Please check the DLC Qualified Products List at www.designlights.org to confirm which versions are qualified.

APPLICATIONS:

The Oracle LED Medium Area Light is designed with wide spread distribution for even illumination of parking lots, walkways, hardscapes, roadways, and public spaces. The optimal fixture where low mounting heights are required either on a building wall or pole mounted.

FEATURES:

- The one piece die-cast aluminum housing with UV resistant polycarbonate optical lens, outstanding corrosion protection
- Lumen output 20000-26000lm with efficacy to 146lm/W
- Optical Distribution Options: Type III, Type IV, Type V
- Suitable for mounting heights ranging from 20'-35' in area lighting applications
- Mounting Options: square pole, round pole, wall mount, and slipfitter
- Optional photocell and motion sensor
- LED Driver options: MVOLT 120-277V / 347V / 480V
- Dimmable 0-10V
- Fixtures are IP66 rated and suitable for use in ambients from -40°C to 45°C (-40°F to 113°F)
- UL Wet location
- DLC premium qualified**

DISTRIBUTION:

Type III

Type 3 optics produce an asymmetrical pattern that directs the majority of the light forward and equally on both sides of the luminaire.

Type IV

Type 4 is suitable for applications where light is primarily required forward, and minimal backlight is needed.

Type V

Type 5 optics produce a symmetrical square pattern that distributes light equally on all sides of the luminaire.

Ordering Guide > Example: OAL-201-LED-26000L-DIM10-MVOLT-40K-T3D-BZ-PHC-OAL-201-ACC-PM

OAL-201-LED	26000L	NO	MVOLT	50K	T3D	SL		OAL-201-ACC-PM
SERIES	PERFORMANCE	DIMMING	VOLTAGE	CCT	DISTRIBUTION	FINISH	ACCESSORIES	MOUNTING
OAL-201-LED	20000L - 20000 Lumens 26000L - 26000 Lumens	DIM10 - 0-10V Dimming	MVOLT - 120-277V 347V - 347V 480V - 480V	40K - 4000K 50K - 5000K	T3D - Type III T4D - Type IV T5D - Type V	BZ - Bronze BK - Black WH - White SL - Silver	PHC - Photocell MS - Motion Sensor	OAL-101/201/301-ACC-PM - Pole Mount OAL-101/201/301-ACC-WM - Wall Mount OAL-101/201/301-ACC-SFM - Surface Mount

* For more, longer package options, consult factory

* Supplier, 0-10V dimming, consult factory

* Other colors, consult factory

* For more mounting options, please see additional mounting accessories page

Submittal form is available @ www.oraclelighting.com
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Specifications and Dimensions
subject to change without notice.

C-4
Issued: BT118-Rev. 1

OAL-201-LED

LED Medium Area Light

up to 200 Wattage / up to 26000 Lumens

Catalog Number:

Att. C, AI 15, 11/18/2021

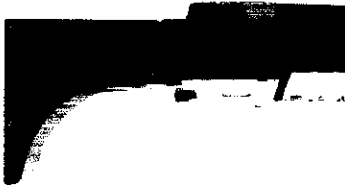
Project Name:

BRT Lighting/MTS

Note:

Type:

MOUNTING:



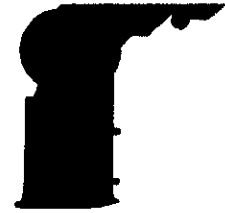
OAL-101/201/301-ACC-PM
Pole Mount

Standard versatile mounting arm is simple to install and can be used with existing poles for retrofit installations.



OAL-101/201/301-ACC-WM
Wall Mount

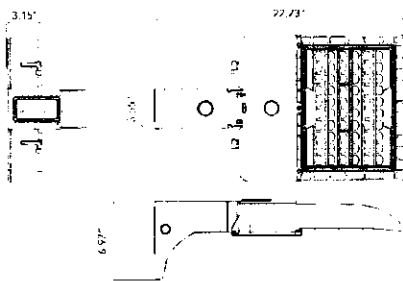
Wall Mount is easy to install for direct wall mounting with 1/2" conduit wiring or standard J-box mounting.



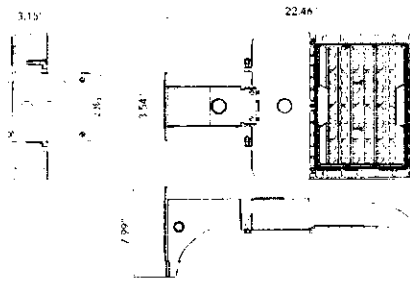
OAL-101/201/301-ACC-SFM
Slipfitter Mount

An optional cast aluminum mast arm adapter secures fixture head to nominal 2" (2-3/8" O.D. pipe size) horizontal steel tenon arm.

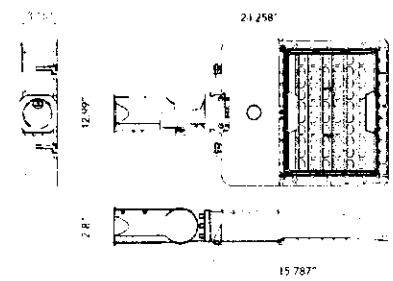
DIMENSION:



Weight: 15.783 lb (150W)
16.001 lb (200W)

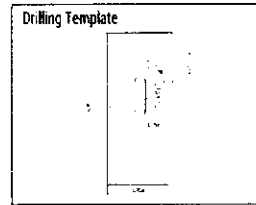
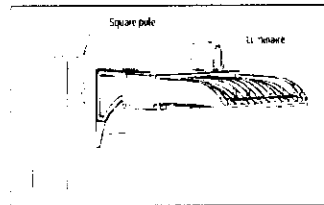
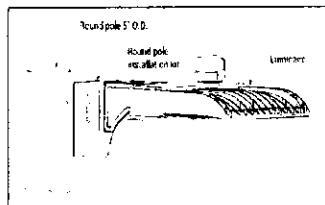


Weight: 18.341 lb (150W)
18.559 lb (200W)



Weight: 16.308 lb (150W)
16.525 lb (200W)

MOUNTING DIMENSION:



INSTALLATION KIT:



Round Pole Installation Kit

Standard versatile mounting arm for area light application, with K/O to install photocell or sensor. Furnished with two 5/16" hex head stainless-steel bolts and two 1/2" hex head stainless-steel screw. Suitable for 4" and 5" round poles.

ACCESSORIES:



PHC - Photocell



MS - Motion Sensor

Submittal form is available @ www.oraclelighting.com
Tel: 323-888-1973 • Fax: 323-888-1977

Specifications and Dimensions
subject to change without notice.

C-5
Issued: 8/14/18-Rev. 1

OAL-101-LED

LED Small Area Light

up to 105 Wattage / up to 13500 Lumens

Catalog Number:

Att. C, At 15, 11/18/2021

Project Name:

BRT Lighting / MTS

Note:

124 Fixtures

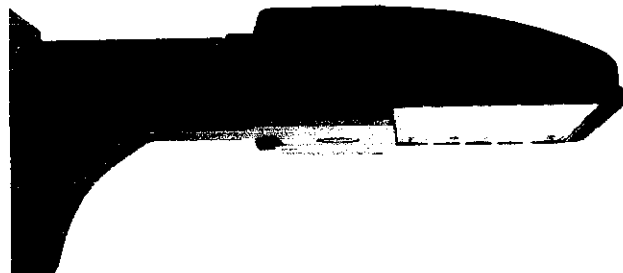
Type:

APPLICATIONS:

The Oracle LED Small Area Light is designed with wide spread distribution for even illumination of parking lots, walkways, hardscapes, roadways, and public spaces. The optimal fixture where low mounting heights are required either on a building wall or pole mounted.

FEATURES:

- The one piece die-cast aluminum housing with UV resistant polycarbonate optical lens, outstanding corrosion protection.
- LED Driver options: MVOLT 120-277V / 347V / 480V
- Suitable for mounting heights ranging from 8'-20' in area lighting applications
- Lumen output from 9000-13400lm with efficacy up to 130lm/W
- Mounting Options: square pole, round pole, wall mount, and slipfitter
- Fixtures are IP66 rated and suitable for use in ambients from -40°C to 45°C (-40°F to 113°F)
- Optical Distribution Options: Type III & Type V
- UL Wet location listed



SPECIFICATIONS:

LUMENS	9000 / 13500 lumens
WATTAGE	70W / 105W
CCT	40K, 50K
CRI	70
LIGHT EFFICIENCY	130 lumens/watt
VOLTAGE	120-277 VAC / 347V / 480V
POWER FREQUENCY	50/60 Hz
FINISH	Bronze
APPLICABLE ENVIRONMENT	Dry/Damp/Wet location
WORKING TEMPERATURE	-40°C to 45°C

DISTRIBUTION:



Type III

Type 3 optics produce an asymmetrical pattern that directs the majority of the light forward and equally on both sides of the luminaire.

Type V

Type 5 optics produce a symmetrical square pattern that distributes light equally on all sides of the luminaire.



Ordering Guide > Example: OAL-101-LED-13500L-DIM10-MVOLT-40K-T3D-BZ-PHC-OAL-101-ACC-PM

SERIES	PERFORMANCE	DIMMING	VOLTAGE	CCT	DISTRIBUTION	FINISH	ACCESSORIES	MOUNTING
OAL-101-LED	9000L 13500L	DIM10	MVOLT	40K 50K	T3D T5D	BZ BK WH SL	PHC MS	OAL-101/201/301-ACC-PM - Pole Mount OAL-101/201/301-ACC-WM - Wall Mount OAL-101/201/301-ACC-SFM - Slipfitter Mount

* For more lumen package options, consult factory

* Support 0-10V dimming, consult the factory

* Other colors, consult factory

* For more mounting options, please consult a field mounting accessories page

Submittal form is available @ www.oraclelighting.com
Tel: 323-888-1973 • Fax: 323-888-1977

Specifications and Dimensions
subject to change without notice.

Issued 11/18/2021

OAL-101-LED

LED Small Area Light

up to 105 Wattage / up to 13400 Lumens

Catalog Number:

Att. C, AI 15, 11/18/2021

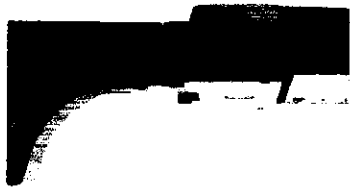
Project Name:

BRT Lighting / MTS

Note:

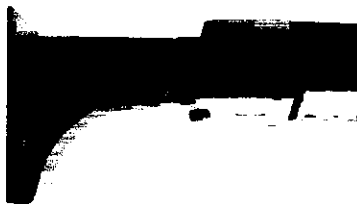
Type:

MOUNTING:



OAL-101/201/301-ACC-PM
Pole Mount

Standard versatile mounting arm is simple to install and can be used with existing poles for retrofit installations.



OAL-101/201/301-ACC-WM
Wall Mount

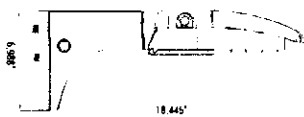
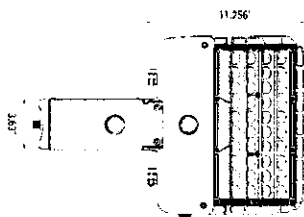
Wall Mount is easy to install for direct wall mounting with 1/2" conduit wiring or standard J-box mounting.



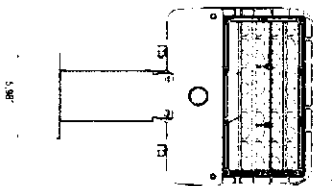
OAL-101/201/301-ACC-SFM
Slipfitter Mount

An optional cast aluminum mast arm adapter secures fixture head to nominal 2"(2-3/8" O.D. pipe size) horizontal steel tenon arm.

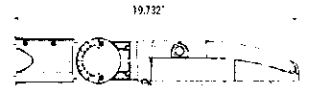
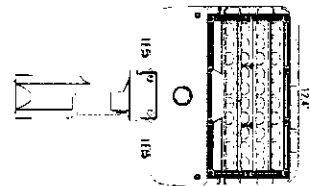
DIMENSION:



Weight:
11.8 lb (70W)
11.98 lb (105W)

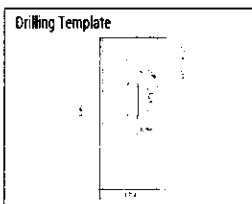
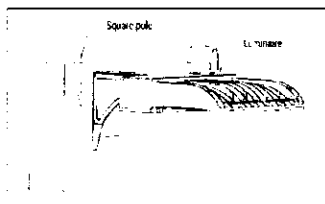
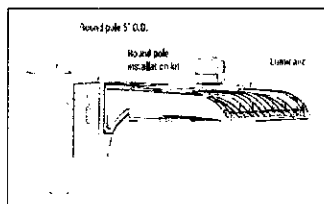


Weight:
13.45 lb (70W)
13.84 lb (105W)

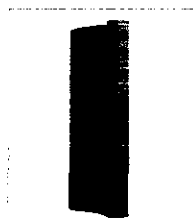


Weight:
11 lb (70W)
11.40 lb (105W)

MOUNTING DIMENSION:



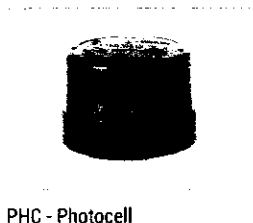
INSTALLATION KIT:



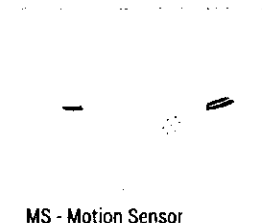
Round Pole Installation Kit

Standard versatile mounting arm for area light application, with K/O to install photocell or sensor. Furnished with two 5/16" hex head stainless-steel bolts and two 1/2" hex head stainless-steel screw. Suitable for 4" and 5" round poles.

ACCESSORIES:



PHC - Photocell



MS - Motion Sensor

Submittal form is available @ www.oraclelighting.com
Tel: 323-888-1973 • Fax: 323-888-1977

Specifications and Dimensions
subject to change without notice.

Issued: 5/11/18 - Rev. 1

EXHIBIT B (Cost Breakdown)



JOC Name (Contractor): ABC General Inc.
Contract Name: JOC Building and Facilities Construction Services
Contract Number: PWG324.0-21
Job Order Number: MTSJOC324-04.02
Job Order Name: BRT Lighting
Location: UTC
Cost Proposal Date: November 3, 2021
Proposal Value: \$102,631.43

Division		NPP Total	Demo	Division Totals
01	General Requirements	\$0.00	\$0.00	\$5,526.33
26	Electrical	\$0.00	\$13,506.16	\$97,105.10
Proposal Total:				\$102,631.43
The Percentage of Non Pre-Priced on this Proposal:				0.00%

JOC Name (Contractor): ABC General Inc.
Contract Name: JOC Building and Facilities Construction Services
Contract Number: PWG324.0-21
Job Order Number: MTSJOC324-04.02
Job Order Name: BRT Lighting
Location: UTC
Cost Proposal Date: November 3, 2021
Proposal Value: \$102,631.43

Record #	CSI Number	MOD	UOM	Description	Unit Price	Factor	Total			
01 General Requirements							\$5,526.33			
1	012220000084		HR	Flagperson For Traffic Control						
	Accepted			Quantity	x	Unit Price	x	Factor	=	LineTotal
		Installation	HR	40.00	x	\$74.04	x	0.9645	=	\$2,856.46
	Equipment Excluded		Materials Excluded							\$2,856.46
	User Note:									
	Item Note:									
2	012223000005		DAY	40' Engine Powered, Telescoping Boom Man Lift With Platform						
	Accepted			Quantity	x	Unit Price	x	Factor	=	LineTotal
		Installation	DAY	0.00	x	\$376.96	x	0.9645	=	\$0.00
	Labor Excluded		Equipment Excluded							\$0.00
	User Note:									
	Item Note:									
3	012223000008		DAY	60' Engine Powered, Telescoping Boom Man Lift With Platform						
	Accepted			Quantity	x	Unit Price	x	Factor	=	LineTotal
		Installation	DAY	4.00	x	\$553.28	x	0.9645	=	\$2,134.55
	Labor Excluded		Equipment Excluded							\$2,134.55
	User Note:									
	Item Note:									
4	017113000002		EA	First 25 Miles, Equipment Delivery, Pickup, Mobilization And Demobilization Using A Rollback Flatbed Truck						
	Accepted			Quantity	x	Unit Price	x	Factor	=	LineTotal
		Installation	EA	1.00	x	\$230.26	x	0.9645	=	\$222.09
		Materials Excluded								\$222.09
	User Note:									
	Item Note: Includes loading, tie-down of equipment, delivery of equipment, off loading on site, rigging, dismantling, loading for return and transporting away. For equipment such as trenchers, skid-steer loaders (bobcats), industrial warehouse forklifts, sweepers, scissor platform lifts, telescoping and articulating boom man lifts with up to 40' boom lengths, etc.									



5	017419000044	EA	Hauling With 2-3 CY Pick-up Truck, Van Or Trailer, Up To 15 Miles						
Accepted			Quantity	x	Unit Price	x	Factor	=	LineTotal
	Installation	EA	4.00	x	\$81.19	x	0.9645	=	\$313.23
Materials Excluded									\$313.23
User Note:									
Item Note: Each first 15 miles per trip									



Price Proposal Detail
Att. C, AI 15 11/18/2021
By Division Report

Version: 2.0

Approved 11/03/2021 04:27:58 PM PST

Job: MTSJOC324-04.02: BRT Lighting

Record #	CSI Number	MOD	UOM	Description	Unit Price		Factor		Total	
26 Electrical									\$97,105.10	
6	265619000164		EA	60 LEDs, 68 Watt, Arm Mount, Rectangular, LED Area Fixture (CREE® BetaLED® Edge® ARE-EDG)						
Accepted				Quantity	x	Unit Price	x	Factor	=	LineTotal
		Installation	EA	63.00	x	\$1,093.69	x	0.9645	=	\$66,456.43
										\$66,456.43
User Note:										
Item Note:										
7	265619000168		EA	140 LEDs, 157 Watt, Arm Mount, Rectangular, LED Area Fixture (CREE® BetaLED® Edge® ARE-EDG)						
Accepted				Quantity	x	Unit Price	x	Factor	=	LineTotal
		Installation	EA	9.00	x	\$1,974.83	x	0.9645	=	\$17,142.51
										\$17,142.51
User Note:										
Item Note:										
8	265621000018		EA	250 Watt Metal Halide, Enclosed And Gasketed, Exterior Roadway Fixture						
Accepted				Quantity	x	Unit Price	x	Factor	=	LineTotal
		Installation	EA	0.00	x	\$516.72	x	0.9645	=	\$0.00
		Demo	EA	72.00	x	\$194.49	x	0.9645	=	\$13,506.16
										\$13,506.16
User Note:										
Item Note:										
Total:									\$102,631.43	
Proposal Total:									\$102,631.43	
The Percentage of Non Pre-Priced on this Proposal:									0.00%	

EXHIBIT C

(Subcontractor Listing)



San Diego Metropolitan Transit System

1255 Imperial Ave
San Diego, CA 92101

Subcontractor Report

Date: 11/4/2021

Job Order Contracting

Contract #: PWG324.0-21
Job Order #: MTSJOC324-04.02
Job Order Title: BRT Lighting
Location: UTC
Contractor: ABC General Inc.
Subcontractor: ACM Lighting Services

Subcontractor Name	License Number	Describe Nature of Work (Trade)	Certifications	Subcontractor Total	%
ACM Lighting Services 1411 Rimpau Ave Suite 202, Carona, CA 92879	758630	Electrician		\$74,265.17	72.36%



Agenda Item No. 16

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
Board of Directors

November 18, 2021

SUBJECT:

SAN YSIDRO TRANSIT CENTER PLANNING & DESIGN/SAN YSIDRO MOBILITY HUB
PLANNING (DENIS DESMOND)

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute Addendum 17 (in substantially the same format as Attachment A), Scope of Work 102 to the Memorandum of Understanding (MOU) between the San Diego Association of Governments (SANDAG) and MTS for the San Ysidro Transit Center Planning & Design project in the amount of \$1,250,000.

Budget Impact

The total MTS contribution for this project shall not exceed \$1,250,000. This project is funded through MTS CIP 10091153 – SY Transit Center Planning and Design with local funds.

DISCUSSION:

The San Ysidro Transit Center (SYTC) is one of the busiest stations in the MTS network and is served by an array of public and privately-operated services including rail (Trolley), local bus, private charter bus and shuttle, jitney, taxi, and transportation network companies. Prior to pandemic-related travel restrictions, the San Ysidro Land Port of Entry facilitated a daily average of over 100,000 northbound travelers, nearly 30,000 of which crossed as pedestrians. On a typical weekday more than 14,400 passengers boarded either an MTS bus or Trolley at the SYTC.

Movement to and from the SYTC is impeded by pedestrian and vehicular conflicts, circuitous ingress and egress, physical constraints limiting efficiency of bus and rail service, as well as other challenges. MTS funded a project in the Capital Improvement Program to address community and operational concerns regarding circulation and transit capacity at the SYTC. This project is intended for implementation in the short term, to provide congestion relief prior to other regional projects under consideration for the area.



The draft 2021 Regional Plan includes multiple projects that aim to improve the SYTC, and the concepts are continuing to be refined by SANDAG. SANDAG is now aligning its San Ysidro Mobility Hub Planning project with a Blue Line Express Feasibility Study, which will analyze the feasibility of implementing Blue Line Express service between San Ysidro and Downtown San Diego. Both of these could have near-term and long-term components that would need to be considered with any project MTS plans at the SYTC.

Given the synergy among the MTS and SANDAG projects, as well as a desire to ensure a complementary approach to phasing and implementation of various public improvements, SANDAG agreed to include the MTS project as a task in their *Blue Line Express Feasibility Study & San Ysidro Mobility Hub Planning* study. This task would be funded by MTS and focus on near-term improvements, including grade separation of the Trolley. The task will include a review of alignment alternatives, potential short-term solutions (including phasing and Implementation strategies), and conceptual engineering.

Therefore, staff recommends that the MTS Board authorize the CEO to execute Addendum 17, Scope of Work 102, for the San Ysidro Transit Center Planning & Design project in the amount of \$1,250,000 (Attachment A). SANDAG's draft scope of work for the *Blue Line Express Feasibility Study & San Ysidro Mobility Hub Planning* is Attachment B; the MTS-funded portion is included as Task 3.

/S/ Sharon Cooney

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachments: A. Addendum 17 Project Scope of Work 102 (G0930.17-04.102)
B. SANDAG Work Element 3322300 Draft Scope of Work

Addendum 17 Project Scope of Work

MTS File No.	G0930.17-04.102	SANDAG Reference No.	5000710 SOW 102
CIP/OWP Title:	San Ysidro Mobility Hub Planning		
CIP/OWP No.	3322300	Project Managers:	Zach Hernandez, SANDAG Beverly Neff, MTS
Lead Agency:	SANDAG	Operating Agency:	MTS
Estimated Start Date:	January 2022	Estimated Completion Date:	June 2023
Estimated Budget:	\$1,250,000		

Intended Source of Funds:

This project is funded through MTS local funds (up to \$1,250,000).

Describe Any Necessary Transfers of Project Funds Between the Parties:

SANDAG shall submit invoices for all expenditures to MTS. MTS will reimburse SANDAG within 15 days of receipt providing agreed invoicing standards are met.

Exhibit A, the Project SOW Budget is the estimated amount for work to be carried out by SANDAG and its consultants. SANDAG will not expend or contract to exceed the total SOW Budget amount without a prior approved amendment for additional funding to this SOW.

Project Description:

The San Ysidro Transit Center (SYTC) is one of the busiest stations in the MTS network and is served by an array of public and privately operated services including rail (Trolley), local bus, private charter bus and shuttle, jitney, taxi and Transportation Network Companies (TNCs) such as Uber and Lyft. Prior to COVID-19 and related travel restrictions, the San Ysidro Land Port of Entry (LPOE) facilitated a daily average of over 100,000 northbound travelers, nearly 30,000 of which crossed as pedestrians. On a typical weekday more than 14,400 passengers boarded either an MTS bus or Trolley at the SYTC. Movement to and from the SYTC is impeded by pedestrian and vehicular conflicts, circuitous ingress and egress, physical constraints limiting efficiency of bus and rail service, as well as other challenges. Planning efforts to-date have explored potential opportunities, however, the future San Ysidro Mobility Hub contemplated in San Diego Forward: The 2021 Regional Plan (or 2021 Regional Plan) requires additional considerations to adequately facilitate planned multimodal connections, emerging technologies, and innovative design to provide a seamless travel experience for all.

This Project will identify and develop alternative solutions for the near-term improvement of the SYTC, as well as long-term solutions for design and implementation of the future San Ysidro Mobility Hub. The near-term component of the Project will enable reconfiguration and upgrade of the SYTC to move into the Project Approval and Environmental Document (PA&ED) phase. Identified near-term solutions will include a suite of improvements that could feasibly be constructed in or prior to 2035 to increase rail service capacity, increase pedestrian safety, and integrate Mobility Hub features to improve overall operations at the SYTC. The Project will also estimate capital outlay and support cost necessary to complete PA&ED for near-term solutions, determine environmental analysis needs, and develop an implementation strategy to prime the project for subsequent phases. The long-term component will build from the identified near-term solutions and develop alternatives that reflect the ultimate footprint and configuration of the San Ysidro Mobility Hub. These long-term solutions would be anticipated for phasing in or beyond 2035 and include design elements that advance integration of planned multimodal

connections, supporting Mobility Hub amenities, emerging technologies, 'safe street' infrastructure, and potential land use and land value capture strategies consistent with the 2021 Regional Plan, the South Bay to Sorrento Comprehensive Multimodal Corridor Plan, and the 2021 California-Baja California Border Master Plan. Mobility Hub design elements will be informed in part by responses to a public Request for Information (RFI) to be released as part of the Project.

Scope of Work to be Performed by MTS:

- MTS will reimburse SANDAG for all costs associated with the Scope of Work including professional services and costs provided herein. The agreed budget is set forth in Exhibit A.
- MTS will provide project staff support as part of the Project Development Team (PDT), which will include as-needed meeting participation and review of deliverables.

Scope of Work to be Performed by SANDAG:

- SANDAG will provide project management, leading internal agency staff as well as consultant teams in development of the project and execution of contracted scopes of work.
- SANDAG will manage and coordinate with consultant teams to carry out the following general project tasks:
 - Conduct stakeholder and public outreach
 - Compile existing conditions information and assess corridor and system performance
 - Develop and identify near-term improvements for the SYTC
 - Develop cost estimates and implementation strategies for near-term improvements
 - Compile a conceptual engineering package for near-term improvements
 - Develop and release a Request for Information (RFI) to solicit input on Mobility Hub design concepts
 - Develop San Ysidro Mobility Hub design alternatives
 - Develop phasing and implementation strategies for the San Ysidro Mobility Hub
 - Develop a final Project Summary Report

Additional Notes:

On July 9, 2021, the SANDAG Board of Directors approved an amendment to the SANDAG FY 2022 Program Budget accepting up to \$1.25 M in funds from MTS for the San Ysidro Mobility Hub Planning project. See link to meeting materials [here](#).

APPROVED BY:
SANDAG

METROPOLITAN TRANSIT SYSTEM

Elisa Arias,
Director of Integrated
Transportation Planning

Date

Sharon Cooney,
Chief Executive Officer

Date

Exhibit A - Project SOW Budget

CIP/OWP Title: San Ysidro Mobility Hub Planning
 SANDAG
 Reference No. 5000710 SOW 102
 CIP/OWP No. 3322300

Category	Description	FY 2022 Estimated	FY 2023 Estimated	SOW Total
ADMIN	SANDAG ODC - Travel Reimbursement and Advertising Expenses	\$400	\$600	\$1,000
ADMIN	SANDAG ODC - Funds made available as reimbursement to RFI responses that meet established criteria		\$100,000	\$100,000
CONTRACTED SERVICES	Planning Consultant Support	\$450,000	\$599,000	\$1,049,000
CONTRACTED SERVICES	Communications Consultant Support	\$45,000	\$55,000	\$100,000

SOW Total \$1,250,000

WORK ELEMENT: 3322300 NEW - Blue Line Express Feasibility Study & San Ysidro Mobility Hub Planning

FY 2022 BUDGET: \$1,334,000

AREA OF EMPHASIS: Sustainable Mobility Programs and Services

Amendment Title: NEW - Blue Line Express Feasibility Study & San Ysidro Mobility Hub Planning

Note: Previously approved by the Board of Directors on July 9, 2021, the San Ysidro Mobility Hub Planning project is now being aligned with the Blue Line Express Feasibility Study, adding \$3.5M of RSTP funds. This study would analyze the feasibility of implementing Blue Line Express service between San Ysidro and Downtown San Diego along with planning efforts to implement a Mobility Hub at the San Ysidro Transit Center. An assessment of needed capital infrastructure, operations feasibility and impacts to existing operations will be conducted.

Funds Source				
	Prior	FY 2022	FY 2023	Total
Other Local Funds	\$0	\$488,716	\$761,284	\$1,250,000
Regional Surface Transportation Program	\$0	\$838,600	\$2,661,400	\$3,500,000
TOTAL	\$0	\$1,237,316	\$3,422,684	\$4,750,000

Note: Local Funding is provided by MTS.

Funds Application				
	Prior	FY 2022	FY 2023	Total
Salaries, Benefits, Indirect	\$0	\$122,316	\$81,684	\$204,000
Other Direct Costs	\$0	\$5,000	\$341,000	\$346,000
Contracted Services	\$0	\$1,200,000	\$3,000,000	\$4,200,000
TOTAL	\$0	\$1,327,316	\$3,422,684	\$4,750,000

OBJECTIVE

The objective of this work element is to analyze the feasibility of implementing a Blue Line Express service between San Ysidro and Downtown San Diego. This project would also advance implementation of the future San Ysidro Mobility Hub per the Regional Mobility Hub Strategy and San Diego Forward: The 2021 Regional Plan (2021 Regional Plan). Mobility Hubs are an essential component of the regional transportation network which integrates shared mobility services, transit supportive land uses and urban design, and supporting technology to increase sustainable mobility options and enhance equity, safety, and accessibility. Emphasis in FY 2022 will be on planning and stakeholder engagement efforts to develop mobility solutions for the near-term improvement of the existing San Ysidro Transit Center as well as Blue Line Corridor existing conditions and system coordination analysis.

PREVIOUS ACCOMPLISHMENTS

This project builds from previous analysis done by MTS on the Blue Line express feasibility and SANDAG's work on the Regional Plan.

Project Manager: Williamson, Jennifer

Committee(s): Borders Committee, Transportation Committee

Working Group(s): Committee on Binational Regional Opportunities, Social Services Transportation Advisory Council

PRODUCTS, TASKS, AND SCHEDULES FOR FY2022

Task No.	% of Effort	Task Description / Product / Schedule
1	10	Task Description: Project Management Product: Final Scope of Work, Consultant Task Order, Meeting Summaries, Quarterly Reports and Milestone Deliverables Completion Date: 6/30/2022
2	20	Task Description: Stakeholder and Public Outreach Product: Project stakeholder list, schedule and milestone discussion meeting summaries, public participation strategy, public outreach materials, briefings with public officials, stakeholder meeting summaries Completion Date: 6/30/2022
3	35	Task Description: Near-term San Ysidro Transit Center Improvements Product: San Ysidro Trolley Alignment Alternatives and Near-Term Solutions Memo; San Ysidro Near-term Solutions Phasing and Implementation Strategies Memo; San Ysidro Near-term Solutions Conceptual Engineering Package Completion Date: 6/30/2022
4	35	Task Description: Blue Line Express Feasibility Study Analysis Product: Blue Line Corridor and System Coordination Assessment; Existing Conditions Review and Development of Alternatives Completion Date: 6/30/2022

FUTURE ACTIVITIES

This project is a multi-year effort. Blue Line Express Feasibility Study activities in FY 2023 include: Blue Line Express Alternatives Analysis, environmental document, capital and operating cost development and phasing. San Ysidro Mobility Hub Planning activities planned in FY 2023 include: development and public release of a Request for Information (RFI) Framework and Design Concept Primer package; development of a San Ysidro Mobility Hub Design Alternatives and Preferred Solution Memo; a San Ysidro Mobility Hub Phasing and Implementation Strategy Memo; development of Schematic Maps, Cross Sections, and Site Plan Renderings; and completion of the San Ysidro Mobility Hub Final Project Summary Report.



Agenda Item No. 17

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

SECURITY AND PASSENGER SAFETY COMMUNITY ADVISORY GROUP (CAG)

RECOMMENDATION:

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

- 1) Approve the revisions to the Security and Passenger Safety Community Advisory Group Guidelines (Attachment A); and
- 2) Receive the appointments list to the Security and Passenger Safety Community Advisory Group (Attachment B).

Budget Impact

None.

DISCUSSION:

In October 2020, MTS requested the American Public Transportation Association (APTA) to convene a Peer Review Panel to assist in evaluating the MTS security and enforcement system. The APTA Peer Review Panel was composed of industry experts and senior executive professionals from within the public transit industry. The panel provided advice, guidance, benchmarking and best practices to assist MTS in reviewing its security enforcement systems and practices. One of the recommendations provided by the panel was to institute a community advisory group to solicit advice and input from transit riders and community stakeholders. Based on the panel recommendation and further instruction from the MTS Public Security Committee, MTS staff drafted guidelines to establish and define the rules of procedures for a Security and Passenger Safety Community Advisory Group.

On July 29, 2021, the MTS Board of Directors approved the guidelines to the CAG. Subsequently, MTS publicly posted and distributed the CAG application for members of the public to apply through September 30, 2021. MTS staff, Chief Executive Officer, and Chair of the Public Security Committee reviewed all received CAG applications. The MTS Chief



Executive Officer and Chair of the Public Security Committee jointly made appointments to the CAG (Attachment B).

Based on the final appointments list, the Chair of the Public Security Committee directed MTS staff to update the CAG Guidelines to include the following additional seat representatives: one (1) additional youth/young adult (25 years of age or younger), one (1) senior community advocate, and one (1) additional community advocacy group member, increasing the total number of voting members from thirteen (13) to sixteen (16).

Therefore, staff recommends that the MTS Board of Directors:

- 1) Approve the revisions to the Security and Passenger Safety Community Advisory Group Guidelines; and
- 2) Receive the appointments list to the Security and Passenger Safety Community Advisory Group.

/S/ Sharon Cooney
Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachments: A. Revised Security and Passenger Safety Community Advisory Group Guidelines
B. CAG Appointment List



SAN DIEGO METROPOLITAN TRANSIT SYSTEM SECURITY AND PASSENGER SAFETY COMMUNITY ADVISORY GROUP GUIDELINES

I. Duties

The duties of the Security and Passenger Safety Community Advisory Group (CAG) are advisory. These duties include the following:

- a. Provide feedback to the Public Security Committee related to security and passenger safety practices throughout the MTS system.
- b. Act as a resource to the Public Security Committee to review proposed security and passenger safety policies and procedures.
- c. Provide recommendations to the Public Security Committee on security and passenger safety policies and procedures.
- d. Review, comment, and provide recommendations on special proposed programs and projects forwarded to the CAG by the Public Security Committee.

II. Membership and Term

Individuals interested in being a representative of the CAG will be required to complete a CAG Vacancy Application. CAG Vacancy Application forms will be posted on the MTS website [<https://www.sdmts.com/about-mts/security-and-passenger-safety-community-advisory-group-cag>]. The MTS Chief Executive Officer (CEO) and designated staff will review and assess the applications submitted to the agency. The CEO will present the slate of recommended CAG representatives to the Chair of the Public Security Committee. Membership to the CAG will include ~~thirteen~~sixteen (~~13~~16) voting members, comprised of the following representatives:

- a. One (1) South Bay resident transit rider;
- b. One (1) East County resident transit rider;
- c. Two (2) City of San Diego resident transit riders;
- ~~d. One~~Two (~~1~~2) youth/young adults (25 years of age or younger);
- ~~d.e.~~ One (1) senior community advocate;
- ~~e.f.~~ Two (2) educators with a primary study focus in public safety;
- ~~f.g.~~ One (1) business or tourism professional;



~~g.h.~~ One (1) social service agency professional, which could include public defenders or other court personnel;

~~h.i.~~ One (1) public safety professional or consultant;

~~h.j.~~ One (1) disabled community advocate;

~~j.k. OneTwo~~ (12) community advocacy group members; and

~~k.l.~~ One (1) representative appointed by the Executive Director of the Regional Task Force on the Homeless*

The term of membership for each committee representative shall be three (3) years. Committee representatives may be reappointed for successive terms. Representatives who wish to reapply to the committee after the conclusion of their term as well as any new individuals who would like to apply for a vacant seat on the CAG, must complete a CAG Vacancy Application. The CEO and designated staff will review and assess the applications. The CEO will present a slate of recommended CAG representatives to fill the vacant seats to the Chair of the Public Security Committee. The CEO and Chair of the Public Security Committee will approve all vacant seat appointments to the CAG.

*This seat will not be required to complete a CAG Vacancy Application as the Executive Director of the Regional Task Force on the Homeless will be asked to appoint one representative to the CAG for a term of three (3) years.

III. Chair

The Chair shall be elected for a one-year term by the members of the CAG at the first meeting of the calendar year and each year thereafter. There will be no limits to how many times a Chair may be reelected. The Chair shall be elected by a simple majority vote of the CAG members, a quorum being present.

IV. Vice Chair

The Vice Chair shall be elected for a one-year term by the members of the CAG at the first meeting of the calendar year and each year thereafter. There will be no limits to how many times a Vice Chair may be reelected. The Vice Chair shall be elected by a simple majority vote of the CAG members, a quorum being present. The Vice Chair shall preside in the absence of the Chair.

V. Meetings

Regular meetings of the CAG shall take place at least three times per year at the offices of MTS. Meetings will be subject to the provisions of the Ralph M. Brown Act, California Government Code, Section 54950, et. seq.

VI. Agendas

CAG meeting agendas shall be set by MTS staff with input from the Chair of the CAG. Agendas shall be prepared and posted in accordance with the Ralph M. Brown Act.

VII. Quorum Requirements

A majority of the members of the CAG shall constitute a quorum. There are ~~thirteen~~^{sixteen} (~~13~~¹⁶) members of the CAG. A least ~~seven~~^{nine} (~~7~~⁹) members of the CAG must be present to constitute a quorum. The CAG may not take any formal action without the majority of its members present. A simple majority vote of the CAG members, a quorum being present, will approve an item.

VIII. Attendance Policy

Attendance at CAG meetings is a condition of appointment. Members should not accept their appointment to the CAG if they are not able to regularly attend meetings. If a CAG member has two consecutive unexcused absences in a row, the member may be automatically vacated from the position.

IX. Resignations

Members of the CAG who wish to resign shall submit a written resignation to the CEO. If possible, the resignation notification should allow for at least a thirty-day notice in order for MTS to post and receive CAG Vacancy Application submittals to appoint a replacement CAG representative.

X. Approval of the CAG Guidelines

The adoption of, and any revisions to, the CAG Guidelines shall be approved by the MTS Board of Directors.

~~Exhibit~~—CAG Vacancy Application

Originally adopted by the MTS Board of Directors on July 29, 2021.
Revised by the MTS Board of Directors on November 18, 2021.



SECURITY AND PASSENGER SAFETY COMMUNITY ADVISORY GROUP APPOINTMENT LIST

(3 Year Term: January 1, 2022 – December 31, 2024)

South Bay Resident Transit Rider (1 representative):

- Rocina Lizarraga

East County Resident Transit Rider (1 representative):

- Vinton Omaleki

City of San Diego Resident Transit Rider (2 representatives):

- Hoan-Vu Do
- Karen Howard

Youth/Young Adult (2 representatives):

- Manu Agni
- Emma Rodriguez

Senior Community Advocate (1 representative):

- V Turner

Educator with a Primary Study Focus in Public Safety (2 representatives):

- Roddrick Colvin
- Megan Welsh

Business or Tourism Professional (1 representative):

- Todd Temple

Social Service Agency Professional (1 representative):

- Matthew Wechter

Public Safety Professional or Consultant (1 representative):

- Bobby Ray Salas

Disabled Community Advocate (1 representative):

- Michelle Krug

Community Advocacy Group Member (2 representatives):

- John Brady
- Ariana Federico Mondragon

Representative Appointed by the Executive Director of the Regional Task Force on the Homeless:

- Kathryn Durant





Agenda Item No. 18

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

DOWNTOWN STOPOVER PROJECT

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors approve a Fund Transfer Agreement with the San Diego Association of Governments (SANDAG) for the Downtown Stopover Project (in substantially the same format as Attachment A), including an MTS contribution of \$1.4 million towards the project.

Executive Committee Recommendation

At its November 4, 2021 meeting, the Executive Committee voted 6 to 0 (Board Members Elo-Rivera, Fletcher, Hall, Montgomery Steppe, Sandke and Sotelo-Solis in favor, with Board Member Salas absent) to recommend that the Board of Directors approve the staff recommendation.

Budget Impact

The \$1.4 million contribution towards the project would be funded from the FY21 Miscellaneous Capital project number 10091112.

DISCUSSION:

SANDAG is developing a stopover facility that would provide an off-street location in downtown San Diego where MTS buses can be parked for short periods between runs. In conjunction with the stopover, the facility also could provide for other residential, office, and retail needs as part of a mixed-use development project. In addition to ensuring reliable and efficient bus and Rapid service for thousands of San Diegans, the stopover facility would increase the availability of on-street parking within the Civic/Core-Columbia neighborhoods by reducing the need for buses to park in front of existing homes and businesses while awaiting the start of their next route.

As part of the planning process, SANDAG conducted an exhaustive search and identified five potential sites that could accommodate a stopover facility. To ensure on-time transit service for downtown riders, the stopover must be located close to transit routes that terminate near Broadway and State Street. Because most transit vehicles at the stopover would park for a short



period of time, the close location ensures that buses would operate on schedule. It would also minimize operational costs and the need for additional bus circulation on surface streets.

A screening process was completed based on operational needs, minimizing impacts to surrounding neighborhoods, environmental impacts, cost, and site readiness. On June 24, 2016, the SANDAG Board of Directors unanimously approved the block bounded by A, Union, B and State streets as the preferred site for the proposed Downtown Bus Stopover and Multiuse Facility.



This location meets operational needs, minimizes impacts to the surrounding neighborhoods, is in a good state of readiness, is environmentally compliant, is cost-effective, and is zoned for governmental uses.

Bus and Rapid service to downtown San Diego has increased, especially over the last several years. A large number of buses begin and end their route in western downtown. Currently, the buses are parking curbside between runs. Downtown needs a long-term solution that takes buses off city streets when they are temporarily out of service between runs. The proposed Downtown Bus Stopover and Multiuse Facility would do that, improving the transit system that thousands of San Diegans rely on as their primary mode of transportation. It also would provide rest facilities for local bus drivers, allowing for the removal of portable toilets from local sidewalks, and increase the availability of on-street parking for downtown neighborhoods.

The stopover would accommodate approximately 18-20 buses, served more than 400 times per day to start, with the potential for over 700 times per day in the future. The facility is intended to serve as short-term bus parking that would typically range from a few minutes to 20 minutes per vehicle. Maintenance and fueling would not be conducted at the stopover site, beyond light activities such as bus and window cleaning, refilling windshield wiper fluid, and minor

emergency repairs. Additionally, no passengers would be served there (buses would arrive and leave empty).

When SANDAG discussed building the stopover facility with the downtown community, it was requested that the site be developed to its fullest potential, consistent with the goals of the Downtown Community Plan. SANDAG is considering the option of including office, residential, and retail space and underground parking as additional components of a multi-use project.

On October 11, 2018 (AI 33), the MTS Board adopted Resolution No. 18-13 in support of the Downtown Stopover Project, resolving that the “MTS Board of Directors is committed to making certain that the Downtown Stopover Project is fully implemented so as to provide MTS with an off-street layover facility that will support future efficient and reliable bus transportation for the entire San Diego region.”

Approximately \$46 million has been allocated to the project from *TransNet*, the voter approved half-cent sales tax for transportation projects administered by SANDAG. Additional funding for this project will be required. SANDAG is investigating additional public and private funding opportunities. The environmental certification and land acquisition phase of this project is currently funded in the 2021 Regional Transportation Improvement Program (RTIP) as Project no. 1201514:

MPO ID: SAN129							ADOPTION: 21-00				
Project Title:	Downtown Multiuse and Bus Stopover Facility							SANDAG ID: 1201514			
Project Description:	Downtown San Diego - block bounded by A Street , B Street, State Street and Union Street - environmental certification and land acquisition for bus stopover facility and potentially a multi-use facility that could include office, residential and retail development.										
Change Notes:											
Capacity Status: NCI			Exempt Category: All Projects - Bus terminal and transfer points								
Est Total Cost: \$45,975											
	TOTAL	PRIOR	20/21	21/22	22/23	23/24	24/25	FUTURE	PE	RW	CON
TransNet - MC	\$31,690	\$19,158	\$2,489	\$10,003	\$40				\$4,390	\$27,300	
RSTP	\$14,285		\$2,411					\$11,874		\$14,285	
TOTAL	\$45,975	\$19,158	\$4,900	\$10,003	\$40			\$11,874	\$4,390	\$41,585	

SANDAG has requested that MTS contribute \$1.4 million to the project, which will support completion of the environmental certification and land acquisition phase. While primarily a project to serve the *TransNet* funded Rapid projects that serve downtown San Diego, the facility will also serve non-*TransNet*, legacy routes in MTS's system. Therefore, staff believes it is reasonable for MTS to contribute the \$1.4M in funding requested for this project.

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachment: A. Fund Transfer Agreement Draft

**SAN DIEGO ASSOCIATION OF GOVERNMENTS AND
SAN DIEGO METROPOLITAN TRANSIT SYSTEM
FUND TRANSFER AGREEMENT**

Re: DOWNTOWN STOPOVER PROJECT

This Fund Transfer Agreement is made and entered into effective as of this _____ day of _____, 2021, by and between the San Diego Association of Governments (hereinafter referred to as "SANDAG") and the San Diego Metropolitan Transit System (hereinafter referred to as "MTS"), in view of the following recitals, which are substantive part of this Agreement:

RECITALS

WHEREAS, MTS, as a public transit agency established under Public Utilities Code section 120000, *et seq.*, is responsible for operation of public transit, including bus services, serving downtown San Diego;

WHEREAS, SANDAG is the metropolitan planning organization responsible for planning and constructing regional transit projects in San Diego County under Public Utilities Code section 132350, *et seq.*;

WHEREAS, SANDAG is responsible for managing sales tax funds dedicated to local transportation projects under the *TransNet* Ordinance;

WHEREAS, SANDAG has established a project for a Downtown Bus Stopover and Multiuse Facility that would provide an off-street location in downtown San Diego where MTS buses can be parked for short periods between runs. In conjunction with the stopover, the facility also could provide for other residential, office, and retail needs as part of a mixed-use development project (collectively referred to as the "Downtown Stopover Project");

WHEREAS, SANDAG has budgeted approximately \$45.9 million through Fiscal Year 2023 for the acquisition phase of the Downtown Stopover Project;

WHEREAS, SANDAG has purchased a portion of the property necessary for the Downtown Stopover Project and is negotiating the purchase of additional parcels;

WHEREAS, SANDAG has requested that MTS contribute funding towards the Downtown Stopover Project; and

WHEREAS, the parties wish to establish MTS funding amounts to be used for the Downtown Stopover Project. This Agreement defines the terms and conditions as required for the MTS funding contribution.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises set forth herein, the parties agree as follows:

1. Downtown Stopover Project. SANDAG is the project lead for the Downtown Stopover Project, including but not limited to the following phases: planning, design, funding, environmental review, site acquisition, and construction. Upon completion of construction of the bus stopover facility phase of the project, MTS will own and operate the bus stopover facility, either in fee or through an easement. Ownership, oversight, and maintenance of the associated multiuse facility that may be jointly developed with the bus stopover facility will be determined once the scope and method for the design, financing, and construction of that facility is determined by SANDAG.

2. MTS Funding Contribution. Notwithstanding SANDAG's role as the project lead, MTS agrees to contribute \$1.4 million to SANDAG for purposes of completing the Downtown Bus Stopover Project. MTS's contribution is subject to the following conditions:

a. The funds shall only be used for the Downtown Bus Stopover Project and may not be used by SANDAG for any other purpose or project.

b. SANDAG shall make good faith efforts to complete the site acquisition, environmental and Title VI review, and design phases of the project no later than June 30, 2024.

c. SANDAG shall make good faith efforts to identify and obtain funding, whether from local, state or federal sources, and to complete construction the bus stopover facility portion of the project no later than June 30, 2027.

d. In the event the deadlines set forth in Section 2(b) or 2(c) cannot be achieved with good faith and reasonable efforts, SANDAG and MTS will meet and confer on how the project can be modified or re-organized so that a downtown bus stopover can be funded and constructed for use by MTS within a reasonable time.

3. Any notice required or permitted under this MOU may be personally served on the other party, by the party giving notice, or may be served by certified mail, return receipt requested, to the following addresses:

For SANDAG
401 B Street, Suite 800
San Diego, CA 92101
Attn: Office of General Counsel

For MTS
1255 Imperial Avenue, Suite 1000
San Diego, CA 92101
Attn: Office of General Counsel

4. This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of San Diego, State of California.

5. All terms, conditions, and provisions hereof shall inure to and shall bind each of the parties hereto, and each of their respective heirs, executors, administrators, successors, and assigns.

6. For purposes of this Agreement, the relationship of the parties is that of independent entities and not as agents of each other or as joint venturers or partners. The parties shall maintain sole and exclusive control over their personnel, agents, consultants, and operations.

7. No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement effective on the day and year first above written.

SAN DIEGO ASSOCIATION OF
GOVERNMENTS

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

HASAN IKHRATA
Executive Director

SHARON COONEY
Chief Executive Officer

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Office of General Counsel

Office of General Counsel



**Metropolitan
Transit
System**

Agenda Item No. 30

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

FISCAL YEAR (FY) 2021 ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) (ERIN DUNN, LARRY MARINESI; KEN PUN AND COLEY DELANEY OF THE PUN GROUP)

INFORMATIONAL ONLY

Budget Impact

None.

DISCUSSION:

The San Diego Metropolitan Transit System (MTS) staff and external auditors, The Pun Group, will present the FY 2021 ACFR and discuss the FY 2021 Audit.

A draft of the FY 2021 ACFR was presented to the Audit Oversight Committee on November 4, 2021 as well as a review of the FY 2021 Independent Audit by Ken Pun and Coley Delaney from The Pun Group. During the presentation, it was noted that they are issuing an “Unmodified Opinion” and that our financial statements are presented fairly in all material respects.

/S/ Sharon Cooney

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachment: A. FY21 Annual Comprehensive Financial Report





Annual Comprehensive Financial Report

for the Fiscal Years Ended June 30, 2021 and 2020
San Diego, California



San Diego Metropolitan Transit System

San Diego, California

***Annual Comprehensive Financial Report
and Independent Auditors' Report***

For the Years Ended June 30, 2021 and 2020

PREPARED BY SAN DIEGO METROPOLITAN TRANSIT SYSTEM
FINANCE DEPARTMENT

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San Diego Metropolitan Transit System

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San Diego Metropolitan Transit System

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INTRODUCTORY SECTION

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1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490

Board of Directors and Transit Riders
San Diego Metropolitan Transit System

The annual comprehensive financial report of the San Diego Metropolitan Transit System (MTS) for the fiscal years ended June 30, 2021 and 2020 is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. The MTS Board of Directors has established an Audit Oversight Committee to provide an additional level of scrutiny to the preparation of the annual comprehensive financial report. Management of MTS is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of MTS are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for preparation of financial statements in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

State statutes require an annual audit by independent certified public accountants. The Pun Group LLP, Accountants and Advisors, has been retained to meet this requirement. The goal of the independent audit was to provide reasonable assurance that the financial statements of MTS for the fiscal years ended June 30, 2021 and 2020 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that MTS's financial statements for the fiscal years ended June 30, 2021 and 2020 are fairly presented, in all material respects, in conformity with U.S. GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit was also designed to meet the requirements of a broader, federally mandated "Single Audit" and to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements required the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. The reports related specifically to the Single Audit are issued under separate cover.

U.S. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

REPORTING ENTITY

The San Diego Metropolitan Transit System was created effective January 26, 1976 to provide the policy setting and overall management coordination of the public transportation system in the San Diego metropolitan service area. This service area encompasses approximately 3 million people residing in a 570 square mile area of San Diego County, including the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, Santee, and San Diego and the unincorporated area of the County of San Diego.

1255 Imperial Avenue, Suite 1000, San Diego, CA 92101-7490 • www.sdmts.com



Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc., San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations), and San Diego Vintage Trolley, Inc., a 501(c)(3) nonprofit corporation, in cooperation with Chula Vista Transit. MTS is the taxicab administrator for seven cities. 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's mission statement, adopted by the Board of Directors, is to enhance the personal mobility of San Diego metropolitan area residents and visitors by:

- Obtaining maximum benefit for every dollar spent.
- Being the community's major public transportation advocate.
- Increasing public transportation usage per capita.
- Taking a customer-oriented approach.
- Implementing capital projects on schedule and within budget.
- Offering high-quality public transportation services.
- Responding to the community's socioeconomic interests.

California law establishes the San Diego Association of Governments (SANDAG) as the planning agency for San Diego County. The responsibility and decision-making for all transportation-related planning, programming and development activities occurs within SANDAG's ten member Transportation Committee. Approved transportation plans and programs are subsequently executed by SANDAG staff. Within this structure, MTS and the North County Transit District (NCTD) focus primarily on operating activities.

MTS is effectively an umbrella agency. MTS owns the assets of San Diego Trolley, Inc. (SDTI) and San Diego Transit Corporation (SDTC), the area's two largest transit operators. These two transit units were formed under California law as not-for-profit public corporations and function as operating subsidiaries of MTS. SDTI and SDTC are considered component units and are blended component units for financial reporting purposes. SDTI operates four Light Rail Transit (LRT) routes: the UC San Diego Blue Line from the America Plaza Station to San Ysidro at the International Border, the Orange Line from the Courthouse station through Centre City and then east to El Cajon, the Sycuan Green Line from the 12th and Imperial Transit Center Bayside platform to Santee and the SDG&E Silver Line that makes stops along the downtown loop using three restored vintage cars from the 1940's and 1981. SDTI operates on a total of 54.3 miles of track. SDTC operates 26 routes with an active fleet of 272 buses.

The relationship between MTS and the transit operating subsidiaries, SDTI and SDTC, is formally established through operating agreements and MTS-adopted corporate policies. These agreements and corporate policies specify the roles and responsibilities of each of the organizations and outline the procedures in numerous functional areas including accounting and budgeting, fare setting, marketing and public information, revenue-producing advertising, service contracts, and programming of federal, state and local subsidies. The MTS Board of Directors has the policy-setting responsibility for the operation and development of MTS's transit operating subsidiaries as well as for the planning and approval of capital expenditures by or on behalf of these entities. The day-to-day operating functions, labor matters and maintenance of facilities are managed by the individual transit operators. MTS has centralized and consolidated Security, Planning, Human Resources, Finance, Information Technology, Stores, and Purchasing for MTS and all subsidiaries.

In addition to the bus routes operated by SDTC, MTS is financially accountable for the operation of certain additional bus routes. MTS contracts with outside parties for the operation of 76 fixed-route bus lines and paratransit services with an active fleet of 496 buses. The contracts require full operation and maintenance of the bus services. Contract services are accounted for in the MTS - Contracted Services Fund for financial reporting purposes.

MTS owns the San Diego and Arizona Eastern Railway Company (SD&AE), a not-for-profit railroad holding company entrusted with assets which include 108 miles of rail line and over 2,000 acres of property. MTS has a contract with the San Diego and Imperial Valley Railway Co. (SDIV) for the operation of freight rail services over the UC San Diego Blue Line (downtown San Diego south to San Ysidro) and Orange Line (downtown San Diego east to El Cajon) trolley segments. MTS provides no subsidy to SDIV, but does receive a portion of its gross revenue. SD&AE is considered a blended component unit for financial reporting purposes.

MTS is financially accountable for the operation of For Hire Vehicle Administration and currently has contracts with the following cities through June 30, 2024: San Diego, National City, El Cajon, Imperial Beach, La Mesa, Lemon Grove, Poway, Santee and Chula Vista. The agreements include licensing and regulating taxicabs, jitneys, nonemergency medical, charter, low speed vehicle, and sightseeing for-hire vehicles.

The MTS Board of Directors is comprised of 15 members with four appointed from the City of San Diego (the Mayor of San Diego and three San Diego City Council Members), two appointed from the City of Chula Vista (the Mayor of Chula Vista and a Chula Vista City Council Member), one appointed from each City Council of Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, and Santee, and one appointed from the San Diego County Board of Supervisors.

ECONOMIC CONDITION AND OUTLOOK

San Diego's economy was significantly impacted by the response to the global COVID-19 pandemic beginning in March 2020. The San Diego region's gross regional product (GRP) for 2020 was projected to be down 3.1%-4.5%, which would be a \$7-\$10 billion loss. The region includes the largest concentration of U.S. military in the world, making the military presence an important driver of the region's economy. In addition, San Diego is a thriving hub for the life sciences/biomedical and technology-oriented industries. However, hospitality and tourism is a significant source of income for the local economy and that took a big hit in 2020, and we haven't seen much improvement in 2021. The San Diego Tourism Authority is expecting a five-year recovery horizon. The meeting and special event industry essentially came to a stop, and we have seen very little pick up. The unemployment rate was 7.0% in June 2021, down from 13.9% in 2020, but still significantly higher than the 3.3% in 2019 before the pandemic started. San Diego continues to compare favorably to the unemployment rate in California but slightly higher than the national average.

Long-term financial planning

The long-term goal of MTS is to fund operations solely with recurring revenues, but for the next few years that will not be the case. The global COVID-19 pandemic continues to have a dramatic effect on MTS operations. The primary impact has been on ridership and the associated fare revenue, the approved FY21 budget assumed a 46% reduction in fare revenues compared to the pre-pandemic run rate, a drop from \$99.3 million to \$53.6 million. That initial forecast assumed a gradual re-opening of the economy early in the fiscal year which did not happen. With the midyear budget amendment, the passenger fare revenue forecast was reduced to \$46.6 million, and by the end of the fiscal year MTS did see riders returning to the system, with passenger fare revenue finishing at \$47.9 million. This positive ridership trend has continued into FY22; however, MTS remains far below the pre-pandemic baseline. The pandemic was also forecasted to greatly impact sales tax receipts throughout California, which impacts subsidy revenue available to MTS from both TDA and TransNet funds. But sales tax receipts for the region were very strong in FY21, even exceeding the pre-pandemic targets for the fiscal year. State Transit Assistance (STA) funding was also expected to drop from \$30 million to approximately \$17 million, a 43% reduction, but the actual experience was better than expected, with receipts coming in at \$22.8 million for FY21. On March 27, 2020, the President signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which provided \$25 billion to the transit industry nationwide. MTS was apportioned \$220 million in CARES Act funding, which will be utilized over multiple fiscal years to supplement lost revenues and increased expenses related to the pandemic. MTS has so far utilized \$90.0 million of CARES funding to supplement lost revenues, \$17.9 million in FY20 and \$72.1 million in FY21. On March 11, 2021, the President signed American Rescue Plan Act of 2021 (ARP) Act, which provided \$30.5 billion to support the nation's public transportation systems as they continue to respond to the COVID-19 pandemic. MTS was apportioned \$140 million of ARP funding. The FY22 approved budget assumes \$80.3 million of ARP/CARES funding will be utilized, leaving a balance of approximately \$190 million for future fiscal years. At this point, the pandemic's effects on passenger fare and other revenues are expected to continue into FY25. Additionally, MTS has a contingency reserve balance of 12.5% of the operating budget at its disposal.

Major Initiatives

This past year MTS celebrated Free Ride Day on Election Day, November 3, 2020. With fewer polling locations available due to the pandemic, the Ride to Vote campaign increased access for thousands of San Diegans to get to their polling location and help bridge the gap between where a voter lives and where they need to vote. Fixed-route bus and rail services were free for everyone to use throughout San Diego County, ensuring residents were able to reach their polling place and exercise their right to vote. Passengers were also greeted at many transit stations with Ride to Vote promotional items, hats, hand sanitizer and masks to stay safe. Ridership increased by 18% over the previous week on the Trolley and over 14% on bus services.

In another effort to spur ridership, MTS launched a new campaign in April to help small businesses recovering from the pandemic. Eat-Shop-Play is a small business support program that rewards people for shopping local. Designed to get more customers into neighborhood stores and spur more economic development, the program is free for retailers and is supported by an MTS-sponsored outreach and advertising campaign. The transit-adjacent business districts included in the initial launch of Eat-Shop-Play include Barrio Logan, Chula Vista, La Mesa, Lemon Grove, East Village, Imperial Beach, National City, and North Park. Each customer who signs up receives a branded stamp card to track purchases at participating businesses. When the card is filled, customers earn a free monthly transit card – valued at \$72. The program focuses on walkable neighborhoods with bus and Trolley stops located near business districts. Small businesses participating in the cooperative marketing program are featured on the MTS website, billboards, Trolleys, bus benches, online advertising, and MTS social media. More than 100 businesses participated and dozens of free passes have been issued.

As part of this ridership review and ease of use of the system, MTS had undertaken an initiative of upgrading the region's current fare collection system. MTS hired INIT (Innovations in Transportation, Inc.) to develop and implement the region's new fare collection system. INIT has implemented the highly successful HOP system for TriMet in Portland, Oregon. This new fare system will allow MTS to keep pace with technologies riders want, such as guaranteed best fare based on the number of trips, real-time account management and much more. The current Compass Card system will be phased out, and the new system will be branded as PRONTO. It will include all new hardware and fares will be more accessible to purchase (400 locations at full buildout compared to just the 50 Vons/Albertsons locations available today). The new fare collection system will be phased in beginning in August 2021.

Over the last fifteen years, MTS has made funding the Capital Improvement Plan (CIP) a priority to bring the system up to a state of good repair, with almost \$1.3 billion of funding spent on Capital. MTS and SANDAG completed the rehabilitation of the UC San Diego Blue Line and replaced both the East County and South Bay Bus facilities. The bus fleet replacement plan has been adjusted to keep the number of buses replaced to a manageable figure each year. The U2 light rail vehicle (LRV) fleet has been replaced and the replacements for the 2000 vehicle series (SD100 fleet), which are now nearing 25-years old, began arriving in the spring of 2021. This will be the final step for MTS to become 100% low-floor across the entire Trolley fleet. Even with the pandemic impacts to the operating budget, MTS continues to prioritize the CIP and has committed \$125 million for CIP in FY22, funding 48 projects focused on fleet replacement and maintaining a state of good repair.

The 11-mile extension of the UC San Diego Blue Line, named the Mid-Coast Corridor Transit Project (Mid-Coast) is also currently under construction from the Old Town Transit Center to the University City community. It will feature nine new stations, serving major activity centers such as the Veterans Administration Medical Center, UCSD, and Westfield UTC. The project is funded by SANDAG and the Federal Transit Administration (FTA) New Starts Program. The project remains on track and Mid-Coast is anticipated to begin service in November 2021.

MTS has a long record for having one the greenest fleets in the nation. MTS made a historic commitment to reduce greenhouse gas (GHG) emissions in September 2020 when the MTS Board unanimously approved a transition plan to convert all of the agency's 800 buses to zero emissions by 2040. The transition plan will serve as the agency's blueprint to transition all vehicles in the fleet to zero-emissions. The latest addition to the MTS zero emissions fleet came in December 2020, with the delivery of two new battery-electric buses by Gillig. With the existing six New Flyer buses, MTS now has a total of eight electric buses as part of its ZEB Pilot Program, and has gained the capacity to test the performance of buses from more than one manufacturer. The electric buses have an average estimated usable range of 150 miles per charge. Many MTS bus routes are 150 miles or less, making them appropriate for this transition.

AWARDS AND ACKNOWLEDGMENTS



The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to MTS for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020. This was the fifteenth consecutive year and the twenty-fifth year overall that MTS has achieved this prestigious award. To be awarded a Certificate of Achievement, MTS must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The staff of the finance department is to be commended for their efficient and dedicated service to the production of this report. In addition, we express our appreciation for the assistance and cooperation provided by management and staff in all departments throughout the organization.

Sharon Cooney
Chief Executive Officer

Larry Marinesi
Chief Financial Officer

November 4, 2021

San Diego Metropolitan Transit System

Listing of Board of Directors and Management

BOARD OF DIRECTORS

Members	Board position (elected position)
Nathan Fletcher	Chair, since 1/20; Board Member, since 1/19 (Supervisor, County Board of Supervisors)
Alejandra Sotelo-Solis	Vice Chair, since 1/20; Board Member, since 11/19 (Mayor, City of National City)
Mary Salas	Chair Pro Tem, since 1/21, Board Member, since 2/13 (Mayor, City of Chula Vista)
Paloma Aguirre	Board Member, since 12/18 (Councilmember, City of Imperial Beach)
Mark Arapostathis	Board Member, since 1/12 (Mayor, City of La Mesa)
Sean Elo-Rivera	Board Member, since 12/20 (Councilmember, City of San Diego)
Caylin Frank	Board Member, since 12/18 (Councilmember, City of Poway)
Jill Galvez	Board Member, since 1/19 (Councilmember, City of Chula Vista)
George Gastil	Board Member, since 1/21 (Councilmember, City of Lemon Grove)
Todd Gloria	Board Member, since 12/20 (Mayor, City of San Diego)
Steve Goble	Board Member, since 1/17 (Councilmember, City of El Cajon)
Ronn Hall	Board Member, since 5/17 (Councilmember, City of Santee)
Monica Montgomery Steppe	Board Member, since 12/18 (Councilmember, City of San Diego)
Vivian Moreno	Board Member, since 12/18 (Councilmember, City of San Diego)
Bill Sandke	Board Member, since 1/17 (Councilmember, City of Coronado)

BOARD COMMITTEE MEMBERSHIP

Executive Committee	Accessible Services Advisory Committee	Airport Authority Advisory Committee	Public Security Committee
Nathan Fletcher, Chair Sean Elo-Rivera George Gastil Monica Montgomery Steppe Mary Salas Bill Sandke Alejandra Sotelo-Solis	Alejandra Sotelo-Solis, Chair	Bill Sandke	Monica Montgomery Steppe, Chair Paloma Aguirre Sean Elo-Rivera Jill Galvez Todd Gloria Ronn Hall
Audit Oversight Committee	Budget Development Committee	Los Angeles-San Diego Rail Corridor Agency	Taxicab Advisory Committee
Nathan Fletcher, Chair Sean Elo-Rivera George Gastil Monica Montgomery Steppe Mary Salas Bill Sandke Alejandra Sotelo-Solis	Vivian Moreno, Chair Nathan Fletcher Todd Gloria Mary Salas Bill Sandke	Caylin Frank	Sean Elo-Rivera
SANDAG Board	SANDAG Regional Planning Committee	SANDAG Transportation Committee	
Paloma Aguirre	Jill Galvez	Monica Montgomery Steppe	

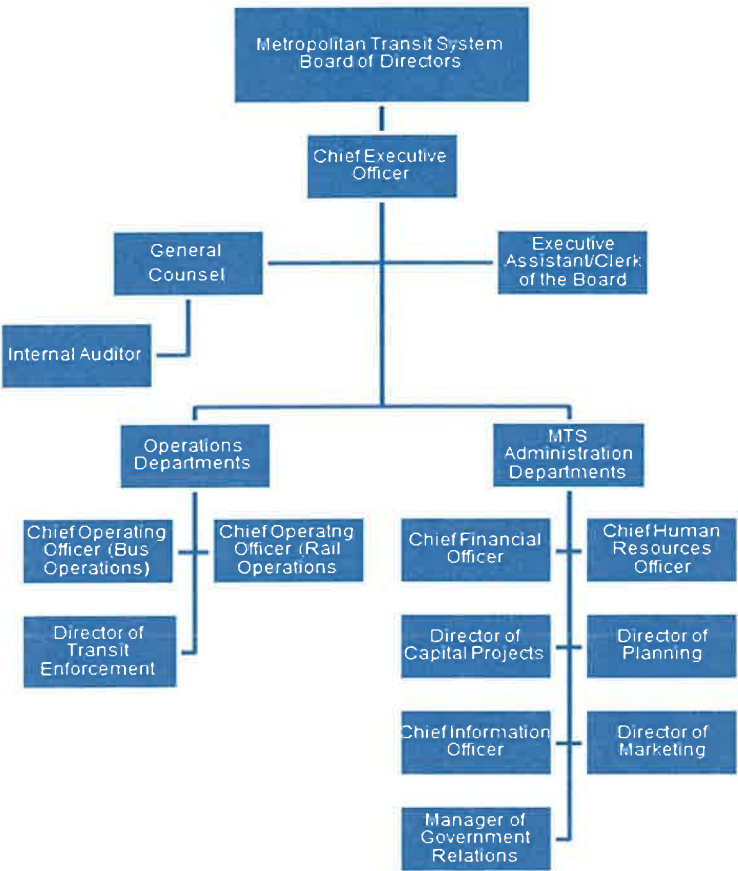
San Diego Metropolitan Transit System**Listing of Board of Directors and Management (Continued)**

MTS MANAGEMENT

Staff	Position
Sharon Cooney	Chief Executive Officer
Karen Landers	General Counsel
Larry Marinesi	Chief Financial Officer
Mike Wygant	Chief Operating Officer, Transit Systems
E. Wayne Terry	Chief Operating Officer, Rail
Jeff Stumbo	Chief Human Resources Officer
Emily Outlaw	Chief Information Officer
Denis Desmond	Director, Planning
Robert Schupp	Director, Marketing and Communications
Heather Furey	Director, Capital Projects
Al Stiehler	Director, Transit Enforcement
Julia Tuer	Manager of Government Relations

San Diego Metropolitan Transit System

Executive Level Organization Chart



San Diego Metropolitan Transit System

Certificate of Achievement for Excellence in Financial Reporting - GFOA



Government Finance Officers Association

**Certificate of
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Presented to

**San Diego Metropolitan Transit System
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of the San Diego Metropolitan Transit System
San Diego, California

Report on Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of the San Diego Metropolitan Transit System ("MTS"), as of and for the years ended June 30, 2021 and 2020, and the related notes to the basic financial statements, which collectively comprise MTS's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate remaining fund information of MTS, as of June 30, 2021 and 2020, and the respective changes in financial position and, where applicable, cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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To the Board of Directors
 of the San Diego Metropolitan Transit System
 San Diego, California
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Emphasis of a Matter

Implementation of GASB Statement No. 84

As described in Note 1Q to the basic financial statements, MTS implemented GASB Statement No. 84, *Fiduciary Activities*. The implementation of GASB Statement No. 84 requires MTS to include the San Diego Transit Corporation Employee Retirement Plan Pension Trust Fund. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedules of Proportionate Share of the Net Pension Liability and Related Ratio, Schedules of Changes in Net Pension Liability and Related Ratios, Schedules of Contributions – Pension Plans, and Schedules of Changes in Total OPEB Liability and Related Ratios be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise MTS's basic financial statements. The introductory section, combining and individual fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

To the Board of Directors
of the San Diego Metropolitan Transit System
San Diego, California
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Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2021, on our consideration of MTS's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering MTS's internal control over financial reporting and compliance.

The PwC Group, LLP

San Diego, California
November 4, 2021

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San Diego Metropolitan Transit System Management's Discussion and Analysis June 30, 2021 and 2020

The following discussion and analysis of the financial performance of the San Diego Metropolitan Transit System (MTS) is intended to provide an overview of MTS's financial activities for the fiscal years ended June 30, 2021 and 2020. This information should be used in conjunction with the Letter of Transmittal, which can be found on pages i through iv of this report.

Financial Highlights

- Net position, as reported in the statement of net position, totaled \$1,919 million as of June 30, 2021, \$1,863 million as of June 30, 2020 and \$1,770 million as of June 30, 2019. Of this amount, \$(47) million was the unrestricted deficit as of June 30, 2021, \$(12) million was the unrestricted deficit as of June 30, 2020 and \$(53) million was the unrestricted deficit as of June 30, 2019. Total net position increased by \$56 million in the current year and increased by \$93 million in the prior year. The current year increase is primarily due to a \$39 million in contributed capital from SANDAG and a \$10 million increase in deferred outflows of resources due to contributions made after the measurement date.
- For the year ended June 30, 2021, the combined farebox recovery ratio (the measure of the ability to recover operating costs through fare revenue) for San Diego Trolley, Inc., San Diego Transit Corporation, and MTS - Contracted Services was 16.10% compared to 28.05% for the year ended June 30, 2020 and 34.21% for the year ended June 30, 2019. The current year decrease is primarily due to a decrease in passenger revenue related to Covid-19.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to MTS's financial statements. The financial statements are comprised of two components: 1) financial statements and, 2) notes to basic financial statements. This report also contains other supplementary information in addition to the financial statements themselves.

Financial statements. The financial statements are designed to provide readers with a broad overview of MTS's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of MTS's assets, deferred outflow of resources, liabilities, and deferred inflow of resources with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of MTS is improving or deteriorating.

The *statement of revenues, expenses and changes in net position* presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The *statement of cash flows* presents information showing the sources and uses of cash related to operating activities, noncapital financing activities, capital and related financing activities and investing activities. In addition, the statement provides information about significant non-cash investing, capital and financing activities.

Since MTS's primary function is to provide transportation services to the region's citizens and recover costs through user fees and charges, the financial statements include business-type activities. In addition, the financial statements include not only MTS itself (*known as the primary government*), but also two legally separate transit operators and one legally separate freight railway, for which MTS is financially accountable: San Diego and Arizona Eastern Railway Company (SD&AE).

MTS has fiduciary responsibility over one pension trust fund, San Diego Transit Corporation Employee Retirement Plan, which we have also included a *statement of fiduciary net position* and a *statement of changes in fiduciary net position*.

San Diego Metropolitan Transit System
Management's Discussion and Analysis (Continued)
June 30, 2021 and 2020

Notes to basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

Other information. In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information concerning MTS's net pension liability and net other post-employment benefits liability for its employees.

Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of an entity's financial stability. In the case of MTS, net position was \$1,919 million at the close of the most recent fiscal year and \$1,863 million at the end of FY2020.

The largest portion of MTS's net position reflects the investment in capital assets, net of accumulated depreciation and reduced by any outstanding bonds or other borrowings and deferred inflows and outflows of resources (Net Investment in Capital Asset). Most of the investment in capital assets is comprised of trolley system assets, buses, and construction-in-progress totaling \$160 million, of which the largest projects are the replacement of our SD100 Light Revenue Vehicles and the new Fare System project, at \$99.3 and \$19.1 million respectively. Prior year construction-in-progress totaled \$64 million, of which the largest projects were the replacement of our SD100 Light Revenue Vehicles and the new Fare System project, at \$26.9 and \$11.2 million respectively. The capital assets that are represented by construction-in-progress will be used to provide services to citizens; consequently, these assets are not available for future spending. In FY2021, MTS transferred completed projects worth \$80.1 million to SDTC, SDTI and MTS - Contracted Services compared to \$33.0 million in FY2020.

The balance in the unrestricted component of net position decreased by \$(34.7) million during the current year and increased by \$41.1 million in the prior year. Total assets increased by \$61 million primarily due to capital assets increasing by \$91 million, offset by cash decreasing by \$35 million. In FY2020, total assets increased by \$87 million. In the current fiscal year, total liabilities increased by \$18 million primarily due to increases in net pension liability of \$9 million, total OPEB liability of \$5 million, and accounts payable of \$9 million, offset by a decrease in unearned revenue of \$4 million. In the previous year, total liabilities decreased by \$1 million.

	2021	2020	Change	2019	Change
Current and other assets	\$ 264,408,968	\$ 294,393,551	\$ (29,984,583)	\$ 258,548,635	\$ 35,844,916
Capital assets	1,965,662,933	1,874,319,606	91,343,327	1,823,323,569	50,996,037
Total assets	2,230,071,901	2,168,713,157	61,358,744	2,081,872,204	86,840,953
Deferred outflows of resources	56,237,682	44,104,664	12,133,018	39,436,807	4,667,857
Current and other liabilities	79,944,566	75,101,849	4,842,717	91,121,531	(16,019,682)
Long-term liabilities outstanding	279,296,835	266,405,664	12,891,171	251,475,903	14,929,761
Total liabilities	359,241,401	341,507,513	17,733,888	342,597,434	(1,089,921)
Deferred inflows of resources	8,082,356	8,796,023	(713,667)	8,736,010	60,013
Net position:					
Net investment in capital assets	1,965,662,933	1,874,319,606	91,343,327	1,822,922,233	51,397,373
Restricted	-	218,452	(218,452)	212,422	6,030
Unrestricted (deficit)	(46,677,107)	(12,023,773)	(34,653,334)	(53,159,088)	41,135,315
Total net position	\$ 1,918,985,826	\$ 1,862,514,285	\$ 56,471,541	\$ 1,769,975,567	\$ 92,538,718

**San Diego Metropolitan Transit System
Management's Discussion and Analysis (Continued)
June 30, 2021 and 2020**

The decrease in operating revenue is attributable to a decrease in passenger revenue of \$32 million due to the Covid-19 pandemic. Variances between FY2021 and FY2020 nonoperating revenues are attributable to a significant increase in Federal revenue, \$113 million, offset by a \$23 million decrease in State Revenue. Operating expenses increased just \$3 million, which can be attributed to energy costs.

	2021	2020	Change	2019	Change
Revenues:					
Operating revenues:					
Passenger revenue	\$ 47,913,391	\$ 79,531,924	\$ (31,618,533)	\$ 92,225,166	\$ (12,693,242)
Other operating revenue	18,946,179	21,193,172	(2,246,993)	20,434,869	758,303
Nonoperating revenues:					
Federal revenue	203,821,648	90,452,130	113,369,518	66,068,502	24,383,628
Transportation Development Act	97,873,145	105,032,033	(7,158,888)	96,654,680	8,377,353
State Transit Assistance	30,355,674	28,595,958	1,759,716	32,382,645	(3,786,687)
State revenue - other	5,995,304	29,636,442	(23,641,138)	1,828,998	27,807,444
TransNet funds	44,062,481	40,315,353	3,747,128	45,550,475	(5,235,122)
Other nonoperating revenue	14,786,661	22,275,984	(7,489,323)	659,457	21,616,527
Total revenues	463,754,483	417,032,996	46,721,487	355,804,792	61,228,204
Expenses:					
Operating expenses	445,826,608	443,146,547	2,680,061	426,696,248	16,450,299
Nonoperating expenses	466,053	572,738	(106,685)	671,402	(98,664)
Total expenses	446,292,661	443,719,285	2,573,376	427,367,650	16,351,635
Income (loss) before capital contributions	17,461,822	(26,686,289)	44,148,111	(71,562,858)	44,876,569
Capital contributions	39,009,719	119,225,007	(80,215,288)	106,592,113	12,632,894
Increase (decrease) in net position	56,471,541	92,538,718	(36,067,177)	35,029,255	57,509,463
Net position:					
Beginning of year	1,862,514,285	1,769,975,567	92,538,718	1,734,946,312	35,029,255
End of year	<u>\$1,918,985,826</u>	<u>\$1,862,514,285</u>	<u>\$ 56,471,541</u>	<u>\$1,769,975,567</u>	<u>\$ 92,538,718</u>

**San Diego Metropolitan Transit System
Management's Discussion and Analysis (Continued)
June 30, 2021 and 2020**

Capital Asset and Debt Administration

Capital assets. MTS's investment in capital assets net of accumulated depreciation as of June 30, 2021 and 2020 amounted to \$1,966 million and \$1,874 million, respectively. This investment in capital assets includes land, buildings, vehicles, equipment, and construction-in-progress. Major capital asset events during the current fiscal year included the following:

- MTS continues to modernize the bus fleet. In FY2021, MTS placed 95 new buses into service totaling \$72.4 million, including two zero-emission electric buses.
- MTS completed the construction of one of three traction power stations (TPSS) in FY21, for \$1.8 million. The remaining two stations are slated to be finished in FY22.
- Completed capital projects totaling \$39.0 million were transferred from SANDAG to MTS and its component units during FY2021, of which \$32.8 million were 8 light rail vehicles (LRVs).

CAPITAL ASSETS
(Net of Accumulated Depreciation)

	2021	2020	2019
Land	\$ 256,909,683	\$ 256,909,683	\$ 256,922,883
Buildings	948,397,397	1,002,480,694	1,041,617,309
Vehicles	562,666,289	504,332,108	437,802,630
Equipment & other	37,821,183	46,932,431	45,059,343
Construction-in-progress	159,868,381	63,664,690	41,921,404
Total	<u>\$ 1,965,662,933</u>	<u>\$ 1,874,319,606</u>	<u>\$ 1,823,323,569</u>

Additional information on MTS's capital assets can be found in Note 5 to the financial statements.

Long-term debt. MTS has one finance obligation outstanding relating to Pension Obligation Bonds issued in fiscal year 2005 for a total obligation of \$7.7 million.

Additional information about MTS's long-term debt can be found in Note 8 to the financial statements.

Bond Ratings

Standard & Poor's Ratings Services provided an underlying rating for the Pension Obligation Bonds at "AA" while affirming a negative outlook in 2021, a lower rating than the "A+" that was received in 2020. Additional information on MTS's long-term debt can be found in Note 8 to the financial statements.

Known Events That Might Have a Material Impact on the Future

The COVID-19 pandemic continues to bring uncertainties to public transportation. While we are seeing ridership starting to increase, we remain far below the pre-pandemic baseline which has caused a significant decrease in passenger revenue. However, with the revenue provided from the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the American Rescue Plan (ARP) Act of 2021, MTS has maintained steady service levels for our passengers without depleting our reserves. As of FY21, MTS has already received \$90 million in subsidy and expects to receive \$270 million in future years to help cover the increased costs and decreased passenger revenue related to the pandemic.

Requests for Information

This financial report is designed to provide a general overview of MTS's finances for all those with an interest in the government's finances. If you have questions concerning any of the information provided in this report or need additional financial information, visit our website at www.sdmts.com or direct inquiries to the Controller, MTS, 1255 Imperial Avenue, Suite 1000, San Diego, CA 92101.

BASIC FINANCIAL STATEMENTS

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PRIMARY GOVERNMENT

San Diego Metropolitan Transit System
Statements of Net Position
June 30, 2021 and 2020

	2021	2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 68,815,127	\$ 104,119,654
Cash and cash equivalents restricted for capital support	22,354,579	20,127,449
Accounts and other receivables	11,614,566	11,694,833
Due from other governments	128,504,658	125,312,461
Inventory	29,316,441	27,858,581
Prepaid items and other current assets	3,803,597	5,280,573
Total current assets	264,408,968	294,393,551
Noncurrent assets:		
Capital assets, net of accumulated depreciation	1,965,662,933	1,874,319,606
Total noncurrent assets	1,965,662,933	1,874,319,606
Total assets	2,230,071,901	2,168,713,157
DEFERRED OUTFLOWS OF RESOURCES		
Pension-related deferred outflows of resources	50,310,809	41,198,030
OPEB-related deferred outflows of resources	5,926,873	2,906,634
Total deferred outflows of resources	56,237,682	44,104,664
LIABILITIES		
Current liabilities:		
Accounts payable	29,348,867	20,457,121
Due to other governments	2,420,143	2,343,547
Unearned revenue	20,640,215	24,143,533
Accrued expenses	4,122,828	5,291,408
Retentions payable	1,315,730	1,212,265
Retentions payable from restricted assets	8,531,874	7,735,565
Due within one year:		
Compensated absences	6,350,951	6,748,487
Accrued damage, injury, and employee claims	4,378,958	4,479,923
Long-term debt, current portion	2,835,000	2,690,000
Total current liabilities	79,944,566	75,101,849
Noncurrent liabilities:		
Due in more than one year:		
Compensated absences	5,536,981	4,258,619
Accrued damage, injury, and employee claims	12,140,335	11,971,359
Long-term debt	4,830,000	7,665,000
Aggregate net pension liabilities	203,057,858	194,191,281
Aggregate total OPEB liabilities	53,731,661	48,319,405
Total noncurrent liabilities	279,296,835	266,405,664
Total liabilities	359,241,401	341,507,513
DEFERRED INFLOWS OF RESOURCES		
Pension-related deferred inflows of resources	3,100,715	3,646,565
OPEB-related deferred inflows of resources	4,981,641	5,149,458
Total deferred inflows of resources	8,082,356	8,796,023
NET POSITION		
Investment in capital assets	1,965,662,933	1,874,319,606
Restricted for capital assets	-	218,452
Unrestricted (deficit)	(46,677,107)	(12,023,773)
Total net position	\$ 1,918,985,826	\$ 1,862,514,285

See accompanying notes to basic financial statements.

San Diego Metropolitan Transit System
Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended June 30, 2021 and 2020

	2021	2020
Operating Revenues:		
Passenger revenue	\$ 47,913,391	\$ 79,531,924
Advertising	1,012,753	2,027,212
Miscellaneous	17,933,426	19,165,960
Total operating revenues	<u>66,859,570</u>	<u>100,725,096</u>
Operating Expenses:		
Personnel costs	151,560,742	149,331,486
Outside services	111,280,298	110,590,408
Transit operations funding	397,124	522,959
Materials and supplies	16,334,099	14,274,837
Energy costs	31,261,976	28,587,068
Risk management	5,584,272	7,857,880
Miscellaneous	5,305,897	5,011,017
Depreciation	124,102,200	126,970,892
Total operating expenses	<u>445,826,608</u>	<u>443,146,547</u>
Operating (Loss)	<u>(378,967,038)</u>	<u>(342,421,451)</u>
Public Support and Nonoperating Revenues (Expenses):		
Federal revenue	203,821,648	90,452,130
Transportation Development Act (TDA) funds	97,873,145	105,032,033
State Transit Assistance (STA) funds	30,355,674	28,595,958
State revenue - other	5,995,304	29,636,442
TransNet funds	44,062,481	40,315,353
Other local subsidies	14,471,993	18,673,163
Investment earnings	564,057	1,360,307
Interest expenses	(466,053)	(572,738)
Gain (Loss) on disposal of assets	(249,389)	2,242,514
Total public support and nonoperating revenues (expenses)	<u>396,428,860</u>	<u>315,735,162</u>
Income (Loss) Before Contributed Capital	17,461,822	(26,686,289)
Contributed capital, net	<u>39,009,719</u>	<u>119,225,007</u>
Changes in Net Position	56,471,541	92,538,718
Net Position:		
Beginning of year	1,862,514,285	1,769,975,567
End of year	<u>\$ 1,918,985,826</u>	<u>\$ 1,862,514,285</u>

See accompanying notes to basic financial statements.

San Diego Metropolitan Transit System
Statements of Cash Flows
For the Years Ended June 30, 2021 and 2020

	2021	2020
Cash Flows From Operating Activities:		
Receipts from customers and users	\$ 70,014,287	\$ 100,241,897
Payments to suppliers	(166,022,831)	(162,047,347)
Payments to employees	(149,479,002)	(134,104,418)
Payments for damage and injury	(7,532,439)	(3,240,586)
Net cash (used in) operating activities	(253,019,985)	(199,150,454)
Cash Flows From Noncapital Financing Activities:		
Public support funds received	373,892,647	281,544,918
Net cash provided by noncapital financing activities	373,892,647	281,544,918
Cash Flows From Capital and Related Financing Activities:		
Debt service costs	(3,156,053)	(3,519,997)
Property acquisition	(152,148,977)	(79,977,392)
Proceeds from disposal of assets	670,726	2,106,103
Net cash (used in) capital and related financing activities	(154,634,304)	(81,391,286)
Cash Flows From Investing Activities:		
Interest received on investments	684,245	1,912,401
Net cash provided by investing activities	684,245	1,912,401
Net increase (decrease) in cash and cash equivalents	(33,077,397)	2,915,579
Cash and Cash Equivalents:		
Beginning of year	124,247,103	121,331,524
End of year	<u>\$ 91,169,706</u>	<u>\$ 124,247,103</u>
Reconciliation of Cash and Cash Equivalents to Statements of Net Position:		
Cash and cash equivalents	\$ 68,815,127	\$ 104,119,654
Cash and cash equivalents restricted for capital support	22,354,579	20,127,449
Total cash and cash equivalents	<u><u>\$ 91,169,706</u></u>	<u><u>\$ 124,247,103</u></u>

San Diego Metropolitan Transit System
Statements of Cash Flows (Continued)
For the Years Ended June 30, 2021 and 2020

	2021	2020
Reconciliation of Operating (Loss) to Net Cash (Used In) Operating Activities:		
Operating (loss)	\$ (378,967,038)	\$ (342,421,451)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities:		
Depreciation	124,102,200	126,970,892
(Increase) decrease in:		
Accounts and other receivables	80,267	(1,031,552)
Due from other governments	245,356	660,612
Inventory	(548,816)	(446,418)
Prepaid items and other current assets	1,476,976	(1,546,046)
Increase (decrease) in:		
Accounts payable	2,645,692	2,088,712
Due to other governments	39,596	355,043
Accrued expenses	(1,168,581)	2,177,046
Unearned revenue	(1,426,381)	(68,978)
Aggregate net pension liability	(2,409,536)	13,044,967
Aggregate total OPEB liability	2,097,465	1,532,245
Compensated absences	880,826	149,105
Accrued damage, injury and employee claims	(68,011)	(614,631)
Total adjustments	125,947,053	143,270,997
Net cash (used in) operating activities	\$ (253,019,985)	\$ (199,150,454)
Noncash investing, capital, and financing activities:		
Contributions of capital assets and inventory parts from SANDAG	\$ 39,009,719	\$ 119,225,007
Increase in fair value of investments	\$ 983	\$ 208,862

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FIDUCIARY FUND

San Diego Metropolitan Transit System
Statements of Fiduciary Net Position
For the Years Ended June 30, 2021 and 2020

	San Diego Transit Corporation Employee Retirement Plan Pension Trust Fund	
	2021	2020
ASSETS		
Investments, at fair value	\$ 205,149,931	\$ 166,570,714
Receivables:		
Dividends and interest	10	44
Total receivables	10	44
Total assets	205,149,941	166,570,758
LIABILITIES		
Due to plan sponsor	525,090	496,232
Other payables	153,020	152,726
Total liabilities	678,110	648,958
NET POSITION		
Net position restricted for plan benefits	\$ 204,471,831	\$ 165,921,800

San Diego Metropolitan Transit System
Statements of Changes in Fiduciary Net Position
For the Years Ended June 30, 2021 and June 30, 2020

	San Diego Transit Corporation Employee Retirement Plan Pension Trust Fund	
	2021	2020
ADDITIONS:		
Contributions:		
Employer	\$ 23,718,402	\$ 14,709,528
Employee	1,950,898	2,017,164
Total contributions	25,669,300	16,726,692
Investment income (loss):		
Interest	123	9,374
Dividends	4,648,015	3,514,044
Miscellaneous	-	25,247
Net realized and unrealized gains (losses) on investments	30,434,250	(3,182,117)
Total investment income (loss)	35,082,388	366,548
Investment expense	(417,438)	(341,882)
Net investment income	34,664,950	24,666
Total additions to fiduciary net position	60,334,250	16,751,358
DEDUCTIONS:		
Distributions to participants	21,531,678	20,712,755
Administrative expenses	252,541	256,420
Total deductions from fiduciary net position	21,784,219	20,969,175
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	38,550,031	(4,217,817)
NET POSITION RESTRICTED FOR PLAN BENEFITS:		
Beginning of year	165,921,800	170,139,617
End of year	<u>\$ 204,471,831</u>	<u>\$ 165,921,800</u>

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NOTES TO THE BASIC FINANCIAL STATEMENTS

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San Diego Metropolitan Transit System
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For the Years Ended June 30, 2021 and 2020

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**San Diego Metropolitan Transit System
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For the Years Ended June 30, 2021 and 2020**

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San Diego Metropolitan Transit System
Notes to the Basic Financial Statements
For the Years Ended June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies

The accompanying basic financial statements of the San Diego Metropolitan Transit System (MTS) have been prepared in conformity with generally accepted accounting principles in the United States (U.S. GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting standards. The more significant of MTS's accounting policies are described below.

A. Reporting Entity

Primary Government

MTS (also known as San Diego Metropolitan Transit Development Board) was formed on January 26, 1976 by passage of California Senate Bill 101 to plan, construct, and operate (or let contracts to operate) exclusive public mass transit guideways in the urbanized south coastal area of San Diego County. MTS has certain responsibilities for near-term transportation planning and administration of federal and state transportation funds within the area under its jurisdiction. The Board of Directors of MTS consists of 15 members composed of four appointees from the City of San Diego (the Mayor and three Council Members), two appointees from the City of Chula Vista (the Mayor and one Council Member), one appointee from the cities of Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, and Santee, and one appointee from the San Diego County Board of Supervisors.

On January 1, 2003, California Senate Bill 1703 (SB 1703) became effective. SB 1703 required the consolidation of the planning and programming functions of MTS and the North County Transit District (NCTD) into the San Diego Association of Governments (SANDAG) in an initial transfer to take place prior to July 1, 2003. SB 1703 also required the consolidation of certain project development and construction functions of MTS and NCTD into SANDAG in a subsequent transfer to take place prior to January 30, 2004. The initial transfer occurred on July 1, 2003, and the subsequent transfer occurred on October 13, 2003. With these actions, employees were transferred from MTS and NCTD to SANDAG, and certain planning, development, and construction functions were also transferred. As a result, MTS's activities since the consolidation have been focused on operating public transit systems in the urbanized area identified above. In addition to the consolidation required by SB 1703, MTS dissolved the independent Board of Directors of San Diego Transit Corporation (SDTC) and Board of Directors of San Diego Trolley, Inc. (SDTI). MTS now acts as the Board of Directors for all three agencies: MTS, SDTC, and SDTI. Beginning in FY2004, SDTC and SDTI are presented as blended component units.

These basic financial statements present MTS and its legally separate component units, entities for which MTS is considered to be financially accountable. Because MTS appoints a majority of the component units' boards of directors, the boards are substantively the same, and MTS is able to impose its will on the component units, MTS presents blended component units. Blended component units, although legally separate entities, are, in substance, part of MTS's operations.

Included within the reporting entity as blended component units:

San Diego Transit Corporation: On July 1, 1985, MTS purchased the assets used by and acquired sole ownership of San Diego Transit Corporation (SDTC) from the City of San Diego for \$1. SDTC has entered into an operating agreement with MTS to operate a public transportation bus system in the City of San Diego and certain regional routes within MTS's jurisdictions. The current agreement, which was approved in December 2006, was renewed on June 23, 2011, as an open-ended agreement terminable upon six months' notice by either party. SDTC continues to provide local service to a number of adjoining cities under pre-existing contracts. Purchases or construction of bus capital items are made by MTS, with whom title remains, and are contributed to SDTC upon completion of a project or when individually purchased by MTS. SDTC's assets, deferred outflows, liabilities, deferred inflows, net position, revenues, and expenses are included in MTS's financial statements as a blended component unit. This agency has the same governing board as MTS and provides services directly to the public.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

San Diego Trolley, Inc.: San Diego Trolley, Inc. (SDTI) was organized by MTS in August 1980. SDTI was created to operate and maintain the Light Rail Transit (LRT) system pursuant to an operating agreement with MTS. The current agreement, which was approved in December 2006, was renewed on June 23, 2011, as an open-ended agreement terminable upon six months' notice by either party. Purchases or construction of LRT capital items are made by MTS, with whom title remains, and are contributed to SDTI upon completion of a project or when individually purchased by MTS. SDTI's assets, deferred outflows, liabilities, deferred inflows, net position, revenues, and expenses are included in MTS's financial statements as a blended component unit. This agency has the same governing board as MTS and provides services directly to the public.

San Diego and Arizona Eastern Railway Company: MTS purchased the San Diego and Arizona Eastern Railway Company (SD&AE) in 1979. SDTI operates on a portion of the line and private operators provide freight service on a portion of the line. Purchases of capital items are made by MTS, with whom title remains, and are contributed to SD&AE. Since SD&AE provides almost exclusive benefit to MTS, its assets, deferred outflows, liabilities, deferred inflows, net position, revenues, and expenses are included in MTS's financial statements as a blended component unit. Separate financial reports are not available.

Fiduciary Activities

MTS presents its fiduciary activity information for assessing its accountability and financial reporting in their role as fiduciaries. The definition of a "fiduciary" is:

- The organization acts on behalf of another person or persons to manage assets;
- Fiduciary responsibility refers to the obligation that one party has in relationship with another one to act entirely on the other party's behalf and best interest. It is considered to be the standard of the highest care.

Included within the reporting entity as fiduciary activities is the following:

San Diego Transit Corporation Employee Retirement Plan: The San Diego Transit Corporation Employees' Retirement Plan (the "Plan") is a defined benefit plan which provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to Plan members and beneficiaries. Prior to May 1, 2011, all of San Diego Transit Corporation's ("SDTC") full-time employees and certain part-time noncontract employees who had completed one year of service in which they had worked at least 1,000 hours of service, and certain part-time contract employees participated in the Plan. Effective May 1, 2011, employees in the International Brotherhood of Electrical Workers, Local 465 (the "IBEW") bargaining unit hired after May 1, 2011 participate in a separate defined contribution 401(a) plan. Effective November 1, 2012, employees in the Amalgamated Transit Union, Local 1309 (the "ATU") bargaining unit hired after November 1, 2012 participate in a separate defined contribution 401(a) plan. Therefore, as of November 1, 2012 the Plan was closed to new ATU and IBEW entrants. Upon agreement between the employer and the Union, certain modifications can be made to the Plan.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

Fiduciary Activities (Continued)

The Plan is managed by Retirement Boards which have plenary authority and fiduciary responsibility for the investment of Plan assets and administration of the Plan. The IBEW Retirement Board consists of three members from the San Diego Metropolitan Transit System ("MTS") and three members from the IBEW. The ATU Retirement Board consists of three members from MTS and three members from the ATU. The Noncontract Retirement Board consists of three members from MTS.

SDTC is a component unit of MTS. The Plan is administered and sponsored by MTS. MTS also issued taxable Pension Obligation Bonds for the benefit of SDTC. See Note 8 for further details.

SDTC is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members.

The Plan is funded entirely by SDTC for employees under the IBEW bargaining units who were hired prior to May 1, 2011 and the ATU bargaining units who were hired prior to November 1, 2012. IBEW employees are required to contribute, 3% of their covered payroll from March 31, 2013 through April 6, 2014, 4% of their covered payroll from April 6, 2014 through April 4, 2015, increasing to 6% from April 5, 2015 through April 2, 2016, and to 8% thereafter. ATU employees are required to contribute 3% after July 1, 2013 and 5% after July 1, 2014, 6% after May 17, 2015, 7% after July 1, 2016 and 8% after December 1, 2017.

B. Financial Statements

Primary Government - The Financial Statements (i.e., the statement of net position, the statement of revenues, expenses and changes in net position, and statement of cash flows) report information on all of the activities of the primary government and its component units. The statement of revenues, expenses, and changes in net position demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

Fiduciary Activities - The Fiduciary Fund Financial Statements (i.e., the statement of fiduciary net position and the statement and changes in fiduciary net position) report information on the activities of the San Diego Transit Corporation Employees Retirement Plan pension trust fund. The statement of changes in fiduciary net position demonstrates the degree to which the additions to net position restricted for plan benefits were sufficient to cover deductions for distributions to plan participants and administrative expenses.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Primary Government - The Financial Statements are reported using the "*economic resources*" measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as all eligibility requirements have been met. Interest associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as revenue of the current fiscal period.

Fiduciary Activities - This fiduciary pension trust fund is a defined benefit plan which provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to Plan members and beneficiaries. The Plan's financial statements are prepared using the accrual basis of accounting. Employer contributions are recognized in the period in which the contributions are due and when the employer has made a formal commitment to provide the contributions. Investment income is recognized as earned. Benefits are recognized when due and payable in accordance with the terms of the Plan.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

In accordance with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, the Statement of Net Position reports separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources (acquisition of net position) that apply to future periods and that, therefore, are not recognized as revenue until that time.

MTS receives funding primarily from the following revenue sources:

Passenger Revenue

Passenger fares comprised approximately 15 percent and 26 percent of MTS's \$325.7 million and \$309.4 million operating budget for FY2021 and FY2020 respectively.

Other Operating Revenues

MTS receives a variety of operating revenues that are not received directly from passenger fares. The sources of these revenues are advertising, naming rights, interest income, energy credits, rental and land management income, income related to For Hire Vehicle Administration, income from the SD&AE Railway Company, and other miscellaneous income.

Non-Operating Revenues

MTS receives subsidies that are derived from federal, state and local tax revenues. MTS does not levy or collect any tax funds, but receives allocated portions of tax funds through federal, state and local granting agencies.

Federal Transit Administration (FTA)

FTA revenues are funded by a federal gas tax and revenues of the federal general fund. Moving Ahead for Progress in the 21st Century (MAP-21) was reauthorized on a short-term basis multiple times before being replaced by the Fixing America's Surface Transportation (FAST) Act, signed into law on December 4, 2015. The FAST Act reauthorized surface transportation programs through September 30, 2020. Under the FAST Act, MTS receives Section 5307 and Section 5337 grants which are earmarked for capital assistance and preventive maintenance. Under MAP-21, transit agencies were not eligible to be direct recipients of Section 5339 Bus and Bus Facilities Funding. However, under FAST Act, MTS is now an eligible direct recipient of Section 5339 formula funds. In addition, MTS also receives Section 5311 and Section 5311F grants for operations.

On March 27, 2020, the President signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which provided \$25 billion to the transit industry nationwide. MTS is expected to receive \$220 million in CARES Act funding over multiple fiscal years to supplement lost revenues and increased expenses related to the COVID-19 pandemic, of which \$72 million was received in FY21 and \$18 million in FY20.

On March 11, 2021, the President signed The American Rescue Plan Act of 2021 (ARP), which includes \$30.5 billion to support public transportation systems. MTS is expected to receive \$140 million in ARP funding in fiscal years 2022-2025 to prevent, prepare for, and respond to the COVID-19 pandemic.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Transportation Development Act (TDA)

TDA provides funding for public transit operators. This state fund is one quarter of a percent of the 7.75 percent sales tax assessed in the region. SANDAG is responsible for apportionment of these funds within the San Diego region. As economic conditions deteriorate as a result of the current recession, sales tax receipts have decreased over the prior year, and as a result, the TDA funds available for disbursement will decrease as well.

State Transit Assistance (STA)

STA funding comes from the Public Transportation Act (PTA) which derives its revenue from the state sales tax on diesel fuels. These funds are appropriated by the legislature with a formula based upon population and local revenue generated.

STA State of Good Repair Program (SGR)

The SGR Program is another new revenue source as a result of Senate Bill (SB) 1 and is funded from a portion of a new Transportation Improvement Fee on vehicle registrations due on or after January 1, 2018. The funds are allocated with the same STA Program formula.

TransNet

TransNet funds are derived from the Proposition A one-half cent local transportation sales tax that was approved by area voters in November 1987. The original ordinance expired in 2008, but has since been extended to 2048 by subsequent voter approval. The ordinance allocated one-third of the sales tax proceeds for transit purposes, which are further divided between MTS and NCTD based on the proportion of the population within the area of each jurisdiction. The *TransNet* Program also reimburses MTS for the net operating cost of the Bus Rapid Transit and Superloop projects that were approved as part of the extension. These costs are billed to SANDAG on a monthly basis. *TransNet* funds are also apportioned by SANDAG.

Transit and Intercity Rail Capital Program (TIRCP)

The TIRCP is a discretionary program that was created by Senate Bill (SB) 862 (Chapter 36, Statutes of 2014) and modified by Senate Bill 9 (Chapter 710, Statutes of 2015) to provide grants from the Greenhouse Gas Reduction Fund to fund transformative capital improvements that will modernize California's intercity, commuter, and urban rail systems, and bus and ferry transit systems to reduce emissions of greenhouse gases by reducing congestion and vehicle miles travelled throughout California. Since inception, MTS has been awarded \$79.2 million, and has received \$32 million, of which \$3.9 was earned in FY21. We expect to receive the remaining \$47.2 million in Fiscal Years 2022-2024.

Low Carbon Transit Operations Program (LCTOP)

The Low Carbon Transit Operations Program (LCTOP) is one of several programs that are part of the Transit, Affordable Housing, and Sustainable Communities Program established by the California Legislature in 2014 by Senate Bill 862. The LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emission and improve mobility, with a priority on serving disadvantaged communities. Approved projects in LCTOP will support new or expanded bus or rail services, expand intermodal transit facilities, and may include equipment acquisition, fueling, maintenance and other costs to operate those services or facilities, with each project reducing greenhouse gas emissions. Senate Bill 862 continuously appropriates five percent of the annual auction proceeds in the Greenhouse Gas Reduction Fund for LCTOP.

Other State Revenue

MediCal provides further funding support specifically tied to several ADA Paratransit routes to aid patients in their transportation to medical appointments.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Compressed Natural Gas Rebate

Alternative fuel credits are issued by the IRS to MTS for utilizing compressed natural gas to power its vehicles. This rebate program has expired then reauthorized multiple times over the years, but most recently expired on December 31, 2021.

Other Local Subsidies

The City of San Diego provides Maintenance of Effort funds to aid ADA efforts. SANDAG provides funding, funded through FasTrak tolls, to operate services along the Interstate 15 corridor. NCTD provides partial subsidy for the Sorrento Valley Coaster Connection. The University of California, San Diego (UCSD) provides funding for shuttle services that expand frequency and span on MTS routes 201 and 202 between the La Jolla Colony area and the Gilman Transit Center on the UCSD campus.

D. Use of Restricted/Unrestricted Assets

When both restricted and unrestricted resources are available for use, it is MTS's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Cash, Cash Equivalents, and Investments

Investments of pooled cash consist primarily of pooled investment funds, liquidity funds and governmental bonds. Investments are stated at fair value, which is based on quoted market price. Money market investments and participating interest earning investment contracts that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost, which approximates fair value.

For purposes of the statement of cash flows, all highly liquid temporary investments purchased with a maturity of three months or less are considered cash equivalents.

MTS participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in structured notes and asset-backed securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these structured notes and asset-backed securities are subject to market risk and to change in interest rates. The reported value of the pool is the same as the fair value of the pool shares. MTS also participates in the San Diego County Treasurer's Pooled Money Fund, which is a local government investment pool managed by the County Treasurer's Office on behalf of the Investment Pool participants.

Certain disclosure requirements, if applicable for deposit and investment risk, are specified for the following areas:

- Interest Rate Risk
- Credit Risk
 - Overall
 - Custodial Credit Risk
 - Concentration of Credit Risk
- Foreign Currency Risk

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

E. Cash, Cash Equivalents, and Investments (Continued)

GASB Statement No. 72, *Fair Value Measurement and Application*, defined fair value, established a framework for measuring fair value and established disclosures about fair value measurement. Investments, unless otherwise specified, recorded at fair value in the Statements of Net Position, are categorized based upon the level of judgement associated with the inputs used to measure their fair value. Levels of inputs are as follows:

Level 1 - Inputs are unadjusted, quoted prices for identical assets and liabilities in active markets at the measurement date.

Level 2 - Inputs, other than quoted prices included in Level 1, that are observable for the asset or liability through corroboration with market data at the measurement date.

Level 3 - Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

F. Inventory

Inventories are valued at the weighted average unit cost.

G. Prepaid Items and Other Assets

Payments made to vendors for services that will benefit periods beyond the fiscal year ended are recorded as prepaid items.

H. Capital Assets

Capital assets include land and right-of-way, buildings and infrastructure assets, vehicles, and equipment. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Major outlays for capital asset improvements are recorded as assets.

Under the operating agreements between MTS and SDTC and SDTI, SDTC and SDTI are required to pay a license fee to MTS for the use of certain capital assets. Due to SDTC's and SDTI's continued shortage of operating funds sufficient to cover recurring expenditures, the payment of these fees is considered remote, and therefore, these amounts were not recorded in the accompanying basic financial statements. Buildings, vehicles, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Building and structures	20 to 30
Vehicles and buses	5 to 25
Equipment and other capital assets	3 to 10
Capital leases	3 to 40

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

I. Construction-in-Progress

Costs incurred for construction associated with the bus and trolley systems are capitalized as construction-in-progress until such time as they are complete and operational. Upon completion, they are contributed to SDTC, SDTI and MTS - Contracted Services to reflect their custodial accountability for the assets. Depreciation commences at the time of contribution. Assets acquired through capital leases are capitalized.

J. Compensated Absences

It is MTS's policy to permit employees to accumulate earned but unused personal leave time up to a maximum of 500 hours, which includes both vacation and sick pay benefits. All personal leave time is accrued when incurred.

K. Long-Term Obligations

Debt premiums and discounts, if any, are deferred and amortized over the life of the debt using the straight-line method. Long-term debt is reported net of the applicable bond premium or discount. Debt issuance costs are expensed when incurred.

L. Refunding of Debt

Gains or losses occurring from current or advance refunding of debt are reported as deferred inflows or outflows of resources and are being amortized using the straight-line method over the original remaining life of the old debt or the life of the new debt, whichever is less.

M. Pension

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of MTS, SDTC and SDTI's pension plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. The valuation dates, measurement dates, and measurement periods vary by pension plans. See Note 12 for details.

N. Other Postemployment Benefits

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, of the MTS, SDTC, and SDTI's OPEB Plan ("OPEB Plan") have been determined on the same basis as they are reported by the Plan (Note 11). For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefits terms.

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 - June 30, 2020

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

O. Net Position

Net Position is classified as follows:

Investments in capital assets - This component of net position consists of capital assets, net of accumulated depreciation.

Restricted - This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted - This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investments in capital assets or the restricted component of net position.

P. Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from these estimates.

Q. Implementation of New GASB Pronouncements for the Year Ended June 30, 2021

During fiscal year ended June 30, 2021, MTS has implemented the following new GASB Pronouncements:

GASB Statement No. 84 - In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. This Statement improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Application of this statement is effective for MTS's fiscal year ending June 30, 2021.

GASB Statement No. 90 - In August 2018, GASB issued Statement No. 90, *Majority Equity Interests - An Amendment of GASB Statements No. 14 and No. 61*. This Statement improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. Application of this statement is effective for MTS's fiscal year ending June 30, 2021.

GASB Statement No. 98 - In October 2021, GASB issued Statement No. 98, *The Annual Comprehensive Financial Report*. This establishes the term *annual comprehensive financial report* and its acronym *ACFR*, which replace *comprehensive annual financial report* and its acronym. Application of this statement is effective for MTS's fiscal year ending June 30, 2021.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

R. Upcoming Government Accounting Standards Implementation

In the next two years, MTS will implement the following GASB Pronouncements:

GASB Statement No. 87 - In June 2017, GASB issued Statement No. 87, *Leases*. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Application of this statement is effective for MTS's fiscal year ending June 30, 2022.

GASB Statement No. 89 - In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Application of this statement is effective for MTS's fiscal year ending June 30, 2022.

GASB Statement No. 91 - In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Application of this statement is effective for MTS's fiscal year ending June 30, 2023.

GASB Statement No. 92 - In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Application of this statement is effective for MTS's fiscal year ending June 30, 2022.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

R. Upcoming Government Accounting Standards Implementation (Continued)

GASB Statement No. 93 - In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. Application of this statement is effective for MTS's fiscal year ending June 30, 2022.

GASB Statement No. 94 - In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Application of this statement is effective for MTS's fiscal year ending June 30, 2023.

GASB Statement No. 96 - In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. Application of this statement is effective for MTS's fiscal year ending June 30, 2023.

GASB Statement No. 97 - In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Application of this statement is effective for MTS's fiscal year ending June 30, 2022.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 2 - Cash, Cash Equivalents, and Investments

A. Primary Government

Cash and investments are reported in the accompanying statements of net position as follows on June 30, 2021 and 2020:

	2021	2020
Cash and cash equivalents	\$ 68,815,127	\$ 104,119,654
Cash and cash equivalents restricted for capital support	22,354,579	20,127,449
Total cash and investments	\$ 91,169,706	\$ 124,247,103

Cash and cash equivalents consisted as follows on June 30, 2021 and 2020:

Investment Type	Measurement Input	Fair Value	
		2021	2020
Cash and cash equivalents:			
Demand deposits	N/A	\$ 46,971,085	\$ 34,986,339
Retention trust account	N/A	8,531,874	7,735,565
San Diego County Treasurer's Pooled Money Fund	Uncategorized	23,818,678	38,802,462
State of California - Local Agency Investment Fund	Uncategorized	11,848,069	42,722,737
Total cash and cash equivalents		\$ 91,169,706	\$ 124,247,103

Demand Deposits

As of June 30, 2021, the carrying amount of demand deposits was \$46,971,086 and the bank balance was \$50,725,751 compared to \$34,986,339 and \$38,343,102 at June 30, 2020, of which the total amount was collateralized or insured with securities held by the pledging financial institutions in MTS's name as discussed below.

All cash accounts are pooled and swept nightly to a concentration account. Funds required to be held by fiscal agents under the provisions of bond indentures are not included in the pooled cash account.

Investments

Under the provisions of MTS's investment policy and in accordance with California Government Code, MTS is authorized to invest or deposit in the following:

- United States Treasury bills, notes, bonds, or strips
- Federal Agency or U.S. government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by Federal agencies or U.S. government-sponsored enterprises
- Eligible Banker's Acceptances
- Prime Commercial Paper issued by a U.S. organization with a rating category of "A" or "A-1", its equivalent or higher
- Non-negotiable certificates of deposit that meet the requirements for deposit under California Government Code Section 53630
- Negotiable Certificates of Deposit with issuers rated in a rating category of "A", its equivalent or higher
- Repurchase Agreements collateralized by U.S. Treasury obligations, Federal Agency securities, or Federal Instrumentality securities

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 2 - Cash, Cash Equivalents, and Investments (Continued)

A. Primary Government (Continued)

Investments (Continued)

- Reverse Repurchase Agreements
- State of California's Local Agency Investment Fund (LAIF)
- The San Diego County Treasurer's Pooled Money Fund
- A Joint Powers Authority Pool rated among the top two rating categories by a nationally recognized statistical rating organization (NRSRO)
- Medium Term Notes issued by corporations organized and operating within the U.S. with issuers rated in a rating category of "A", its equivalent, or higher by a NRSRO
- Money Market Funds registered under the Investment Company Act of 1940
- Municipal bonds issued by MTS
- Registered State warrants or treasury notes or bonds of the State of California
- Bonds, notes, warrants, or other evidences of indebtedness of a local agency within California
- Registered treasury notes or bonds of any of the other 49 states in addition to California
- Supranational obligations
- Mortgage pass-through securities, collateralized mortgage obligations, mortgage-backed or other pay-through bonds, equipment lease-backed certificates, consumer receivable pass-through certificates, or consumer receivable-backed bonds
- Commercial paper, debt securities, or other obligations of a public bank, as defined in Section 57600 of the California Government Code

For full details on the authorized investments and associated limitations, please refer to MTS Board Policy 30 on our website. <https://www.sdmts.com/about-mts-reports-records-and-policies/policies-and-procedures>

Local Agency Investment Funds

MTS's investments with Local Agency Investment Fund (LAIF) include a portion of the pool funds invested in structured notes and asset-backed securities. These investments include the following:

- Structured Notes - debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options. They are issued by corporations and by government-sponsored enterprises.
- Asset-Backed Securities - entitle their purchaser to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's), small business loans or credit card receivables.

LAIF is overseen by the Local Investment Advisory Board, which consists of five members, in accordance with State statute. The fair value of our position in the pool is the same as the value of the pool shares.

As of June 30, 2021, MTS had \$11,848,069 invested in LAIF, which had invested 1.10% of the pool investment funds in structured notes and asset-backed securities compared to \$42,722,737 and 3.37% at June 30, 2020.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 2 - Cash, Cash Equivalents, and Investments (Continued)

A. Primary Government (Continued)

San Diego County Treasurer's Pooled Money Fund

The San Diego County Treasurer's Pooled Money Fund is a local government investment pool managed by the County Treasurer's Office on behalf of Investment Pool participants. Depositors in the Investment Pool include both mandatory participants, those agencies required by law to deposit their funds with the County Treasurer's Office, and voluntary participants, agencies that place their funds in the Investment Pool as an investment option. Voluntary participants, including cities, fire districts, and various special districts accounted for approximately 10.39% and 8.68% of the Investment Pool as of June 30, 2021 and 2020, respectively. At June 30, 2021 and 2020, the fair value of our position in the pool is 100.20% and 101.30%, respectively, of the value of the pool shares.

Pursuant to Section 27130-27137 of the California Government Code, the County Board of Supervisors has established the Treasurer's Oversight Committee ("TOC") that monitors and reviews the Investment Policy. The TOC consists of members appointed from the districts or offices that they represent, and up to five members of the public, having expertise or an academic background in public finance. The TOC requires a financial audit to be conducted annually on a fiscal year basis, which includes limited tests of compliance with laws and regulations. The Pool is not registered with the Securities and Exchange Commission (SEC) as an investment company. The Pool does not have any legally binding guarantees of share values.

To mitigate credit risk, the Investment Pool's Investment Policy, which is more restrictive than the Government Code, places a minimum standard on the ratings of investments held in the Investment Pool. Investments in securities other than those guaranteed by the U.S. Treasury or Government Sponsored Enterprises must have a credit rating of no less than "A" for long-term or "F1" for short-term. Non-rated securities include sweep accounts and repurchase agreements. Sweep accounts and collateralized certificates of deposit must be FDIC insured and collateralized with securities held by a named agent of the depository. Repurchase agreements are collateralized by securities, authorized by the California Government Code Section 53601, having fair value of at least 102% of the amount of the repurchase agreement. The Pool did not have any repurchase agreements in its portfolio as of June 30, 2021.

MTS's investments with the County Treasurer's Office include a portion of the pool funds invested in asset-backed securities as defined in the preceding section for LAIF investments. As of June 30, 2021, MTS had \$23,818,678 invested with the San Diego County Treasurer's Pooled Money Fund, which had invested 3.98% of the pool investment funds in asset-backed securities compared to \$38,802,462 and 8.13% at June 30, 2020.

Disclosures Relating to Interest Rate Risk

As a means of limiting its exposure to market value losses arising from rising interest rates, MTS's investment policy limits investments to maturities dependent on the investment vehicle.

Disclosures Relating to Credit Risk

MTS's investment policy limits investments in commercial paper to instruments rated "A", its equivalent, or better by a NRSRO, and negotiable certificates of deposit to instruments rated "A", its equivalent, or better by two NRSROs. In the current year, MTS does not hold investments in commercial paper or certificates of deposit. MTS investment instruments include deposits in LAIF and the San Diego County Treasurer's Pooled Money Fund which are not rated and do not require ratings.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 2 - Cash, Cash Equivalents, and Investments (Continued)

A. Primary Government (Continued)

Disclosures Relating to Concentration of Credit Risk

The investment policy limits the amount of the percentage of the portfolio that can be invested by the type of investment for certain types of investments. MTS is in compliance with investment type percentages of the total portfolio of the investment policy.

Disclosures Relating to Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the broker or dealer to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party. The California Government Code requires California banks and savings and loan associations to secure MTS's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in MTS's name.

The fair value of pledged securities must equal at least 110% of MTS's cash deposits. California law also allows institutions to secure MTS deposits by pledging first trust deed mortgage notes having a value of 150% of MTS's total cash deposits. MTS may waive collateral requirements for cash deposits which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. MTS has waived the collateralization requirements.

Summary of Investments to Maturity

Investments held by MTS grouped by maturity date at June 30, 2021 and 2020, are shown below:

<u>Maturity</u>	<u>2021</u>	<u>2020</u>
Current to one year	\$ 91,169,706	\$ 124,247,103
Total	<u>\$ 91,169,706</u>	<u>\$ 124,247,103</u>

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 2 - Cash, Cash Equivalents, and Investments (Continued)

B. Fiduciary Fund Financial Statements

Investments

The fair value, net asset value and the percentage of the investments at June 30, 2021 and 2020 were as follows:

	Fair Value June 30, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level:			
<u>Common Stocks:</u>			
PIMCO Research Affiliates Equity (RAE) Fund	\$ 19,708,912	\$ 19,708,912	\$ -
Total Common Stocks	19,708,912	19,708,912	-
<u>Mutual Funds:</u>			
GMO Benchmark Free Allocation Fund	17,069,906	17,069,906	-
Vanguard Energy Index Funds	2,342,640	2,342,640	-
PIMCO All Asset Fund	23,839,816	23,839,816	-
Total Mutual Funds	43,252,362	43,252,362	-
<u>Corporate Bond Funds:</u>			
Vanguard Total Bond Fund	68,165,562	68,165,562	-
Total Corporate Bond Funds	68,165,562	68,165,562	-
<u>U.S. Treasury Inflation Protected Security Funds:</u>			
Vanguard Fund	3,434,282	3,434,282	-
Total U.S. Treasury Inflation Protected Security Funds	3,434,282	3,434,282	-
<u>Short-Term Investment Funds:</u>			
First American Prime Obligations Fund	637,110	637,110	-
Subtotal Short-Term Investment Funds	637,110	637,110	-
<u>Closely Held Instruments:</u>			
Pacific Hedge Strategies, LLC	33,419	-	33,419
Total Closely Held Instruments	33,419	-	33,419
Total Investments by Fair Value Level	\$ 135,231,647	\$ 135,198,228	\$ 33,419
Investments Measured at NAV:			
<u>Short-Term Investment Funds:</u>			
Westwood Cash Equivalent Fund	10,292		
Subtotal Short-Term Investment Funds	10,292		
<u>Common Stocks:</u>			
Analytic Investors	20,482,143		
The Boston Company	8,922,140		
MFS Investment Management	20,548,164		
Westwood Cash Equivalent Fund	19,955,545		
Subtotal Common Stocks	69,907,992		
Total Investments Measured at NAV	69,918,284		
Total Investments Measured at Fair Value	\$ 205,149,931		

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 2 - Cash, Cash Equivalents, and Investments (Continued)**B. Fiduciary Fund Financial Statements (Continued)****Investments (Continued)**

	Fair Value June 30, 2020	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level:			
<u>Common Stocks:</u>			
PIMCO Research Affiliates Equity (RAE) Fund	\$ 16,317,590	\$ 16,317,590	\$ -
Total Common Stocks	16,317,590	16,317,590	-
<u>Mutual Funds:</u>			
GMO Benchmark Free Allocation Fund	15,009,249	15,009,249	-
Vanguard Energy Index Funds	1,866,868	1,866,868	-
PIMCO All Asset Fund	18,700,833	18,700,833	-
Total Mutual Funds	35,576,950	35,576,950	-
<u>Corporate Bond Funds:</u>			
Vanguard Total Bond Fund	52,340,391	52,340,391	-
Total Corporate Bond Funds	52,340,391	52,340,391	-
<u>U.S. Treasury Inflation Protected Security Funds:</u>			
Vanguard Fund	3,225,688	3,225,688	-
Total U.S. Treasury Inflation Protected Security Funds	3,225,688	3,225,688	-
<u>Short-Term Investment Funds:</u>			
First American Prime Obligations Fund	593,192	593,192	-
Subtotal Short-Term Investment Funds	593,192	593,192	-
<u>Closely Held Instruments:</u>			
Pacific Hedge Strategies, LLC	79,902	-	79,902
Total Closely Held Instruments	79,902	-	79,902
Total Investments by Fair Value Level	108,133,713	\$ 108,053,811	\$ 79,902
Investments Measured at NAV:			
<u>Common Stocks:</u>			
Analytic Investors	17,031,565		
The Boston Company	8,010,990		
MFS Investment Management	16,958,121		
Westwood Trust Large Cap Equity EB Fund	16,436,325		
Subtotal Common Stocks	58,437,001		
Total Investments Measured at NAV	58,437,001		
Total Investments Measured at Fair Value	\$ 166,570,714		

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 2 - Cash, Cash Equivalents, and Investments (Continued)

B. Fiduciary Fund Financial Statements (Continued)

Investments (Continued)

Fair Value Measurement – Investment Valuation (Continued)

Investments are reported at fair value. Quoted market value (Level 1) and fair value per share (Level 2) in an active market are used to value investments, except for shares in the short-term investment funds, which trade and are reported at par value as reported by the investment custodian. Investment securities classified in Level 2 of the fair value hierarchy are valued using prices determined by the use of matrix pricing techniques maintained by the pricing vendors for these securities. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The calculation of realized gains and losses is independent of the calculation of the change in the fair value of investments, and realized gains and losses of the current period include unrealized amounts from prior periods.

Investments in closely held instruments (hedge funds) are reported under Level 3 under fair value measurement input hierarchy. The underlying hedge fund values are estimated by the hedge fund managers in the absence of readily ascertainable market values. In accordance with the investment manager's Valuation Policy and *Fair Value Measurements and Disclosure*, the investment manager has the right, in its discretion and in good faith, to deviate from valuation information provided by the managers of the investment vehicles when the investment manager deems it appropriate. Because of the inherent uncertainty of valuations in the investment vehicles, values may differ significantly from the values that would have been used had a ready market for these investments existed, and the differences could be material.

The following tables summarize investments measured at fair value based on NAV per share as of June 30, 2021 and 2020, respectively:

June 30, 2021	Fair Value	Unfunded Commitments	Redemption Frequency (if currently available)	Redemption Notice Period
Analytic Investors	\$ 20,482,143	N/A	Monthly	5 days
The Boston Company	8,922,140	N/A	Daily	Daily
MFS Investment Management	20,548,164	N/A	Daily	Daily
Westwood Trust Large Cap Equity EB Fund	19,955,545	N/A	Daily	Daily
Total	<u>\$ 69,907,992</u>			

June 30, 2020	Fair Value	Unfunded Commitments	Redemption Frequency (if currently available)	Redemption Notice Period
Analytic Investors	\$ 17,031,565	N/A	Daily	5 days
The Boston Company	8,010,990	N/A	Daily	Daily
MFS Investment Management	16,958,121	N/A	Daily	Daily
Westwood Trust Large Cap Equity EB Fund	16,436,325	N/A	Daily	Daily
Total	<u>\$ 58,437,001</u>			

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 2 - Cash, Cash Equivalents, and Investments (Continued)

B. Fiduciary Fund Financial Statements (Continued)

Investments (Continued)

Fair Value Measurement – Investment Valuation (Continued)

During the Plan years, investments, including realized gains and losses on investments and unrealized appreciation (depreciation) on investments held, appreciated (depreciated) in value as follows:

	2021	2020
Unrealized appreciation (depreciation) on investments held	\$ 25,394,445	\$ (4,256,247)
Realized gain on investments	5,039,805	1,074,130
Net realized and unrealized investment gains (losses)	\$ 30,434,250	\$ (3,182,117)

The Plan's investment policy was approved by the SDTC Pension Trustee Investment Committee. The Plan's investment policy allows investments in the following asset classes and sets forth the target allocations and allocation ranges.

Asset Class	Target Allocation	Allocation Range
Equity		
United States	25.0%	
International	20.0%	
Subtotal	45.0%	30% - 60%
Fixed Income	35.0%	25% - 55%
Alternatives	20.0%	10% - 30%
Total	100.0%	

Concentrations of Investments

The Plan has invested in certain organizations in excess of 5% of the Fiduciary Net Position. The concentrated investments are as follows:

	2021		2020	
	Fair Value	%	Fair Value	%
<u>Common Stocks:</u>				
Analytic Investors	\$ 20,482,143	10.0%	\$ 17,031,565	10.2%
MFS Investment Management	20,548,164	10.0%	16,958,121	10.2%
PIMCO Research Affiliates Equity (RAE) Fund	19,708,912	9.6%	16,317,590	9.8%
Westwood Trust Large Cap Equity EB Fund	19,955,545	9.7%	16,436,325	9.9%
<u>Mutual Funds:</u>				
GMO Benchmark Free Allocation Fund	17,069,906	8.3%	15,009,249	9.0%
PIMCO All Asset Fund	23,839,816	11.6%	18,700,833	11.2%
<u>Corporate Bond Funds:</u>				
Vanguard Total Bond Fund	68,165,562	33.2%	52,340,391	31.4%

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 2 - Cash, Cash Equivalents, and Investments (Continued)

B. Fiduciary Fund Financial Statements (Continued)

Investments (Continued)

Rate of return

For the years ended June 30, 2021 and 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 23.16 percent and -1.86 percent, respectively. The money-weighted rate of return express investment performance, net of investment expense, adjusted for the changing amount actually invested.

Concentration of Credit Risk

The Plan's investment policy limits the amount of the percentage of the portfolio that can be invested by type of investment. The Plan mitigates credit risk in its portfolio by allocating funds among various investment managers and limiting the concentration of investments within these managers. The individual investments in excess of 5% identified in the fair value of the investments table are, in turn, funds with diversified portfolios.

June 30, 2021						
	Not Rated	AAA	AA	A	BBB	Total
Corporate Bond Funds:						
Vanguard Total Bond Fund (VBTIX)	\$ -	\$ 46,761,576	\$ 2,249,464	\$ 8,111,702	\$ 11,042,820	\$ 68,165,562
U.S. Treasury Inflation Protected Security Fund:						
Vanguard Infl-Prot;Inst (VIPIX)	-	3,434,282	-	-	-	3,434,282
All Other Investments	133,550,087	-	-	-	-	133,550,087
Total	\$ 133,550,087	\$ 50,195,858	\$ 2,249,464	\$ 8,111,702	\$ 11,042,820	\$ 205,149,931

June 30, 2020						
	Not Rated	AAA	AA	A	BBB	Total
Corporate Bond Funds:						
Vanguard Total Bond Fund (VBTIX)	\$ -	\$ 32,712,744	\$ 1,884,254	\$ 6,751,910	\$ 10,991,483	\$ 52,340,391
U.S. Treasury Inflation Protected Security Fund:						
Vanguard Infl-Prot;Inst (VIPIX)	-	3,225,688	-	-	-	3,225,688
All Other Investments	111,004,635	-	-	-	-	111,004,635
Total	\$ 111,004,635	\$ 35,938,432	\$ 1,884,254	\$ 6,751,910	\$ 10,991,483	\$ 166,570,714

Interest Rate Risk

Interest rate risk is the risk that inversely affects the value of fixed income bond portfolio holdings. The Plan's investment policy endorses a long-term approach to manage the portfolio but not to expose the portfolio to levels of volatility that might significantly affect the principal value of the Plan.

The purpose of equity (both U.S. and International) investments is primarily to provide capital appreciation. It is recognized that this requires the assumption of greater market variability and risk than is the case with fixed income investment. The purpose of international, non-U.S. dollar-denominated investments is primarily to provide capital appreciation through participation in major non-U.S. financial markets and, secondarily, to enhance portfolio diversification. It is recognized that this required the assumption of greater market variability and risk than was the case with U.S. investments, and the assumption of foreign currency risk. The purpose of fixed income investments is to provide stability and generate income. The purpose of cash equivalents is to provide liquidity, stability and a vehicle for defensive positioning of the portfolio.

The use of short to intermediate maturity bonds (ten years, or less, to maturity) as temporary instruments is permitted by the Plan's investment policy but not to be employed to the extent that such holding might limit the ability to achieve the basic long-term-capital appreciation objective for the portfolio.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 2 - Cash, Cash Equivalents, and Investments (Continued)

B. Fiduciary Fund Financial Statements (Continued)

Investments (Continued)

Custodial Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments. All securities are held by a third-party custodian, U.S. Bank, National Association (U.S. Bank). U.S. Bank is a registered member of the Federal Reserve Bank. The securities held by U.S. Bank are in their street name, and an account number assigned to the Plan identifies ownership.

Note 3 - Accounts Receivable

A. Accounts and Other Receivables

At June 30, 2021 and 2020, the net realizable accounts and other receivables consisted of the following:

	2021	2020
Passenger revenue - general public	\$ 1,448,073	\$ 3,175,838
Other trade receivables	8,323,538	6,776,808
Pension plan receivable	1,842,955	1,742,187
Total accounts and other receivables	<u>\$ 11,614,566</u>	<u>\$ 11,694,833</u>

B. Due from Other Governments

At June 30, 2021 and 2020, amounts due from other governments consisted of the following:

	2021	2020
FTA Grant Funds	\$ 96,237,336	\$ 64,708,855
STA Funds	6,428,984	8,020,060
State of California	6,377,734	23,485,393
SANDAG - Project/Route reimbursement	5,955,665	20,744,893
SANDAG - TransNet	4,959,244	5,359,143
US Treasury	3,931,540	-
North County Transit District - passenger revenue and shared costs	3,293,150	467,356
Department of Homeland Security	413,643	102,966
County of San Diego	360,364	582,615
UCSD Route Reimbursement	256,824	1,044,450
Passenger Revenue - Other Governments	216,672	772,705
Other Local Governments	73,502	24,025
Total due from other governments	<u>\$ 128,504,658</u>	<u>\$ 125,312,461</u>

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 4 - Inventory

At June 30, 2021 and 2020, inventory consisted of the following repair and maintenance parts and administrative supplies:

	2021	2020
San Diego Transit Corporation	\$ 4,506,437	\$ 4,680,600
San Diego Trolley, Inc.	24,810,004	23,177,981
Total inventory	<u>\$ 29,316,441</u>	<u>\$ 27,858,581</u>

Note 5 - Capital Assets

A summary of changes in capital assets for the year ended June 30, 2021 is as follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Capital assets, not depreciated				
Land and right-of-way	\$ 256,909,683	\$ -	\$ -	\$ 256,909,683
Construction-in-progress	63,664,690	178,057,091	(81,853,400)	159,868,381
Total capital assets, not depreciated	<u>320,574,373</u>	<u>178,057,091</u>	<u>(81,853,400)</u>	<u>416,778,064</u>
Capital assets, depreciated:				
Buildings and structures	2,131,456,318	11,177,717	(1,292,096)	2,141,341,939
Buses and vehicles	906,954,853	105,245,483	(43,944,524)	968,255,812
Equipment and other	169,074,277	3,530,876	(34,411,796)	138,193,357
Capital lease property	12,091,981	-	-	12,091,981
Total capital assets, depreciated	<u>3,219,577,429</u>	<u>119,954,076</u>	<u>(79,648,416)</u>	<u>3,259,883,089</u>
Less accumulated depreciation for:				
Buildings and structures	(1,128,975,624)	(65,260,675)	1,291,757	(1,192,944,542)
Buses and vehicles	(402,622,745)	(46,899,149)	43,932,371	(405,589,523)
Equipment and other	(122,330,784)	(11,753,438)	33,712,048	(100,372,174)
Capital lease property	(11,903,043)	(188,938)	-	(12,091,981)
Total accumulated depreciation	<u>(1,665,832,196)</u>	<u>(124,102,200)</u>	<u>78,936,176</u>	<u>(1,710,998,220)</u>
Total capital assets, depreciated, net	<u>1,553,745,233</u>	<u>(4,148,124)</u>	<u>(712,240)</u>	<u>1,548,884,869</u>
Total capital assets, net	<u>\$ 1,874,319,606</u>	<u>\$ 173,908,967</u>	<u>\$ (82,565,640)</u>	<u>\$ 1,965,662,933</u>

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 5 - Capital Assets (Continued)

A summary of changes in capital assets for the year ended June 30, 2020 is as follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
Capital assets, not depreciated				
Land and right-of-way	\$ 256,922,883	\$ -	\$ (13,200)	\$ 256,909,683
Construction-in-progress	41,921,404	66,333,558	(44,590,272)	63,664,690
Total capital assets, not depreciated	298,844,287	66,333,558	(44,603,472)	320,574,373
Capital assets, depreciated:				
Buildings and structures	2,104,740,033	27,745,239	(1,028,954)	2,131,456,318
Buses and vehicles	796,773,974	114,347,072	(4,166,193)	906,954,853
Equipment and other	154,015,634	15,058,643	-	169,074,277
Capital lease property	12,091,981	-	-	12,091,981
Total capital assets, depreciated	3,067,621,622	157,150,954	(5,195,147)	3,219,577,429
Less accumulated depreciation for:				
Buildings and structures	(1,063,122,724)	(65,967,743)	114,843	(1,128,975,624)
Buses and vehicles	(358,971,344)	(47,817,594)	4,166,193	(402,622,745)
Equipment and other	(109,523,103)	(12,807,681)	-	(122,330,784)
Capital lease property	(11,525,169)	(377,874)	-	(11,903,043)
Total accumulated depreciation	(1,543,142,340)	(126,970,892)	4,281,036	(1,665,832,196)
Total capital assets, depreciated, net	1,524,479,282	30,180,062	(914,111)	1,553,745,233
Total capital assets, net	\$ 1,823,323,569	\$ 96,513,620	\$ (45,517,583)	\$ 1,874,319,606

Contributed Capital

MTS converted \$82 million in capital assets from CIP to assets in service in FY2021 compared to \$45 million in FY2020. A summary of capital asset additions contributed by MTS is as follows:

	2021	2020
MTS - General Operations	\$ 1,711,445	\$ 11,629,577
MTS - Contracted Services	23,558,749	3,216,435
San Diego Transit Corporation	51,176,150	7,724,062
San Diego Trolley, Inc.	5,407,056	22,020,198
Total	\$ 81,853,400	\$ 44,590,272

Capital asset additions totaling \$38 million were contributed by SANDAG in FY2021 compared to \$113 million in FY2020. SANDAG also contributed spare parts for the new LRVs to SDTI. A summary of capital asset additions contributed by SANDAG is as follows:

	2021	2020
MTS - Contracted Services	\$ 5,254,476	\$ -
San Diego Transit Corporation	-	271,772
San Diego Trolley, Inc.	32,846,200	112,288,909
Total	38,100,676	112,560,681
San Diego Trolley, Inc - LRV Spare Parts Inventory	909,043	6,664,326
Total contributed capital	\$ 39,009,719	\$ 119,225,007

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 5 - Capital Assets (Continued)**Depreciation**

Depreciation expense for capital assets for the years ended June 30, 2021 and 2020 were comprised of the following:

	2021	2020
MTS - General Operations	\$ 5,512,373	\$ 5,064,115
MTS - Contracted Services	24,552,291	21,931,173
San Diego Transit Corporation	27,365,603	32,260,870
San Diego Trolley, Inc.	66,671,933	67,714,734
Total	<u>\$ 124,102,200</u>	<u>\$ 126,970,892</u>

Note 6 - Due to Other Governments

At June 30, 2021 and 2020, amounts due to other governments consisted of the following:

	2021	2020
State of California - miscellaneous	\$ 1,099,011	\$ 1,099,819
SANDAG - project reimbursements	367,493	207,606
North County Transit District - passenger revenue	367,048	411,871
City of San Diego - miscellaneous	112,573	113,966
City of Lemon Grove - TDA funds	109,768	133,743
City of El Cajon - TDA funds	100,180	100,314
Other Governments - miscellaneous	70,712	77,146
City of La Mesa - TDA funds	55,670	56,841
County of San Diego - miscellaneous	48,804	49,904
City of Coronado - TDA funds	46,877	41,900
City of Chula Vista - miscellaneous	42,007	50,437
Total due to other governments	<u>\$ 2,420,143</u>	<u>\$ 2,343,547</u>

Note 7 - Unearned Revenue

At June 30, 2021 and 2020, unearned revenue consisted of the following:

	2021	2020
Caltrans LCTOP funds received in advance	\$ 7,104,641	\$ 2,820,691
STA State of Good Repair funds received in advance	6,957,820	9,542,044
Naming Rights payment received in advance	2,619,000	975,000
Fare media payments received in advance	2,117,698	2,099,672
Lease payments received in advance	1,444,676	1,426,145
Other reimbursements received in advance	396,380	-
SANDAG funds for LRVs received in advance	-	6,352,526
Insurance recoveries received in advance	-	927,455
Total unearned revenue	<u>\$ 20,640,215</u>	<u>\$ 24,143,533</u>

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 8 - Long-Term Debt**A. Summary**

A summary of changes in long-term obligations for the year ended June 30, 2021 is as follows:

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Amounts due within one year	Amounts due in more than one year
MTS:						
Compensated absences payable	\$ 1,441,404	\$ 976,078	\$ (681,508)	\$ 1,735,974	\$ 681,508	\$ 1,054,466
Accrued damage, injury, and employee claims	1,187,158	2,200,000	(2,220,064)	1,167,094	326,768	840,326
Aggregate net pension liability	14,064,659	3,300,696	(2,190,646)	15,174,709	-	15,174,709
Aggregate total OPEB liability	6,405,553	1,372,764	(323,196)	7,455,121	-	7,455,121
Total MTS	23,098,774	7,849,538	(5,415,414)	25,532,898	1,008,276	24,524,622
San Diego Transit Corporation:						
Pension Obligation Bonds - public offering	10,355,000	-	(2,690,000)	7,665,000	2,835,000	4,830,000
Compensated absences payable	6,450,943	3,428,663	(3,227,750)	6,651,856	3,227,750	3,424,106
Accrued damage, injury, and employee claims	10,968,269	2,923,663	(3,104,636)	10,787,296	2,768,554	8,018,742
Aggregate net pension liability	144,780,361	24,376,647	(19,911,303)	149,245,705	-	149,245,705
Aggregate total OPEB liability	29,271,435	4,422,126	(1,446,555)	32,247,006	-	32,247,006
Total San Diego Transit Corporation	201,826,008	35,151,099	(30,380,244)	206,596,863	8,831,304	197,765,559
San Diego Trolley, Inc.:						
Compensated absences payable	3,114,759	2,827,036	(2,441,693)	3,500,102	2,441,693	1,058,409
Accrued damage, injury, and employee claims	4,295,855	1,592,951	(1,323,903)	4,564,903	1,283,636	3,281,267
Aggregate net pension liability	35,346,261	17,494,311	(14,203,128)	38,637,444	-	38,637,444
Aggregate total OPEB liability	12,642,417	1,971,611	(584,494)	14,029,534	-	14,029,534
Total San Diego Trolley, Inc.	55,399,292	23,885,909	(18,553,218)	60,731,983	3,725,329	57,006,654
Total	\$ 280,324,074	\$ 66,886,546	\$ (54,348,876)	\$ 292,861,744	\$ 13,564,909	\$ 279,296,835

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 8 - Long-Term Debt (Continued)**A. Summary (Continued)**

A summary of changes in long-term obligations for the year ended June 30, 2020 is as follows:

	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Amounts due within one year	Amounts due in more than one year
MTS:						
Capital lease obligations - direct borrowing	\$ 363,072	\$ -	\$ (363,072)	\$ -	\$ -	\$ -
Compensated absences payable	1,148,858	1,139,001	(846,455)	1,441,404	846,455	594,949
Accrued damage, injury, and employee claims	990,822	1,786,679	(1,590,343)	1,187,158	352,073	835,085
Aggregate net pension liability	12,982,663	3,638,484	(2,556,488)	14,064,659	-	14,064,659
Aggregate total OPEB liability	6,025,074	816,446	(435,967)	6,405,553	-	6,405,553
Total MTS	21,510,489	7,380,610	(5,792,325)	23,098,774	1,198,528	21,900,246
San Diego Transit Corporation:						
Pension Obligation Bonds - public offering	12,910,000	-	(2,555,000)	10,355,000	2,690,000	7,665,000
Compensated absences payable	6,813,210	3,116,365	(3,478,632)	6,450,943	3,478,632	2,972,311
Accrued damage, injury, and employee claims	12,030,596	2,450,518	(3,512,845)	10,968,269	2,806,708	8,161,561
Aggregate net pension liability	134,061,376	34,841,992	(24,123,007)	144,780,361	-	144,780,361
Aggregate total OPEB liability	29,520,213	3,265,397	(3,514,175)	29,271,435	-	29,271,435
Total San Diego Transit Corporation	195,335,395	43,674,272	(37,183,659)	201,826,008	8,975,340	192,850,668
San Diego Trolley, Inc.:						
Compensated absences payable	2,895,933	2,642,226	(2,423,400)	3,114,759	2,423,400	691,359
Accrued damage, injury, and employee claims	2,815,233	1,916,883	(436,261)	4,295,855	1,321,142	2,974,713
Aggregate net pension liability	31,319,372	18,792,930	(14,766,041)	35,346,261	-	35,346,261
Aggregate total OPEB liability	11,565,916	1,327,667	(251,166)	12,642,417	-	12,642,417
Total San Diego Trolley, Inc.	48,596,454	24,679,706	(17,876,868)	55,399,292	3,744,542	51,654,750
Total	\$ 265,442,338	\$ 75,734,588	\$ (60,852,852)	\$ 280,324,074	\$ 13,918,410	\$ 266,405,664

Long-term debt is reported in the accompanying statement of net position as follows:

	2021		2020	
	Due Within One Year	Noncurrent Liabilities	Due Within One Year	Noncurrent Liabilities
Long-Term Liabilities:				
Compensated absences payable	\$ 6,350,951	\$ 5,536,981	\$ 6,748,487	\$ 4,258,619
Accrued damage, injury, and employee claims	4,378,958	12,140,335	4,479,923	11,971,359
Long-term debt	2,835,000	4,830,000	2,690,000	7,665,000
Aggregate net pension liability	-	203,057,858	-	194,191,281
Aggregate total OPEB liability	-	53,731,661	-	48,319,405
Total long-term liabilities	\$ 13,564,909	\$ 279,296,835	\$ 13,918,410	\$ 266,405,664

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 8 - Long-Term Debt (Continued)

B. Capital Lease

The County of San Diego (the County) has a master lease agreement with the MTS Joint Powers Agency (Agency) for the lease of the MTS Tower building. MTS entered into a sublease agreement with the County for a portion (27.61%) of the MTS Tower building. The sublease is classified as a capital lease because 27.61% of the title transfers to MTS at the end of the County's master lease. The master lease terminates on November 1, 2086; however, the County has the option to terminate the agreement on November 1, 2041 and each tenth anniversary thereafter. In May 2011, San Diego County refunded the underlying debt obligation in order to secure a more favorable interest rate, which results in a \$1.3 million reduction in future principal and interest payments under the terms of the lease agreement. A \$788,266 net economic capital gain from the refunding, which is the difference between the present value of the minimum payments on the refunded debt and the present value of the minimum payments on the refunding debt, has been deferred. The deferred gain was amortized as a component of interest expense over the life of the refunding debt, which was the same life as the refunded debt. As of June 30, 2020, the obligation was paid in full and the deferred gain was recognized in full.

C. Pension Obligation Bonds

In October 2004, MTS issued \$77,490,000 of Taxable Pension Obligation Bonds (POBs) for the benefit of SDTC. The purpose of the bonds was to make contributions to the San Diego Transit Corporation Retirement Plan and reduce its unfunded liability. This is in essence a hedge versus the assumed investment rate of 6.75% used by the actuary to determine the Actuarial Accrued Liability. The proceeds less fees were invested into the retirement plan. The bonds are secured by a pledge of farebox revenues and, in the event of default, MTS shall cause the transfer of farebox revenues to be maintained and controlled by the bond trustee until the amounts deposited are sufficient to pay all debt service payments owed plus default interest at a rate of the non-default interest rate plus 3% from the date the event of default occurred. The bonds consist of the following:

Series A Bonds of \$38,690,000 are fixed rate bonds that mature in annual installments between 2006 and 2024 and bear an interest rate from 2.58% to 5.15% increasing progressively over the maturities. Interest is due and payable semi-annually on June 1 and December 1. Principal is due and payable each year on December 1.

At June 30, 2021 and 2020, the outstanding balance of the Pension Obligation Bonds is \$7,655,000 and \$10,355,000, respectively. The required payments for the Pension Obligation Bonds, including interest, are:

Year ending June 30	Principal	Interest	Total
2022	\$ 2,835,000	\$ 321,746	\$ 3,156,746
2023	2,985,000	171,881	3,156,881
2024	1,845,000	47,509	1,892,509
Total	<u>\$ 7,665,000</u>	<u>\$ 541,136</u>	<u>\$ 8,206,136</u>

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 9 - Risk Management

MTS (including SDTC, SDTI, and MTS - Contracted Services) is self-insured for third party liability claims to a maximum of \$5,000,000 per occurrence. Amounts in excess of the self-insured retention limits for public liability are covered through commercial insurance carriers up to \$75,000,000. No stop loss or cap coverage is purchased above the \$75,000,000 limits. MTS, SDTC, and SDTI purchase all-risk (excluding earthquake) insurance coverage for property damage up to \$600,000,000 per occurrence with deductibles ranging from \$25,000 to \$1,500,000, depending on the type of property and peril involved. In addition, MTS, SDTC, and SDTI are self-insured for costs arising from employee workers' compensation act benefit claims including employer's liability to a retained limit of \$1,000,000 per occurrence. Amounts in excess of \$1,000,000 are insured up to statutory limits. MTS, SDTC, and SDTI all finance their respective unemployment insurance liabilities. MTS, SDTC and SDTI have policies for crime coverage through commercial insurance as well as cyber liability insurance to protect the agencies from third party claims alleging computer security breaches. The crime coverage policy has a limit of \$1,000,000 subject to a \$2,500 deductible and the cyber liability policy has a limit of \$7,000,000 subject to a \$100,000 deductible. These policies protect against theft, loss or unauthorized disclosure of personally identifiable information.

Claim expenditures and liabilities in connection with these self-insurance programs are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported based upon past experience, modified for current trends and information. Claim payments up to \$5,000,000 per incident are recorded as risk management expenses in the statements of revenues, expenses, and changes in net position. Claim payments did not exceed insurance coverage in any of the past three years.

	Beginning of fiscal year	Current year claims and changes in estimates	Claims payments	End of fiscal year
2019	\$ 17,290,152	\$ 1,128,499	\$ (2,582,000)	\$ 15,836,651
2020	15,836,651	4,796,631	(4,182,000)	16,451,282
2021	16,451,282	5,168,011	(5,100,000)	16,519,293

Following is a summary of accrued damage, injury, and employee claims for fiscal years 2021 and 2020:

	2021	2020
Current portion	\$ 4,378,958	\$ 4,479,923
Non-current portion	12,140,335	11,971,359
Total	<u>\$ 16,519,293</u>	<u>\$ 16,451,282</u>

MTS has established a policy to consolidate the minimum balances required in the liability claims reserve accounts of SDTC and SDTI to be held by MTS. The policy also established eligible uses for the MTS reserve account, which included the reimbursement to SDTC and SDTI of awards/settlements of individual liability claims for personal injury and/or property damage in excess of \$300,000, but within the self-insurance retention at SDTC and SDTI. In connection with these self-insurance programs, liabilities for MTS, SDTC and SDTI were \$16,519,293 at June 30, 2021 and \$16,451,282 at June 30, 2020.

The Board has designated \$5,000,000 for the purposes of funding the future claims liabilities of MTS, SDTC, and SDTI.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 10 – Commitments and Contingencies

Pending legal actions. MTS, SDTC and SDTI have been named in certain legal actions pending at June 30, 2021. While the outcome of these lawsuits is not presently determinable, in the opinion of management of MTS, SDTC and SDTI, based in part on the advice of counsel, the resolution of these matters is not expected to have a material adverse effect on the financial position or results of operations of MTS, SDTC, or SDTI, or is adequately covered by insurance.

Pledged Revenue. SDTC has pledged future revenues pursuant to the provision of the Pension Obligation Bonds issued by SDTC in FY 2004.

Note 11 – Other Postemployment Benefits

Generally accepted accounting policies require that the reported results for total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense must pertain to certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 - June 30, 2020

Plan Description: MTS contracts with a third party to provide MTS retirees, SDTI retirees, and SDTC Management retirees a nationwide private health care exchange in a single employer postemployment benefit plan. The third party also provides non-commissioned benefit advisors to assist retirees in determining the health plan that best suits their needs. MTS funds a Health Reimbursement Arrangement (HRA) account for each eligible retiree to offset the cost of the healthcare they purchase through the exchange. The amount of the HRA contribution is based on the retiree's years of service/former position/Medicare eligibility and ranges between \$100 and \$1,300 per month. SDTC union employees receive retirement benefits through health and welfare trust funds established for the benefit of active and retired members of the unions that represent SDTC employees. SDTC contributes \$1,045 per active employee each month to the fund for ATU, Local 1309 represented employees and \$1,052 per active employee each month to the fund for IBEW, Local 465 represented employees. The Trust boards have full discretion on how these funds are spent to provide benefits for active and retired employees. Currently, the Trusts offer retirees the opportunity to participate in a Kaiser HMO plan and retirees who do not live in an area where Kaiser HMO coverage is available receive a capped reimbursement for their health insurance expenditures.

Eligibility. Employees are eligible after attaining age/service years of 55/10 for MTS and SDTI management, 55/15 for SDTI union, 55/10 for SDTC management, and 55/5 for SDTC unions.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 11 – Other Postemployment Benefits (Continued)**Employees Covered**

As of the June 30, 2021 (measurement date 2020), the following current and former employees were covered by the benefit terms:

	MTS	SDTI	SDTC
Active employees	158	575	812
Inactive employees or beneficiaries currently receiving benefits	24	48	226
Inactive employees entitled to but not yet receiving benefits	-	-	-
Total	182	623	1,038

As of the June 30, 2020 (measurement date 2019), the following current and former employees were covered by the benefit terms:

	MTS	SDTI	SDTC
Active employees	154	543	793
Inactive employees or beneficiaries currently receiving benefits	22	43	230
Inactive employees entitled to but not yet receiving benefits	-	-	-
Total	176	586	1,023

Actuarial Assumptions

The total OPEB liability, as of June 30, 2021 (measurement date 2020), was determined using the following actuarial assumptions:

	MTS	SDTI	SDTC
Actuarial Cost Method		Entry Age Normal	
Valuation Date		June 30, 2019	
Measurement Date		June 30, 2020	
Actuarial Assumptions:			
Discount Rate		2.66% per annum	
Inflation		2.75% per annum	
Salary Increases		2.75% per annum, plus CalPERS Merit Scale	
Investment Rate of Return		N/A	
Medical Trend Rates		6.25%, decreasing 0.25% per year	
Dental Trend Rates		4% per annum	
Mortality Rate	SOA PUB-2010 General Headcount	Weighted Mortality Table	Scale MP-2019
Pre-Retirement Turnover	2017 CalPERS Experience Study		Management 3-10% Union 2-25%

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 11 – Other Postemployment Benefits (Continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 2.66% percent as of the measurement date June 30, 2020 and 3.15% as of the measurement date June 30, 2019. This discount rate is the average, rounded to 5 basis points, of the range of 3-20 year municipal bond rate indices: S&P Municipal Bond 20 Year High Grade Rate Index, Bond Buyer 20-Bond GO index, Fidelity GO AA 20 year Bond Index.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of MTS, SDTI and SDTC, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for year ended June 30, 2021 (measurement date 2020):

	MTS	SDTI	SDTC	Aggregate
1% Decrease	1.66%	1.66%	1.66%	1.66%
Total OPEB Liability	\$ 8,947,600	\$ 16,427,073	\$ 37,419,407	\$ 62,794,080
Current Discount Rate	2.66%	2.66%	2.66%	2.66%
Total OPEB Liability	\$ 7,455,121	\$ 14,029,534	\$ 32,247,006	\$ 53,731,661
1% Increase	3.66%	3.66%	3.66%	3.66%
Total OPEB Liability	\$ 6,278,591	\$ 12,097,551	\$ 28,068,088	\$ 46,444,230

The following presents the total OPEB liability of MTS, SDTI and SDTC, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for the year ended June 30, 2020 (measurement date 2019):

	MTS	SDTI	SDTC	Aggregate
1% Decrease	2.15%	2.15%	2.15%	2.15%
Total OPEB Liability	\$ 7,648,787	\$ 14,766,352	\$ 33,798,628	\$ 56,213,767
Current Discount Rate	3.15%	3.15%	3.15%	3.15%
Total OPEB Liability	\$ 6,405,553	\$ 12,642,417	\$ 29,271,435	\$ 48,319,405
1% Increase	4.15%	4.15%	4.15%	4.15%
Total OPEB Liability	\$ 5,420,927	\$ 10,923,843	\$ 25,593,732	\$ 41,938,502

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 11 – Other Postemployment Benefits (Continued)

Sensitivity of the Total OPEB Liability to Changes in Healthcare Cost Trend Rates

The following presents the total OPEB liability of MTS, SDTI and SDTC, as well as what the total OPEB liability would be if it were calculated using a health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates, for the year ended June 30, 2021 (measurement date 2020):

	MTS	SDTI	SDTC	Aggregate
1% Decrease in Healthcare Cost Trend Rate			5.25% HMO/PPO decreasing to	
	<u>2.0% HRA Contribution Increase</u>		<u>3.50% HMO/PPO</u>	
Total OPEB Liability	\$ 5,973,762	\$ 11,975,373	\$ 27,424,199	\$ 45,373,334
Current Healthcare Cost Trend Rate			6.25% HMO/PPO decreasing to	
	<u>3.0% HRA Contribution Increase</u>		<u>4.50% HMO/PPO</u>	
Total OPEB Liability	\$ 7,455,121	\$ 14,029,534	\$ 32,247,006	\$ 53,731,661
1% Increase in Healthcare Cost Trend Rate			7.25% HMO/PPO decreasing to	
	<u>4.0% HRA Contribution Increase</u>		<u>5.50% HMO/PPO</u>	
Total OPEB Liability	\$ 9,455,297	\$ 16,678,351	\$ 38,426,193	\$ 64,559,841

The following presents the total OPEB liability of MTS, SDTI and SDTC, as well as what the total OPEB liability would be if it were calculated using a health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates, for the period ended June 30, 2020 (measurement date 2019):

	MTS	SDTI	SDTC	Aggregate
1% Decrease in Healthcare Cost Trend Rate			5.5% HMO/PPO decreasing to	
	<u>2.0% HRA Contribution Increase</u>		<u>3.5% HMO/PPO</u>	
Total OPEB Liability	\$ 5,223,012	\$ 10,884,125	\$ 25,269,265	\$ 41,376,402
Current Healthcare Cost Trend Rate			6.5% HMO/PPO decreasing to	
	<u>3.0% HRA Contribution Increase</u>		<u>4.5% HMO/PPO</u>	
Total OPEB Liability	\$ 6,405,553	\$ 12,642,417	\$ 29,271,435	\$ 48,319,405
1% Increase in Healthcare Cost Trend Rate			7.5% HMO/PPO decreasing to	
	<u>4.0% HRA Contribution Increase</u>		<u>5.5% HMO/PPO</u>	
Total OPEB Liability	\$ 7,980,065	\$ 14,887,210	\$ 34,333,433	\$ 57,200,708

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 11 – Other Postemployment Benefits (Continued)***Change in Total OPEB Liability***

At June 30, 2021, the change in the Total OPEB liability is as follows:

	MTS	SDTI	SDTC	Aggregate
Balance at June 30, 2020	\$ 6,405,553	\$ 12,642,417	\$ 29,271,435	\$ 48,319,405
Changes Recognized for the Measurement Period:				
Service Cost	544,949	561,743	1,317,943	2,424,635
Interest on the total OPEB liability	217,111	412,287	947,591	1,576,989
Difference between expected and actual experience	(206,133)	(351,313)	(424,383)	(981,829)
Changes in assumptions	610,704	997,581	2,156,592	3,764,877
Benefit payments	(117,063)	(233,181)	(1,022,172)	(1,372,416)
Net Changes	1,049,568	1,387,117	2,975,571	5,412,256
Balance at June 30, 2021	\$ 7,455,121	\$ 14,029,534	\$ 32,247,006	\$ 53,731,661

At June 30, 2020, the change in the Total OPEB liability is as follows:

	MTS	SDTI	SDTC	Aggregate
Balance at June 30, 2019	\$ 6,025,074	\$ 11,565,916	\$ 29,520,213	\$ 47,111,203
Changes Recognized for the Measurement Period:				
Service Cost	452,623	442,873	1,180,991	2,076,487
Interest on the total OPEB liability	224,774	415,912	1,056,425	1,697,111
Difference between expected and actual experience	(324,826)	230,450	(2,478,929)	(2,573,305)
Changes in assumptions	139,049	238,432	1,027,981	1,405,462
Benefit payments	(111,141)	(251,166)	(1,035,246)	(1,397,553)
Net Changes	380,479	1,076,501	(248,778)	1,208,202
Balance at June 30, 2020	\$ 6,405,553	\$ 12,642,417	\$ 29,271,435	\$ 48,319,405

Contributions

The contribution requirements of plan members and MTS, SDTI and SDTC are established and may be amended by MTS Management or the Board of Directors. The contribution required to be made is based on a pay-as-you-go basis (i.e., as medical insurance premiums become due).

For fiscal years 2021 and 2020, the following contributions were made:

	MTS	SDTI	SDTC	Aggregate
2021 Contributions	\$ 112,510	\$ 181,540	\$ 1,052,058	\$ 1,346,108
2020 Contributions	\$ 111,023	\$ 217,715	\$ 1,144,105	\$ 1,472,843

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 11 – Other Postemployment Benefits (Continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2021 and 2020, OPEB expense is included in the accompanying statement of revenues, expenses, and changes in net position as follows:

	MTS	SDTI	SDTC	Aggregate
2021 OPEB Expense	\$ 714,871	\$ 950,468	\$ 1,804,542	\$ 3,469,881
2020 OPEB Expense	\$ 593,428	\$ 776,472	\$ 1,559,898	\$ 2,929,798

At June 30, 2021, (measurement date 2020) MTS, SDTI and SDTC reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	MTS		SDTI	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made after measurement date	\$ 112,510	\$ -	\$ 181,540	\$ -
Difference between expected and actual experience	-	(453,160)	188,550	(319,375)
Changes in assumptions	668,952	(412,923)	1,101,972	(643,386)
Total	<u>\$ 781,462</u>	<u>\$ (866,083)</u>	<u>\$ 1,472,062</u>	<u>\$ (962,761)</u>

	SDTC		Aggregate	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made after measurement date	\$ 1,052,058	\$ -	\$ 1,346,108	\$ -
Difference between expected and actual experience	-	(2,141,998)	188,550	(2,914,533)
Changes in assumptions	2,621,291	(1,010,799)	4,392,215	(2,067,108)
Total	<u>\$ 3,673,349</u>	<u>\$ (3,152,797)</u>	<u>\$ 5,926,873</u>	<u>\$ (4,981,641)</u>

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 11 – Other Postemployment Benefits (Continued)***OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)***

At June 30, 2020, (measurement date 2019) MTS, SDTI and SDTC reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	MTS		SDTI	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made after measurement date	\$ 111,023	\$ -	\$ 217,715	\$ -
Difference between expected and actual experience	-	(295,296)	209,500	-
Changes in assumptions	126,408	(480,003)	216,756	(768,325)
Total	<u>\$ 237,431</u>	<u>\$ (775,299)</u>	<u>\$ 643,971</u>	<u>\$ (768,325)</u>

	SDTC		Aggregate	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made after measurement date	\$ 1,144,105	\$ -	\$ 1,472,843	\$ -
Difference between expected and actual experience	-	(2,124,796)	209,500	(2,420,092)
Changes in assumptions	881,127	(1,481,038)	1,224,291	(2,729,366)
Total	<u>\$ 2,025,232</u>	<u>\$ (3,605,834)</u>	<u>\$ 2,906,634</u>	<u>\$ (5,149,458)</u>

The combined \$1,346,108 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2022 compared to the combined \$1,472,843 reported in previous year.

As of the June 30, 2021 (measurement date 2020), other amounts reported as deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ended June 30,	MTS	SDTI	SDTC	Aggregate
2022	\$ (47,189)	\$ (23,562)	\$ (460,992)	\$ (531,743)
2023	(47,189)	(23,562)	(460,991)	(531,742)
2024	(47,189)	(23,562)	(61,075)	(131,826)
2025	(47,189)	(23,562)	9,247	(61,504)
2026	(47,189)	(23,566)	9,252	(61,503)
Thereafter	38,814	445,575	433,053	917,442
Total	<u>\$ (197,131)</u>	<u>\$ 327,761</u>	<u>\$ (531,506)</u>	<u>\$ (400,876)</u>

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 11 – Other Postemployment Benefits (Continued)***OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)***

As of the measurement date June 30, 2020 (measurement 2019), other amounts reported as deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ended June 30,	MTS	SDTI	SDTC	Aggregate
2021	\$ (83,969)	\$ (82,313)	\$ (677,518)	\$ (843,800)
2022	(83,969)	(82,313)	(677,518)	(843,800)
2023	(83,969)	(82,313)	(677,517)	(843,799)
2024	(83,969)	(82,313)	(277,601)	(443,883)
2025	(83,969)	(82,313)	(207,279)	(373,561)
Thereafter	(229,046)	69,496	(207,274)	(366,824)
Total	<u>\$ (648,891)</u>	<u>\$ (342,069)</u>	<u>\$ (2,724,707)</u>	<u>\$ (3,715,667)</u>

Note 12 – Employee Retirement Systems***A. Summary*****Aggregate Net Pension Liability**

Aggregate Net Pension Liability is reported in the accompanying statements of net position as follows:

	2021	2020
MTS CalPERS Plans	\$ 15,174,709	\$ 14,064,659
SDTI CalPERS Plans	37,167,783	33,629,624
SDTI PARS Plan	1,469,661	1,716,637
SDTC Retirement Plan	149,245,705	144,780,361
Total	<u>\$ 203,057,858</u>	<u>\$ 194,191,281</u>

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

A. Summary (Continued)

Deferred Outflows of Resources

Deferred Outflows of Resources at June 30, 2021 are reported in the accompanying statement of net position as follows:

	Contributions Made After Measurement Date	Differences Between Expected and Actual Experience	Differences Between Projected and Actual Earnings on Pension Plan Investments	Changes in Assumptions	Changes in Employer's Proportion	Differences Between Employer's Contributions and Proportionate Share of Contributions	Total
MTS CalPERS Plans	\$ 2,580,445	\$ 781,998	\$ 450,789	\$ -	\$ 338,721	\$ 424,786	\$ 4,576,739
SDTI CalPERS Plans	5,237,955	1,886,001	1,237,074	1,578,401	-	-	9,939,431
SDTI PARS Plan	358,878	-	198,181	-	-	-	557,059
SDTC Retirement Plan	23,718,402	-	11,519,178	-	-	-	35,237,580
Total	\$ 31,895,680	\$ 2,667,999	\$ 13,405,222	\$ 1,578,401	\$ 338,721	\$ 424,786	\$ 50,310,809

Deferred Outflows of Resources at June 30, 2020 are reported in the accompanying statement of net position as follows:

	Contributions Made After Measurement Date	Differences Between Expected and Actual Experience	Differences Between Projected and Actual Earnings on Pension Plan Investments	Changes in Assumptions	Changes in Employer's Proportion	Differences Between Employer's Contributions and Proportionate Share of Contributions	Total
MTS CalPERS Plans	\$ 2,320,104	\$ 976,850	\$ -	\$ 670,668	\$ 368,972	\$ 455,798	\$ 4,792,392
SDTI CalPERS Plans	4,532,160	2,204,517	-	3,332,178	-	-	10,068,855
SDTI PARS Plan	418,735	-	-	195,026	-	-	613,761
SDTC Retirement Plan	14,709,813	1,569,652	5,675,174	3,768,383	-	-	25,723,022
Total	\$ 21,980,812	\$ 4,751,019	\$ 5,675,174	\$ 7,966,255	\$ 368,972	\$ 455,798	\$ 41,198,030

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

A. Summary (Continued)

Deferred Inflows of Resources

Deferred Inflows of Resources at June 30, 2021 are reported in the accompanying statement of net position as follows:

	Differences Between Expected and Actual Experience	Differences Between Projected and Actual Earnings on Pension Plan Investments	Changes in Assumptions	Changes in Employer's Proportion	Total
MTS CalPERS Plans	\$ -	\$ -	\$ 108,233	\$ 50,875	\$ 159,108
SDTI CalPERS Plans	700,204	-	412,584	-	1,112,788
SDTI PARS Plan	153,082	-	95,765	-	248,847
SDTC Retirement Plan	1,579,972	-	-	-	1,579,972
Total	<u>\$ 2,433,258</u>	<u>\$ -</u>	<u>\$ 616,582</u>	<u>\$ 50,875</u>	<u>\$ 3,100,715</u>

Deferred Inflows of Resources at June 30, 2020 are reported in the accompanying statement of net position as follows:

	Differences Between Expected and Actual Experience	Differences Between Projected and Actual Earnings on Pension Plan Investments	Changes in Assumptions	Changes in Employer's Proportion	Total
MTS CalPERS Plans	\$ 75,686	\$ 245,894	\$ 237,747	\$ 114,470	\$ 673,797
SDTI CalPERS Plans	1,402,959	543,225	798,234	-	2,744,418
SDTI PARS Plan	227,335	1,015	-	-	228,350
SDTC Retirement Plan	-	-	-	-	-
Total	<u>\$ 1,705,980</u>	<u>\$ 790,134</u>	<u>\$ 1,035,981</u>	<u>\$ 114,470</u>	<u>\$ 3,646,565</u>

Pension Expense

Pension expense is included in the accompanying statements of revenues, expenses, and changes in net position as follows:

	2021	2020
MTS CalPERS Plans	\$ 3,391,459	\$ 3,581,674
SDTI CalPERS Plans	7,273,908	7,040,133
SDTI PARS Plan	206,884	406,181
SDTC Retirement Plan	20,248,875	21,959,266
Total	<u>\$ 31,121,126</u>	<u>\$ 32,987,254</u>

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)**B. MTS****General Information about the Pension Plans**

Plan Description – All MTS management employees working the equivalent of 1,000 hours per fiscal year are eligible to participate in the MTS Miscellaneous, MTS Miscellaneous PEPRA, or MTS Miscellaneous Second Tier cost-sharing multiple employer defined benefit pension plans administered by California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit Provisions under the Plans are established by State statutes within the Public Employee's Retirement Law. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office – 400 P Street, Sacramento, CA 95814.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment and can only be amended by the MTS Board of Directors.

The Plan's provisions and benefits in effect as of June 30, 2021 are summarized as follows:

MTS Miscellaneous Plan-1223
CLOSED TO NEW MEMBERS

Hire date	Prior to December 24, 2012
Benefit formula	2.7% @ 55
Benefit vesting schedule	5 years service
Benefit payments	Monthly for life
Final Average Compensation Period	12 months
Retirement age	50-55
Monthly benefits, as a % of eligible compensation	2.0%-2.7%
Required employee contribution rates	8.00%
Required employer contribution rates	32.47%
Pre-Retirement Death Benefit	Optional Settlement 2W
Post-Retirement Death Benefit	\$500 Lump Sum
Non-Industrial Standard Disability	1.8% of final compensation multiplied by service
COLA	2.00%

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)**B. MTS (Continued)****General Information about the Pension Plans (Continued)****MTS Miscellaneous Second Tier Plan - 30134**

Hire date	On or Between December 24 and 31, 2012 or Grandfathered classic members
Benefit formula	2.0% @ 60
Benefit vesting schedule	5 years service
Benefit payments	Monthly for life
Final Average Compensation Period	12 months
Retirement age	50-63
Monthly benefits, as a % of eligible compensation	1.092%-2.418%
Required employee contribution rates	7.00%
Required employer contribution rates	9.95%
Pre-Retirement Death Benefit	Optional Settlement 2W
Post-Retirement Death Benefit	\$500 Lump Sum
Non-Industrial Standard Disability	1.8% of final compensation multiplied by service
COLA	2.00%

MTS PEPRA Miscellaneous Plan - 26789

Hire date	On or after January 1, 2013
Benefit formula	2.0% @ 62
Benefit vesting schedule	5 years service
Benefit payments	Monthly for life
Final Average Compensation Period	36 months
Retirement age	52-67
Monthly benefits, as a % of eligible compensation	1.0-2.5%
Required employee contribution rates	6.75%
Required employer contribution rates	8.30%
Pre-Retirement Death Benefit	Optional Settlement 2W
Post-Retirement Death Benefit	\$500 Lump Sum
Non-Industrial Standard Disability	1.8% of final compensation multiplied by service
COLA	2.00%

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

B. MTS (Continued)

Employees Covered – At June 30, 2021 (measurement date 2020) and June 30, 2020 (measurement date 2019), the following employees were covered by the benefit terms:

	2021	2020
Inactive employees or beneficiaries currently receiving benefits	114	144
Inactive employees entitled to but not yet receiving benefits	61	65
Active employees	162	163
Total	337	372

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS’ annual actuarial valuation process. For public agency cost-sharing plans, the Plan’s actuarially determined rate is based on the estimated amount necessary to pay the Plan’s allocated share of the risk pool’s costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the years ended June 30, 2021 and 2020 (measurement date 2020 and 2019), the active employee contribution rates and average employer contribution rates were as follows:

	2021		2020	
	Employee Contribution Rate	Employer Contribution Rate	Employee Contribution Rate	Employer Contribution Rate
MTS - Miscellaneous Plan-1223	8.00%	32.47%	8.00%	28.77%
MTS Miscellaneous Second Tier Plan - 30134	7.00%	9.95%	7.00%	8.70%
MTS PEPRM Miscellaneous Plan - 26789	6.75%	8.30%	6.75%	7.13%

For the years ended June 30, 2021 and 2020 (measurement date 2020 and 2019), the plan's proportionate share of aggregate contributions recognized as part of pension expense were:

	2021	2020
Contributions - employer	\$ 2,024,949	\$ 1,763,681
Contributions - employee	609,496	562,250

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

B. MTS (Continued)

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2021 and 2020 (measurement dates 2020 and 2019), MTS reported \$15,174,709 and \$14,064,659 net pension liabilities for its proportionate share of the aggregate net pension liability.

MTS Plans' net pension liability is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. MTS's proportion of the net pension liability was based on a projection of the MTS's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool:

- (1) In determining a cost-sharing plan's proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation date (June 30, 2019). The risk pool's fiduciary net position ("FNP") subtracted from its total pension liability ("TPL") determines the net pension liability ("NPL") at the valuation date.
- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2020). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool's FNP at the measurement date denotes the aggregate risk pool's FNP at June 30, 2020 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (FY2020).
- (3) The individual plan's TPL, FNP, and NPL are also calculated at the valuation date.
- (4) Two ratios are created by dividing the plan's individual TPL and FNP as of the valuation date from step (3) by the amounts in step (1), the risk pool's total TPL and FNP, respectively.
- (5) The plan's TPL as of the measurement date is equal to the risk pool TPL generated in step (2) multiplied by the TPL ratio generated in step (4). The plan's FNP as of the measurement date is equal to the FNP generated in step (2) multiplied by the FNP ratio generated in step (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
- (6) The plan's NPL at the measurement date is the difference between the TPL and FNP calculated in step (5).

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

B. MTS (Continued)

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

MTS's proportionate share of the net pension liability as of June 30, 2020, 2019, and 2018 (measurement dates) were as follows:

Proportion June 30, 2018	0.13473%
Proportion June 30, 2019	0.13726%
Change - Increase (Decrease)	0.00253%
Proportion June 30, 2020	0.13947%
Change - Increase (Decrease)	0.00221%

For the years ended June 30, 2021 and 2020, MTS recognized pension expense of \$3,391,459 and \$3,581,674, respectively. At June 30, 2021 and 2020, MTS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2021		2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made after the measurement date	\$ 2,580,445	\$ -	\$ 2,320,104	\$ -
Differences between expected and actual experience	781,998	-	976,850	(75,686)
Changes in assumptions	-	(108,233)	670,668	(237,747)
Change in employer's proportion	338,721	(50,875)	368,972	(114,470)
Differences between actual and proportionate share of employer contributions	424,786	-	455,798	-
Differences between projected and actual earnings on pension plan investments	450,789	-	-	(245,894)
Total	\$ 4,576,739	\$ (159,108)	\$ 4,792,392	\$ (673,797)

The \$2,580,445 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

As of the measurement date June 30, 2020, other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Amounts
2022	\$ 491,297
2023	674,931
2024	454,747
2025	216,211
2026	-
Total	\$ 1,837,186

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

B. MTS (Continued)

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

In the previous year, other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Amounts
2021	\$ 1,484,186
2022	43,277
2023	221,340
2024	49,688
2025	-
Total	<u>\$ 1,798,491</u>

Actuarial Assumptions – The total pension liability in the June 30, 2019 actuarial valuation was determined using the actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increase	varies by entry age and service
Payroll Growth	2.75%
Investment Rate of Return	7.15% (1)
Mortality	derived using CalPERS membership data for all funds (2)

(1) Net of pension plan investment expenses.

(2) The mortality table used was developed based on CalPERS specific data.

The table includes 15 years of mortality improvements using Society of Actuaries Scales 90% of scale MP 2016.

Change in Assumptions – GASB 68, paragraph 30 states that the long-term expected rate of return should be determined net of pension plan investment expense, but without reduction for pension plan administrative expense. In both the current and prior year, the actuarial report did not have a change of assumption. Further details of the Experience Study can be found on the CalPERS website.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

B. MTS (Continued)

Discount Rate – The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund. The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called “GASB Crossover Testing Report” that can be obtained at CalPERS’ website under the GASB 68 section.

Long-Term Expected Rate of Return - The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows were considered. Using historical returns of all the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

Asset Class (a)	New Strategic Allocation	Real Return Years 1-10 (b)	Real Return Years 11+ (c)
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%

- (a) In the System's ACFR, Fixed Income is included in Global Debt Securities;
 Liquidity is included in Short-term Investments; Inflation Assets are included in both
 Global Equity Securities and Global Debt Securities.
- (b) an expected inflation of 2.00% for this period
- (c) an expected inflation of 2.92% for this period

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

B. MTS (Continued)

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents MTS's proportionate share of the net pension liability as of June 30, 2021 and 2020, calculated using the discount rate, as well as what MTS's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	2021	2020
1% Decrease	6.15%	6.15%
Net Pension Liability	\$ 23,225,277	\$ 21,681,379
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$ 15,174,709	\$ 14,064,659
1% Increase	8.15%	8.15%
Net Pension Liability	\$ 8,522,776	\$ 7,777,593

Pension Plan Fiduciary Net Position – Detailed information about MTS's pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Payable to the Pension Plan – At June 30, 2021, MTS reported a payable of \$27,514 for the outstanding amount of contributions to the pension plan required for the current year compared to \$199,909 for the year ended June 30, 2020.

C. SDTI

1. CalPERS Plans

Plan Description – All SDTI employees working the equivalent of 1,000 hours per fiscal year are eligible to participate in the SDTI Miscellaneous or PEPPRA Miscellaneous Plan, Agent Multiple-Employer defined benefit plans administered by California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit Provisions under the Plans are established by State statutes within the Public Employee's Retirement Law. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office – 400 P Street, Sacramento, CA 95814.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Plan members include both contract and non-contract employees. Benefits are based on years of credited service, equal to one year of full-time employment and can only be amended by the MTS Board of Directors.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)**C. SDTI (Continued)****1. CalPERS Plans (Continued)**

The Plans' provisions and benefits in effect as of June 30, 2021 are summarized as follows:

San Diego Trolley Miscellaneous Plan - 1406
Closed to New Members

	Management Employees	Union Employees
Hire date	Prior to January 1, 2013	Prior to January 1, 2013
Benefit formula	2.0% @ 55	2.0% @ 55
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Final Average Compensation Period	12 months	12 months
Retirement age	50-63	50-63
Monthly benefits, as a % of eligible compensation	1.426-2.418%	1.426-2.418%
Required employee contribution rates	8.00%	9.661%
Required employer contribution rates	15.32%	13.661%
Pre-Retirement Death Benefit	1959 Survivor Benefit Level 2	1959 Survivor Benefit Level 2
Post-Retirement Death Benefit	\$500 Lump Sum	\$500 Lump Sum
COLA	2.00%	2.00%
Non-Industrial Standard Disability	1.8% of final compensation multiplied by service	1.8% of final compensation multiplied by service

San Diego Trolley PEPRA Miscellaneous Plan - 26965

Hire date	On or After January 1, 2013
Benefit formula	2.0% @ 62
Benefit vesting schedule	5 years service
Benefit payments	Monthly for life
Final Average Compensation Period	36 months
Retirement age	52-67
Monthly benefits, as a % of eligible compensation	1.0-2.5%
Required employee contribution rates	6.25%
Required employer contribution rates	16.322%
Pre-Retirement Death Benefit	1959 Survivor Benefit Level 2
Post-Retirement Death Benefit	\$500 Lump Sum
COLA	2.00%
Non-Industrial Standard Disability	1.8% of final compensation multiplied by service

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

C. SDTI (Continued)

2. PARS Plan

Plan Description – All full-time SDTI management employees employed between October 1, 2003 and December 24, 2012 are eligible to participate in the PARS Retirement Enhancement Plan, a defined benefit plan held by the Public Agency Retirement System Trust, an agent multiple employer retirement trust under Internal Revenue Service Code Section 401(a). The Plan is administered by Public Agency Retirement Services (PARS). Separate information for the Plan is included in another financial report issued by PARS. Copies of the financial report can be obtained in writing from Public Agency Retirement Services, 4350 Von Karman Avenue, Suite 100, Newport Beach, CA 92660.

Benefits Provided – PARS provides supplemental service retirement benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Members are eligible to receive benefits if they have retired under CalPERS, have terminated employment, or had their position eliminated due to internal reorganization or mandatory operating budget reductions after January 1, 2004. The Plan benefit supplements member's CalPERS benefit to provide members with an enhanced retirement benefit and MTS management has the authority to amend the Plan's benefit terms. The monthly lifetime benefit is calculated by taking the difference between (1) and (2) below and multiplying it by one-twelfth (1/12):

- (1) PARS Age Factor x Benefit Service x Highest Average Annual Compensation (Subject to CalPERS Deductions) during the Last 12 Months of Employment
- (2) CalPERS Age Factor x Benefit Service x Highest Average Annual Compensation (Subject to CalPERS Deductions) during the Last 12 Months of Employment The Plan's provisions and benefits in effect as of June 30, 2020 are summarized as follows:

The Plan's provisions and benefits in effect as of June 30, 2021 are summarized as follows:

San Diego Trolley PARS Plan
CLOSED TO NEW MEMBERS

Hire date	Prior to January 1, 2013
Benefit formula	2.7% @ 55
Benefit vesting schedule	5 years service
Benefit payments	Monthly for life
Final Average Compensation Period	12 months
Retirement age	50-63
Monthly benefits, as a % of eligible compensation	0.282-0.574%
Required employee contribution rates	Not Required or Permitted
Required employer contribution rates	8.76%
Pre-Retirement Death Benefit	None
Post-Retirement Death Benefit	Joint-and-100% Survivor Option
Disability Retirement Benefit	None
COLA	2.00%

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

C. SDTI (Continued)

Employees Covered

At June 30, 2021 and 2020 (measurement dates 2020 and 2019), the following employees were covered by the benefit terms for each Plan:

	CalPERS Plan		PARS Plan	
	2021	2020	2021	2020
Inactive employees or beneficiaries currently receiving benefits	261	271	50	47
Inactive employees entitled to but not yet receiving benefits	92	92	1	-
Active employees	604	588	45	48

*SDTI PEPPRA Plan is included in the SDTI Miscellaneous Plan June 30, 2019 valuation report.

Contributions

1. CalPERS Plans

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. SDTI is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the years ended June 30, 2021 and 2020 (measurement dates 2020 and 2019), the active employee contribution rates and average employer contribution rates were as follows:

	2021		2020	
	Employee	Employer	Employee	Employer
SDTI Miscellaneous Plan 1406 - Management EE	8.00%	15.32%	8.00%	12.28%
SDTI Miscellaneous Plan 1406 - Union EE	9.661%	13.661%	8.14%	12.14%
SDTI Miscellaneous PEPPRA Plan 26965	6.25%	16.322%	5.75%	13.28%

For the years ended June 30, 2021 and 2020 (measurement dates 2020 and 2019), the contributions recognized as part of pension expense were:

	CalPERS Plans	
	2021	2020
Contributions - employer	\$ 4,532,160	\$ 3,824,864
Contributions - employee	2,108,348	2,075,270

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

C. SDTI (Continued)

Contributions (Continued)

2. PARS Plan

Employer contribution rates for the PARS plan are contractually established by the Plan's administrator and agreed to by the employer, and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined biannually on an actuarial basis as of June 30 by PARS. For the period ended June 30, 2020 (measurement date), the employer's contribution rate is 8.76%. For the period ended June 30, 2019 (measurement date), the employer's contribution rate was 9.64%.

For the years June 30, 2021 and 2020 (measurement date 2020 and 2019), the contributions recognized as part of pension expense were:

	PARS Plan	
	2021	2020
Contributions - employer	\$ 436,518	\$ 443,125
Contributions - employee	-	-

Net Pension Liability

1. CalPERS Plans

SDTI's net pension liability is measured as the total pension liability less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2020, using an annual actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The total pension liabilities in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.75%
Projected Salary Increase	varies by entry age and service
Payroll Growth	2.75%
Investment Rate of Return	7.15% (1)
Mortality	Derived using CalPERS's Membership Data for all Funds (2)
Post Retirement Benefit Increase	Contract COLA up to 2.5% until Purchasing Power applies, 2.5% thereafter

(1) Net of pension plan investment expenses.

(2) The mortality table used was developed based on CalPERS's specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016.

Changes in Assumptions – In both the current and prior years, the actuarial report did not have any changes in assumptions.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

C. SDTI (Continued)

Net Pension Liability (Continued)

1. CalPERS Plans (Continued)

Discount Rate – The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund (PERF). The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called “GASB Crossover Testing Report” that can be obtained at CalPERS’ website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows were considered. Using historical returns of all the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

Asset Class (a)	New Strategic Allocation	Real Return Years 1-10 (b)	Real Return Years 11+ (c)
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%

(a) In the System’s ACFR, Fixed Income is included in Global Debt Securities;
 Liquidity is included in Short-term Investments; Inflation Assets are included in both
 Global Equity Securities and Global Debt Securities.

(b) an expected inflation of 2.00% for this period

(c) an expected inflation of 2.92% for this period

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

C. SDTI (Continued)

Net Pension Liability (Continued)

2. PARS Plan

The net pension liability for the PARS Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2020, using an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	6.50%
Inflation	2.75%
Salary Increases Including Inflation	Graded rates based on years of services, 3.60% after 22 years of service
Payroll Growth	2.75%
Investment Rate of Return	6.50%
Pre-Retirement Mortality	Consistent with Non-Industrial rates used to value the Miscellaneous CALPERS Pension Plans
Post Retirement Benefit Increase	Consistent with Non-Industrial rates used to value the Miscellaneous CALPERS Pension Plans

Change in Assumptions – In the current year, the inflation rate was lowered from 2.75% to 2.50%. In the current year, the payroll growth rate was lowered from 3.00% to 2.75%. In the prior year, the actuarial report did not have any changes in assumptions.

Discount Rate – The discount rate used to measure the total pension liability was 6.50 percent.

A formal cash flow projection was not performed as described under Paragraph 27 of GASB Statement 68. However, Paragraph 29 allows for alternative methods to confirm the sufficiency of the Net Position if the evaluations “can be made with sufficient reliability without a separate projection of cash flows into and out of the pension plan...” In our professional judgment, adherence to the actuarial funding policy described above will result in the pension plan's projected Fiduciary Net Position being greater than or equal to the benefit payments projected for each future period. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)**C. SDTI (Continued)****Net Pension Liability (Continued)****2. PARS Plan (Continued)****Discount Rate (Continued)**

The best estimate for the long-term expected rate of return of 6.50 percent was determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The table below reflects long-term expected real rate of return presented as arithmetic and geometric means by asset class.

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return (a)	Long-Term Expected Geometric Real Rate of Return (b)
U.S. Cash	4.52%	-0.22%	-0.20%
U.S. Core Fixed Income	60.37%	0.92%	0.84%
U.S. Equity Market	27.17%	4.82%	3.52%
Foreign Developed Equity	4.57%	6.32%	4.75%
Emerging Market Equities	2.55%	8.35%	5.53%
U.S. REITs	0.82%	5.32%	3.62%

(a) Assumed inflation: 2.21% mean and 1.65% standard deviation

(b) Assumed inflation: 2.20% mean and 1.65% standard deviation

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents SDTI's net pension liability at June 30, 2021 and 2020, calculated using the discount rate, as well as what SDTI's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	CalPERS Plan		PARS Plan	
	2021	2020	2021	2020
1% Decrease	6.15%	6.15%	5.50%	5.50%
Net Pension Liability	\$ 61,934,507	\$ 57,149,081	\$ 2,579,161	\$ 2,770,019
Current Discount Rate	7.15%	7.15%	6.50%	6.50%
Net Pension Liability	\$ 37,167,783	\$ 33,629,624	\$ 1,469,661	\$ 1,716,637
1% Increase	8.15%	8.15%	7.50%	7.50%
Net Pension Liability	\$ 16,751,201	\$ 14,258,024	\$ 540,500	\$ 766,611

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)**C. SDTI (Continued)****Changes in the Net Pension Liability****1. CalPERS Plans**

At June 30, 2021 (measurement date 2020), the change in the Net Pension Liability for the Plan is as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at July 1, 2020	\$ 163,523,016	\$ 129,893,392	\$ 33,629,624
Changes in the year:			
Service cost	4,479,774	-	4,479,774
Interest on the total pension liability	11,672,869	-	11,672,869
Changes of assumptions	-	-	-
Differences between expected and actual experience	355,799	-	355,799
Benefit payments, including refunds of member contributions	(5,723,615)	(5,723,615)	-
Net Plan to Plan resource movement	-	-	-
Contributions - employer	-	4,532,160	(4,532,160)
Contributions - employee	-	2,108,348	(2,108,348)
Net investment income	-	6,512,893	(6,512,893)
Administrative expense	-	(183,118)	183,118
Net Changes	10,784,827	7,246,668	3,538,159
Balance at June 30, 2021	\$ 174,307,843	\$ 137,140,060	\$ 37,167,783

At June 30, 2020 (measurement date 2019), the change in the Net Pension Liability for the Plan is as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at July 1, 2019	\$ 151,012,735	\$ 121,459,786	\$ 29,552,949
Changes in the year:			
Service cost	4,304,517	-	4,304,517
Interest on the total pension liability	10,947,906	-	10,947,906
Changes of assumptions	-	-	-
Differences between expected and actual experience	2,647,270	-	2,647,270
Benefit payments, including refunds of member contributions	(5,389,412)	(5,389,412)	-
Net Plan to Plan resource movement	-	-	-
Contributions - employer	-	3,824,864	(3,824,864)
Contributions - employee	-	2,075,270	(2,075,270)
Net investment income	-	8,009,279	(8,009,279)
Administrative expense	-	(86,395)	86,395
Net Changes	12,510,281	8,433,606	4,076,675
Balance at June 30, 2020	\$ 163,523,016	\$ 129,893,392	\$ 33,629,624

Pension Plan Fiduciary Net Position – Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)**C. SDTI (Continued)****Changes in the Net Pension Liability (Continued)****2. PARS Plan**

At June 30, 2021 (measurement date 2020), the change in the Net Pension Liability for the Plan is as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at July 1, 2020	\$ 9,094,282	\$ 7,377,645	\$ 1,716,637
Changes in the year:			
Service cost	195,690	-	195,690
Interest on the total pension liability	591,918	-	591,918
Changes of assumptions	(164,168)	-	(164,168)
Differences between expected and actual experience	(262,427)	-	(262,427)
Benefit payments, including refunds of member contributions	(372,953)	(372,953)	-
Contributions - employer	-	436,518	(436,518)
Contributions - employee	-	-	-
Net investment income	-	186,614	(186,614)
Administrative expense	-	(15,143)	15,143
Net Changes	(11,940)	235,036	(246,976)
Balance at June 30, 2021	\$ 9,082,342	\$ 7,612,681	\$ 1,469,661

At June 30, 2020 (measurement date 2019), the change in the Net Pension Liability for the Plan is as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at July 1, 2019	\$ 8,639,945	\$ 6,873,522	\$ 1,766,423
Changes in the year:			
Service cost	226,689	-	226,689
Interest on the total pension liability	565,523	-	565,523
Changes of assumptions	-	-	-
Differences between expected and actual experience	-	-	-
Benefit payments, including refunds of member contributions	(337,875)	(337,875)	-
Contributions - employer	-	443,125	(443,125)
Contributions - employee	-	-	-
Net investment income	-	413,503	(413,503)
Administrative expense	-	(14,630)	14,630
Net Changes	454,337	504,123	(49,786)
Balance at June 30, 2020	\$ 9,094,282	\$ 7,377,645	\$ 1,716,637

Pension Plan Fiduciary Net Position – Detailed information about the PARS Plan’s fiduciary net position is available in the separately issued financial reports.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

C. SDTI (Continued)

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2021 and 2020, SDTI recognized pension expense of \$7,480,792 and \$7,446,314, respectively. At June 30, 2021 and 2020, SDTI reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	CalPERS Plans			
	2021		2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made after measurement date	\$ 5,237,955	\$ -	\$ 4,532,160	\$ -
Differences between expected and actual experience	1,886,001	(700,204)	2,204,517	(1,402,959)
Changes in assumptions	1,578,401	(412,584)	3,332,178	(798,234)
Net differences between projected and actual earnings on pension plan investments	1,237,074	-	-	(543,225)
Total	<u>\$ 9,939,431</u>	<u>\$ (1,112,788)</u>	<u>\$ 10,068,855</u>	<u>\$ (2,744,418)</u>

	PARS Plan			
	2021		2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made after measurement date	\$ 358,878	\$ -	\$ 418,735	\$ -
Differences between expected and actual experience	-	(153,082)	-	(227,335)
Changes in assumptions	-	(95,765)	195,026	-
Net differences between projected and actual earnings on pension plan investments	198,181	-	-	(1,015)
Total	<u>\$ 557,059</u>	<u>\$ (248,847)</u>	<u>\$ 613,761</u>	<u>\$ (228,350)</u>

The combined \$5,596,833 reported as deferred outflows of resources related to contributions subsequent to the measurement date for the two plans will be recognized as a reduction of the net pension liability in the year ended June 30, 2022 compared to \$4,950,895 for the previous year.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

C. SDTI (Continued)

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

As of the measurement date, June 30, 2020, other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	SDTI CalPERS Plan	SDTI PARS Plan
2022	\$ 963,027	\$ (167,189)
2023	709,407	(8,506)
2024	1,294,041	66,131
2025	622,213	58,898
2026	-	-
Total	<u>\$ 3,588,688</u>	<u>\$ (50,666)</u>

In the previous year, other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	SDTI CalPERS Plan	SDTI PARS Plan
2021	\$ 1,714,227	\$ 4,081
2022	333,552	(48,337)
2023	79,932	3,697
2024	664,566	7,235
2025	-	-
Total	<u>\$ 2,792,277</u>	<u>\$ (33,324)</u>

Payable to the Pension Plan

At June 30, 2021, SDTI reported a payable of \$57,297 to CalPERS and \$3,891 to PARS for the outstanding amount of contributions to the pension plans required for the fiscal year compared to \$219,094 payable to CalPERS and \$3,326 payable to PARS for the year ended June 30, 2020.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

D. SDTC

General Information about the Pension Plans

Plan Description - The San Diego Transit Corporation (SDTC) Employee Retirement Plan (Plan), a single-employer defined benefit plan, is currently open to all full-time non-contract employees and certain part-time noncontract employees who have completed one year of service in which they have worked at least 1,000 hours. For contract employees to be eligible for participation in the defined benefit plan, the employee must have been hired before November 25, 2012 if they are an Amalgamated Transit Union (ATU) Local 1309 member, or before April 28, 2011 if they are an International Brotherhood of Electrical Workers (IBEW) Local 465 member.

Beginning in FY 2011, SDTC negotiated changes to retirement benefits for ATU Local 1309 members and IBEW Local 465 members. ATU Local 1309 represented employees hired after November 25, 2012 and IBEW local 465 represented employees hired after April 28, 2011 will receive their retirement benefits from a defined contribution 401(a) plan. Based on the applicable Collective Bargaining Agreement, SDTC contributes a fixed percentage of each employee's gross wages to a 401(a) account and matches voluntary employee contributions up to a maximum of 2% of the employees' gross wages.

The SDTC Plan issues a publicly available financial report that includes financial statements and required supplementary information. The financial report may be obtained by writing to San Diego Transit Corporation, 1255 Imperial Avenue, Suite 1000, San Diego, CA 92101.

Benefits Provided – The SDTC Plan provides retirement, termination, and disability benefits, annual cost-of-living adjustments, and death benefits to eligible Plan members and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment and can only be amended by the MTS Board of Directors.

The Plan's provisions and benefits as of June 30, 2021 are as follows:

	San Diego Transit Pension Plan - Non-Contract Employees	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Final Average Compensation Period	12 months	36 months
Retirement age	53-63	52-67
Monthly benefits, as a % of eligible compensation	1.742%-2.418%	1.0%-2.5%
Required employee contribution rates	8.00%	6.25%
Required employer contribution rates	60.44%	62.19%
Pre-Retirement Death Benefit		50% Joint & Survivor
Post-Retirement Death Benefit		Based on benefit election
		1.5% times average monthly final earnings times credited years of service
Non-Industrial Standard Disability COLA		Lesser of CPI or 2.0%

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)**D. SDTC (Continued)****General Information about the Pension Plans (Continued)**

	SDTC Contract Employees	
	ATU - Closed Plan	IBEW - Closed Plan
Hire date	Prior to November 25, 2012	Prior to January 1, 2013
Benefit formula	2% @ 55	2% @ 55
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Final Average Compensation Period	36 months	36 months
Retirement age	53-63	55-65
Monthly benefits, as a % of eligible compensation	1.742%-2.418%	2.0%-2.418%
Required employee contribution rates	8.00%	8.00%
Required employer contribution rates	60.44%	60.44%
Pre-Retirement Death Benefit	50% Joint & Survivor	
Post-Retirement Death Benefit	Based on benefit election	
Disability	1.5% times average monthly final earnings times credited years of service	

Employees Covered – At June 30, 2021 and 2020 (measurement date 2020 and 2019), the following employees were covered by the benefit terms for the Plan:

	2021	2020
Inactive employees or beneficiaries currently receiving benefits	1,028	1,011
Inactive employees entitled to but not yet receiving benefits	217	218
Active employees	389	424

Contributions – Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the period ended June 30, 2020 (measurement date), the active employee contribution rate is 6.25- 8.00% of annual pay, and the average employer's contribution rate is 60.88% of annual payroll compared to 6.25-8.00% and 51.37% for the previous year.

For the year ended June 30, 2021 and 2020 (measurement date 2020 and 2019), the contributions recognized as part of pension expense for the Plan were as follows:

	2021	2020
Contributions - employer	\$ 14,709,813	\$ 13,633,181
Contributions - employee	2,017,164	2,074,025

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

D. SDTC (Continued)

Net Pension Liability

SDTC's net pension liability is measured as the total pension liability less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of July 1, 2020, using an annual actuarial valuation as of July 1, 2020.

Actuarial Assumptions – The total pension liabilities in the July 1, 2020 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	July 1, 2020
Measurement Date	July 1, 2020
Actuarial Cost Method	Individual entry age to final decrement
Actuarial Assumptions:	
Discount Rate	6.75%
Inflation	2.75%
Projected Salary Increase	2.75% plus merit component based on employee classification and years of service
Investment Rate of Return (1)	6.75%
Mortality	RP-2000 Tables using male rates for both male and female members with generational improvements using Scale MP-2015
COLA Increase - Non-Contract Members	2.00%

(1) Net of pension plan investment expenses.

Changes in Assumptions – In the current year, the actuarial report did not have any changes in assumptions. In the prior year, the expected rate of return on assets decreased from 7.00% to 6.75%.

Discount Rate – The discount rate used to measure the Total Pension Liability was 6.75%.

We have assumed that the employees will continue to contribute to the Plan at the required rates and the employer will continue the historical and legally required practice of contributing to the Plan based on an actuarially determined contribution, reflecting a payment equal to annual Normal Cost, a portion of the expected Administrative Expenses, and an amount necessary to amortize the remaining Unfunded Actuarial Liability as of June 30, 2012, over a closed 25-year period (17 years remaining as of the July 1, 2020 actuarial valuation). Actuarial gains and losses in plan years after June 30, 2012 are amortized over closed 15-year periods as a level dollar amount.

A formal cash flow projection was not performed as described under Paragraph 27 of GASB Statement 68. However, Paragraph 29 allows for alternative methods to confirm the sufficiency of the Net Position if the evaluations "can be made with sufficient reliability without a separate projection of cash flows into and out of the pension plan..." In our professional judgment, adherence to the actuarial funding policy described above will result in the pension plan's projected Fiduciary Net Position being greater than or equal to the benefit payments projected for each future period. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

D. SDTC (Continued)

Net Pension Liability (Continued)

Discount Rate (Continued)

According to Paragraph 30 of GASB Statement 68, the long-term expected rate of return should be determined net of pension plan investment expenses but without reduction for pension plan administrative expenses. The 6.75% investment return assumption used in the Total Pension Liability is net of investment expenses only.

The table below reflects long-term expected real rate of return by asset class. The critical inputs of the asset allocation model are the expected risk, return and correlations of different asset classes.

Asset Class	Strategic Allocation	Real Return Years 1-10	Real Return Years 11+
United States Equity	25.00%	4.05%	4.05%
International Equity	20.00%	6.30%	6.30%
Fixed Income	35.00%	0.00%	0.00%
Alternatives (Multi-Asset)	20.00%	3.00%	3.00%

(a) an expected inflation of 2.0% is used.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability for the SDTC Plan as of June 30, 2021 and 2020, calculated using the discount rate, as well as what SDTC's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	2021	2020
1% Decrease	5.75%	5.75%
Net Pension Liability	\$ 182,328,644	\$ 178,269,254
Current Discount Rate	6.75%	6.75%
Net Pension Liability	\$ 149,245,705	\$ 144,780,361
1% Increase	7.75%	7.75%
Net Pension Liability	\$ 121,156,977	\$ 116,375,578

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

D. SDTC (Continued)

Changes in Net Pension Liability

At June 30, 2021 (measurement date 2020), the change in the Net Pension Liability for the SDTC Plan is as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at July 1, 2020	\$ 314,919,978	\$ 170,139,617	\$ 144,780,361
Changes in the year:			
Service cost	3,326,248	-	3,326,248
Interest on the total pension liability	20,793,979	-	20,793,979
Changes of assumptions	-	-	-
Differences between expected and actual experience	(3,159,945)	-	(3,159,945)
Benefit payments, including refunds of member contributions	(20,712,755)	(20,712,755)	-
Contributions - employer	-	14,709,528	(14,709,528)
Contributions - employee	-	2,017,164	(2,017,164)
Net investment income	-	24,666	(24,666)
Administrative expense	-	(256,420)	256,420
Net Changes	247,527	(4,217,817)	4,465,344
Balance at June 30, 2021	\$ 315,167,505	\$ 165,921,800	\$ 149,245,705

At June 30, 2020 (measurement date 2019), the change in the Net Pension Liability for the SDTC Plan is as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at July 1, 2019	\$ 300,300,433	\$ 166,239,057	\$ 134,061,376
Changes in the year:			
Service cost	3,345,262	-	3,345,262
Interest on the total pension liability	20,568,075	-	20,568,075
Changes of assumptions	7,536,766	-	7,536,766
Differences between expected and actual experience	3,139,304	-	3,139,304
Benefit payments, including refunds of member contributions	(19,969,862)	(19,969,862)	-
Contributions - employer	-	13,633,181	(13,633,181)
Contributions - employee	-	2,074,025	(2,074,025)
Net investment income	-	8,415,801	(8,415,801)
Administrative expense	-	(252,585)	252,585
Net Changes	14,619,545	3,900,560	10,718,985
Balance at June 30, 2020	\$ 314,919,978	\$ 170,139,617	\$ 144,780,361

Pension Plan Fiduciary Net Position – Detailed information about the SDTC Plan’s fiduciary net position is available in the separately issued financial reports. The financial report may be obtained by writing to San Diego Transit Corporation, 1255 Imperial Avenue, Suite 1000, San Diego, CA 92101.

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

D. SDTC (Continued)

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the years ended June 30, 2021 and 2020, SDTC recognized pension expense of \$20,248,875 and \$21,959,266, respectively. At June 30, 2021 and 2020, SDTC reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2021		2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made after the measurement date	\$ 23,718,402	\$ -	\$ 14,709,813	\$ -
Changes in assumptions	-	-	3,768,383	-
Differences between expected and actual experience	-	(1,579,972)	1,569,652	-
Differences between projected and actual earnings on pension plan investments	11,519,178	-	5,675,174	-
Total	\$ 35,237,580	\$ (1,579,972)	\$ 25,723,022	\$ -

The \$23,718,402 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022 compared to \$14,709,813 for the previous year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Amounts
2022	\$ 1,446,019
2023	3,352,505
2024	2,876,898
2025	2,263,784
2026	-
Total	\$ 9,939,206

In the previous year, other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions were:

Year Ended June 30	Amounts
2021	\$ 8,549,161
2022	762,209
2023	1,088,723
2024	613,116
2025	-
Total	\$ 11,013,209

San Diego Metropolitan Transit System
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Note 12 – Employee Retirement Systems (Continued)

D. SDTC (Continued)

Payable to the Pension Plan

At June 30, 2021, SDTC reported a payable of \$1,317,866 for the outstanding amount of contributions to the pension plan required for the fiscal year compared to \$1,245,955 for the year ended June 30, 2020.

Note 13 – Other Required Individual Disclosures

A. Deficit Net Position

In the Statements of Net Position, MTS had a deficit unrestricted net position at June 30, 2021 and 2020 of \$(46,677,107) and \$(12,023,773), respectively. The deficit was mainly due to the reporting of the aggregate net pension liabilities and the aggregate total OPEB liabilities as well as timing differences between recognition of expenses on the accrual basis and when those expenses are funded by subsidy revenues.

Contracted Services, SDTC, and SDTI had unrestricted net position (deficits) of \$(9,920,263), \$(146,841,174), and \$(14,487,399), respectively, as of June 30, 2021 compared to \$1,642,120 unrestricted net position for Contracted Services, \$(161,014,994) deficit for SDTC, and \$(11,933,573) deficit for SDTI for the year ended June 30, 2020. These deficits are primarily a result of the implementation of GASB 68 (pension) & 75 (OPEB) as well as timing differences between recognition of expenses on an accrual basis and when those expenses are funded by subsidy transfers for Contracted Services, SDTC, and SDTI.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

San Diego Metropolitan Transit System
Required Supplementary Information (Unaudited)
For the Years Ended June 30, 2021 and 2020

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

MTS
(LAST TEN YEARS*)

Measurement Period, Year Ended June 30:	2020	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability	0.13947%	0.13726%	0.13473%	0.13531%	0.13477%	0.14142%	0.13277%
Proportionate share of the net pension liability	\$15,174,709	\$14,064,659	\$12,982,663	\$13,418,753	\$11,661,984	\$ 9,707,169	\$ 8,261,550
Covered payroll	\$13,715,993	\$12,892,323	\$12,873,186	\$11,809,510	\$11,078,469	\$ 9,954,718	\$ 9,277,782
Proportionate share of the net pension liability as percentage of covered payroll	110.64%	109.09%	100.85%	113.63%	105.27%	97.51%	89.05%
Plan's fiduciary net position as percentage of the total pension liability	74.92%	75.16%	75.65%	72.65%	72.53%	75.07%	77.50%
Proportionate share of aggregate employer contributions	\$ 2,024,949	\$ 1,763,681	\$ 1,536,182	\$ 1,348,728	\$ 1,896,142	\$ 1,998,897	\$ 755,170

*Ten year historical information is not yet available

San Diego Metropolitan Transit System
Required Supplementary Information (Unaudited) (Continued)
For the Years Ended June 30, 2021 and 2020

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
SDTI CALPERS PLANS
(LAST TEN YEARS*)

Measurement Period, Year Ended June 30:	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service Cost	\$ 4,479,774	\$ 4,304,517	\$ 4,029,579	\$ 3,882,206	\$ 3,580,302	\$ 3,615,793	\$ 3,721,950
Interest on total pension liability	11,672,869	10,947,906	10,112,324	9,611,237	9,201,415	8,554,525	7,982,614
Differences between expected and actual experience	355,799	2,647,270	(498,533)	(2,759,754)	375,697	(510,309)	-
Changes in assumptions	-	-	(1,064,034)	8,593,509	-	(2,274,755)	-
Changes in benefit terms	-	-	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(5,723,615)	(5,389,412)	(5,090,945)	(4,901,765)	(4,345,171)	(3,799,240)	(3,155,596)
Net change in total pension liability	10,784,827	12,510,281	7,488,391	14,425,433	8,812,243	5,586,014	8,548,968
Total pension liability - beginning	163,523,016	151,012,735	143,524,344	129,098,911	120,286,668	114,700,654	106,151,686
Total pension liability - ending (a)	\$174,307,843	\$163,523,016	\$151,012,735	\$143,524,344	\$129,098,911	\$120,286,668	\$114,700,654
Plan fiduciary net position							
Contributions - employer	\$ 4,532,160	\$ 3,824,864	\$ 3,342,623	\$ 2,835,680	\$ 2,659,911	\$ 2,553,900	\$ 2,498,345
Contributions - employee	2,108,348	2,075,270	2,034,672	1,806,506	1,778,990	1,839,206	2,179,194
Net investment income	6,512,893	8,009,279	9,482,977	11,214,548	628,353	2,204,904	14,416,106
Benefit payments, including refunds of employee contributions	(5,723,615)	(5,389,412)	(5,090,945)	(4,901,765)	(4,345,171)	(3,799,240)	(3,155,596)
Net plan to plan resource movement	-	(86,676)	(281)	-	-	-	-
Administrative expense	(183,118)	281	(506,849)	(149,699)	(61,391)	(113,387)	-
Net change in plan fiduciary net position	7,246,668	8,433,606	9,262,197	10,805,270	660,692	2,685,383	15,938,049
Plan fiduciary net position - beginning	129,893,392	121,459,786	112,197,589	101,392,319	100,731,627	98,046,244	82,108,195
Plan fiduciary net position - ending (b)	\$137,140,060	\$129,893,392	\$121,459,786	\$112,197,589	\$101,392,319	\$100,731,627	\$ 98,046,244
Net pension liability - ending (a) - (b)	\$ 37,167,783	\$ 33,629,624	\$ 29,552,949	\$ 31,326,755	\$ 27,706,592	\$ 19,555,041	\$ 16,654,410
Plan fiduciary net position as a percentage of the total pension liability	78.68%	79.43%	80.43%	78.17%	78.54%	83.74%	85.48%
Covered payroll	\$ 31,913,060	\$ 29,886,251	\$ 27,790,199	\$ 26,643,371	\$ 27,247,357	\$ 26,965,416	\$ 26,268,261
Plan net pension liability as a percentage of covered payroll	116.47%	112.53%	106.34%	117.58%	101.69%	72.52%	63.40%

Notes to Schedule:

Benefit changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2019 valuation date.

Changes of assumptions:

*2018 - Demographic assumptions and inflation rate were changed in accordance to CalPERS Experience Study and Review December 2017

*2017 - Discount rate decreased to 7.15 percent from 7.65 percent

*2015 - Discount rate increased to 7.65 percent from 7.50 percent

*Ten year historical information is not yet available

San Diego Metropolitan Transit System
Required Supplementary Information (Unaudited) (Continued)
For the Years Ended June 30, 2021 and 2020

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

SDTI PARS PLAN
(LAST TEN YEARS*)

Measurement Period, Year Ended June 30:	2020	2019	2018	2017	2016	2015
Total Pension Liability						
Service Cost	\$ 195,690	\$ 226,689	\$ 198,627	\$ 230,296	\$ 223,588	\$ 267,889
Interest on total pension liability	591,918	565,523	587,363	556,089	523,457	480,808
Differences between expected and actual experience	(262,427)	-	(652,788)	-	(166,133)	-
Changes in assumptions	(164,168)	-	473,927	-	321,921	-
Changes in benefit terms	-	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(372,953)	(337,875)	(313,613)	(302,460)	(273,201)	(229,364)
Net change in total pension liability	(11,940)	454,337	293,516	483,925	629,632	519,333
Total pension liability - beginning	9,094,282	8,639,945	8,346,429	7,862,504	7,232,872	6,713,539
Total pension liability - ending (a)	\$ 9,082,342	\$ 9,094,282	\$ 8,639,945	\$ 8,346,429	\$ 7,862,504	\$ 7,232,872
Plan fiduciary net position						
Contributions - employer	\$ 436,518	\$ 443,125	\$ 549,296	\$ 605,864	\$ 547,473	\$ 590,203
Contributions - employee	-	-	-	-	-	-
Net investment income	186,614	413,503	458,921	638,858	(59,981)	127,592
Benefit payments, including refunds of employee contributions	(372,953)	(337,875)	(313,613)	(302,460)	(273,201)	(229,364)
Administrative expense	(15,143)	(14,630)	(17,012)	(13,417)	(14,665)	(12,186)
Net change in plan fiduciary net position	235,036	504,123	677,592	928,845	199,626	476,245
Plan fiduciary net position - beginning	7,377,645	6,873,522	6,195,930	5,267,085	5,067,459	4,591,214
Plan fiduciary net position - ending (b)	\$ 7,612,681	\$ 7,377,645	\$ 6,873,522	\$ 6,195,930	\$ 5,267,085	\$ 5,067,459
Net pension liability - ending (a) - (b)	\$ 1,469,661	\$ 1,716,637	\$ 1,766,423	\$ 2,150,499	\$ 2,595,419	\$ 2,165,413
Plan fiduciary net position as a percentage of the total pension liability	83.82%	81.12%	79.56%	74.23%	66.99%	70.06%
Covered payroll	\$ 4,351,424	\$ 4,909,640	\$ 4,766,641	\$ 5,170,611	\$ 5,020,011	\$ 4,943,557
Plan net pension liability as a percentage of covered payroll	33.77%	34.96%	37.06%	41.59%	51.70%	43.80%

Notes to Schedule:

Benefit changes. The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2019 valuation date.

Changes in Assumption:

- *2020 - Inflation rate decreased from 2.75 to 2.50 percent
- *2020 - Payroll growth rate decreased from 3.00 to 2.75 percent
- *2018 - Investment rate of return decreased from 7.0 to 6.5 percent
- *2016 - Inflation rate decreased from 3.0 to 2.75 percent
- *2016 - Salary scale, retirement and pre-retirement mortality assumptions were updated.

*Ten year historical information is not yet available

San Diego Metropolitan Transit System
Required Supplementary Information (Unaudited) (Continued)
For the Years Ended June 30, 2021 and 2020

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

SDTC PLAN
(LAST TEN YEARS*)

Measurement Period, Year Ended June 30:	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service Cost	\$ 3,326,248	\$ 3,345,262	\$ 3,559,738	\$ 3,660,961	\$ 3,469,595	\$ 3,590,766	\$ 3,908,376
Interest on total pension liability	20,793,979	20,568,075	20,325,978	19,885,608	18,865,499	18,434,275	17,812,979
Differences between expected and actual experience	(3,159,945)	3,139,304	(240,474)	1,185,687	(2,174,475)	812,878	2,905,692
Changes in assumptions	-	7,536,766	(640,322)	-	29,699,872	-	-
Changes in benefit terms	-	-	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(20,712,755)	(19,969,862)	(18,715,199)	(17,977,346)	(17,350,158)	(16,584,043)	(15,466,924)
Net change in total pension liability	247,527	14,619,545	4,289,721	6,754,910	32,510,333	6,253,876	9,160,123
Total pension liability - beginning	314,919,978	300,300,433	296,010,712	289,255,802	256,745,469	250,491,593	241,331,470
Total pension liability - ending (a)	\$ 315,167,505	\$ 314,919,978	\$ 300,300,433	\$ 296,010,712	\$ 289,255,802	\$ 256,745,469	\$ 250,491,593
Plan fiduciary net position							
Contributions - employer	\$ 14,709,528	\$ 13,633,181	\$ 13,020,223	\$ 12,649,101	\$ 10,711,282	\$ 11,352,628	\$ 12,628,190
Contributions - employee	2,017,164	2,074,025	1,751,616	2,047,593	1,754,869	1,363,092	899,791
Net investment income	24,666	8,415,801	8,792,300	12,216,936	(540,093)	(2,018,866)	18,417,439
Benefit payments, including refunds of employee contributions	(20,712,755)	(19,969,862)	(18,715,199)	(17,977,346)	(17,350,158)	(16,584,043)	(15,466,924)
Administrative expense	(256,420)	(252,585)	(244,890)	(234,128)	(290,381)	(262,808)	(258,142)
Net change in plan fiduciary net position	(4,217,817)	3,900,560	4,604,050	8,702,156	(5,714,481)	(6,149,997)	16,220,354
Plan fiduciary net position - beginning	170,139,617	166,239,057	161,635,007	152,932,851	158,647,332	164,797,329	148,576,975
Plan fiduciary net position - ending (b)	\$ 165,921,800	\$ 170,139,617	\$ 166,239,057	\$ 161,635,007	\$ 152,932,851	\$ 158,647,332	\$ 164,797,329
Net pension liability - ending (a) - (b)	\$ 149,245,705	\$ 144,780,361	\$ 134,061,376	\$ 134,375,705	\$ 136,322,951	\$ 98,098,137	\$ 85,694,264
Plan fiduciary net position as a percentage of the total pension liability	52.65%	54.03%	55.36%	54.60%	52.87%	61.79%	65.79%
Covered payroll	\$ 25,826,289	\$ 27,121,687	\$ 29,672,305	\$ 31,660,643	\$ 31,048,663	\$ 32,658,827	\$ 32,313,553
Plan net pension liability as a percentage of covered payroll	577.88%	533.82%	451.81%	424.43%	439.06%	300.37%	265.20%

Notes to Schedule:

Benefit changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2020 valuation date.

Changes of assumptions:

*2019 - Investment rate of return decreased from 7.0 to 6.75 percent

*2018 - Valuation salary changed from using the most recent pensionable pay preceding the valuation date to a two-year average of pay from the two years preceding the valuation date

*2016 - Investment rate of return decreased from 7.5 to 7.0 percent

*2016 - Inflation decreased from 3.0 to 2.75 percent

*2016 - Revisions were made to merit pay increases, mortality, disability, service retirements and terminations

*Ten year historical information is not yet available

San Diego Metropolitan Transit System
Required Supplementary Information (Unaudited) (Continued)
For the Years Ended June 30, 2021 and 2020

SCHEDULE OF CONTRIBUTIONS
MTS
(LAST TEN YEARS*)

Fiscal Year Ended June 30:	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 2,580,445	\$ 2,320,104	\$ 2,041,117	\$ 1,896,639	\$ 1,731,711	\$ 1,582,497	\$ 1,559,846	\$ 1,537,079
Contributions in relation to the actuarially determined contribution	(2,580,445)	(2,320,104)	(2,041,117)	(1,896,639)	(1,731,711)	(1,582,497)	(1,559,846)	(1,537,079)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 14,166,669	\$ 13,715,993	\$ 12,892,323	\$ 12,873,186	\$ 11,809,510	\$ 11,078,469	\$ 9,954,718	\$ 9,277,782
Contributions as a percentage of covered payroll	18.21%	16.92%	15.83%	14.73%	14.66%	14.28%	15.67%	16.57%

Notes to Schedule:**Methods and assumptions used to determine contribution rates:**

The actuarial methods and assumption used to set the actuarially determined contributions for Fiscal Year 2021 were derived from the June 30, 2017 funding valuation report.

Actuarial cost method	Entry Age Normal
Amortization method/period	For details, see June 30, 2017 Funding Valuation Report
Asset valuation method	Market value of assets
Inflation	2.625%
Salary increases	Varies based on entry age and service
Payroll growth	2.875%
Investment rate of return	7.25% net of pension plan investment and administrative expenses
Retirement age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 and 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and post-retirement mortality rates include 15 years of projected mortality improvement using Society of American Actuaries Scales 90% of scale MP 2016.

*Ten year historical information is not yet available

San Diego Metropolitan Transit System
Required Supplementary Information (Unaudited) (Continued)
For the Years Ended June 30, 2021 and 2020

SCHEDULE OF CONTRIBUTIONS
SDTI CALPERS PLAN
(LAST TEN YEARS*)

Fiscal Year Ended June 30:	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 5,237,955	\$ 4,532,160	\$ 3,824,864	\$ 3,266,081	\$ 2,835,680	\$ 2,659,911	\$ 2,553,900	\$ 2,498,345
Contributions in relation to the actuarially determined contribution	(5,237,955)	(4,532,160)	(3,824,864)	(3,266,081)	(2,835,680)	(2,659,911)	(2,553,900)	(2,498,345)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 33,604,962	\$ 31,913,060	\$ 29,886,251	\$ 27,790,199	\$ 26,643,371	\$ 27,247,357	\$ 26,965,416	\$ 26,268,261
Contributions as a percentage of covered payroll	15.59%	14.20%	12.80%	11.75%	10.64%	9.76%	9.47%	9.51%

Notes to Schedule:**Methods and assumptions used to determine contribution rates:**

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2021 were derived from the June 30, 2017 funding valuation report.

Actuarial cost method	Entry Age Normal
Amortization	For details, see June 30, 2017 Funding Valuation Report
Asset valuation method	Fair value of assets
Inflation	2.625%
Salary increases	Varies based on entry age and service
Payroll growth	2.875%
Investment rate of return	7.25% net of pension plan investment and administrative expenses
Retirement age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 and 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and post-retirement mortality rates include 15 years of projected mortality improvement using Society of American Actuaries Scales 90% of scale MP 2016.

*Ten year historical information is not yet available

San Diego Metropolitan Transit System
Required Supplementary Information (Unaudited) (Continued)
For the Years Ended June 30, 2021 and 2020

SCHEDULE OF CONTRIBUTIONS
SDTI PARS PLAN
(LAST TEN YEARS*)

Fiscal Year Ended June 30:	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 381,185	\$ 408,250	\$ 459,504	\$ 460,930	\$ 499,993	\$ 445,465	\$ 546,873	\$ 463,079
Contributions in relation to the actuarially determined contribution	(358,878)	(418,735)	(435,748)	(549,296)	(605,864)	(547,473)	(590,203)	(453,934)
Contribution deficiency (excess)	\$ 22,307	\$ (10,485)	\$ 23,756	\$ (88,366)	\$ (105,871)	\$ (102,008)	\$ (43,330)	\$ 9,145
Covered payroll	\$ 4,471,089	\$ 4,351,424	\$ 4,909,640	\$ 4,766,641	\$ 5,170,611	\$ 5,020,011	\$ 4,943,557	\$ 5,984,089
Contributions as a percentage of covered payroll	8.03%	9.62%	8.88%	11.52%	11.72%	10.91%	11.94%	7.59%

Notes to Schedule:**Methods and assumptions used to determine contribution rates:**

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2021 were derived from the June 30, 2019 funding valuation report.

Valuation date	June 30, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Level dollar
Amortization period	16 years as of valuation date
Asset valuation method	5-year smoothed market
Inflation	2.50%
Salary increases	Varies based on entry age and service
Payroll growth	2.75%
Investment rate of return	6.50%

*Ten year historical information is not yet available

San Diego Metropolitan Transit System
Required Supplementary Information (Unaudited) (Continued)
For the Years Ended June 30, 2021 and 2020

SCHEDULE OF CONTRIBUTIONS
SDTC PLAN
(LAST TEN YEARS*)

Fiscal Year Ended June 30:	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 17,585,592	\$ 14,709,813	\$ 13,633,181	\$ 13,020,223	\$ 12,649,101	\$ 10,711,282	\$ 11,352,628	\$ 12,628,190
Contributions in relation to the actuarially determined contribution	(23,718,402)	(14,709,813)	(13,633,181)	(13,020,223)	(12,649,101)	(10,711,282)	(11,352,628)	(12,628,190)
Contribution deficiency (excess)	\$ (6,132,810)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 24,891,340	\$ 25,826,289	\$ 27,121,687	\$ 29,672,305	\$ 31,660,643	\$ 31,048,663	\$ 32,658,827	\$ 32,313,553
Contributions as a percentage of covered payroll	95.29%	56.96%	50.27%	43.88%	39.95%	34.50%	34.76%	39.08%

Notes to Schedule:**Methods and assumptions used to determine contribution rates:**

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2021 were derived from the July 1, 2018 funding valuation report.

Valuation date	July 1, 2018
Actuarial cost method	Entry Age
Amortization	Level percent of payroll, closed 25-year period
Asset valuation method	5-year smoothed market
Salary increases	2.75% plus merit component based on employee classification and years of services
Investment rate of return	7.00% net of pension plan investment expenses
Mortality	Actives: RP-2000 tables using male rates for both male and female members with generational improvements using scale MP-2015

*Ten year historical information is not yet available

San Diego Metropolitan Transit System
Required Supplementary Information (Unaudited) (Continued)
For the Years Ended June 30, 2021 and 2020

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

MTS
(LAST TEN YEARS*)

Measurement period, year ended June 30:	2020	2019	2018	2017
Total OPEB Liability				
Service Cost	\$ 544,949	\$ 452,623	\$ 450,678	\$ 504,282
Interest	217,111	224,774	203,185	171,522
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(206,133)	(324,826)	-	-
Changes in assumptions	610,704	139,049	(104,394)	(566,410)
Benefit payments, including refunds of member contributions	(117,063)	(111,141)	(99,520)	(96,621)
Net change in total OPEB liability	1,049,568	380,479	449,949	12,773
Total OPEB liability - beginning	6,405,553	6,025,074	5,575,125	5,562,352
Total OPEB liability - ending (a)	\$ 7,455,121	\$ 6,405,553	\$ 6,025,074	\$ 5,575,125
OPEB fiduciary net position				
Contributions - employer	\$ 117,063	\$ 111,141	\$ 99,520	\$ 96,621
Net investment income	-	-	-	-
Benefit payments, including refunds of member contributions	(117,063)	(111,141)	(99,520)	(96,621)
Administrative expense	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-
Plan fiduciary net position - ending (b)	\$ -	\$ -	\$ -	\$ -
Plan net OPEB liability - ending (a) - (b)	\$ 7,455,121	\$ 6,405,553	\$ 6,025,074	\$ 5,575,125
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	\$ 12,699,847	\$ 13,522,496	\$ 12,763,760	\$ 12,392,000
Plan net OPEB liability as a percentage of covered payroll	58.70%	47.37%	47.20%	44.99%

* Historical data provided for years where GASB 75 is applicable.

San Diego Metropolitan Transit System
Required Supplementary Information (Unaudited) (Continued)
For the Years Ended June 30, 2021 and 2020

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
SDTI
(LAST TEN YEARS*)

Measurement period, year ended June 30:	2020	2019	2018	2017
Total OPEB Liability				
Service Cost	\$ 561,743	\$ 442,873	\$ 440,969	\$ 493,375
Interest	412,287	415,912	389,043	336,668
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(351,313)	230,450	-	-
Changes in assumptions	997,581	238,432	(168,207)	(956,245)
Benefit payments, including refunds of member contributions	(233,181)	(251,166)	(194,710)	(189,039)
Net change in total OPEB liability	1,387,117	1,076,501	467,095	(315,241)
Total OPEB liability - beginning	12,642,417	11,565,916	11,098,821	11,414,062
Total OPEB liability - ending (a)	\$ 14,029,534	\$ 12,642,417	\$ 11,565,916	\$ 11,098,821
OPEB fiduciary net position				
Contributions - employer	\$ 233,181	\$ 251,166	\$ 194,710	\$ 189,039
Net investment income	-	-	-	-
Benefit payments, including refunds of member contributions	(233,181)	(251,166)	(194,710)	(189,039)
Administrative expense	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-
Plan fiduciary net position - ending (b)	\$ -	\$ -	\$ -	\$ -
Plan net OPEB liability - ending (a) - (b)	\$ 14,029,534	\$ 12,642,417	\$ 11,565,916	\$ 11,098,821
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	\$ 32,204,645	\$ 34,000,928	\$ 31,280,070	\$ 30,369,000
Plan net OPEB liability as a percentage of covered payroll	43.56%	37.18%	36.98%	36.55%

* Historical data provided for years where GASB 75 is applicable.

San Diego Metropolitan Transit System
Required Supplementary Information (Unaudited) (Continued)
For the Years Ended June 30, 2021 and 2020

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

SDTC

(LAST TEN YEARS*)

Measurement period, year ended June 30:	2020	2019	2018	2017
Total OPEB Liability				
Service Cost	\$ 1,317,943	\$ 1,180,991	\$ 1,176,005	\$ 1,317,293
Interest	947,591	1,056,425	1,000,292	875,283
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(424,383)	(2,478,929)	-	-
Changes in assumptions	2,156,592	1,027,981	(421,922)	(2,399,513)
Benefit payments, including refunds of member contributions	(1,022,172)	(1,035,246)	(957,045)	(929,170)
Net change in total OPEB liability	2,975,571	(248,778)	797,330	(1,136,107)
Total OPEB liability - beginning	29,271,435	29,520,213	28,722,883	29,858,990
Total OPEB liability - ending (a)	\$ 32,247,006	\$ 29,271,435	\$ 29,520,213	\$ 28,722,883
OPEB fiduciary net position				
Contributions - employer	\$ 1,022,172	\$ 1,035,246	\$ 957,045	\$ 929,170
Net investment income	-	-	-	-
Benefit payments, including refunds of member contributions	(1,022,172)	(1,035,246)	(957,045)	(929,170)
Administrative expense	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-
Plan fiduciary net position - ending (b)	\$ -	\$ -	\$ -	\$ -
Plan net OPEB liability - ending (a) - (b)	\$ 32,247,006	\$ 29,271,435	\$ 29,520,213	\$ 28,722,883
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	\$ 43,063,090	\$ 41,720,578	\$ 40,561,400	\$ 39,380,000
Plan net OPEB liability as a percentage of covered payroll	74.88%	70.16%	72.78%	72.94%

* Historical data provided for years where GASB 75 is applicable.

SUPPLEMENTARY INFORMATION

Combining Schedule of Net Position

Combining Schedule of Revenues, Expenses, and Changes in Net Position

Combining Schedule of Cash Flows

Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual:

Combined Operations

General Operation

For Hire Vehicle Administration

San Diego and Arizona Eastern Railway

MTS - Contracted Services

San Diego Transit Corporation

San Diego Trolley, Inc.

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San Diego Metropolitan Transit System
Combining Schedule of Net Position
June 30, 2021

	General Operations	Contracted Services	SDTC	SDTI	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 69,498,849	\$ 101,210	\$ (519,093)	\$ (265,839)	\$ 68,815,127
Cash and cash equivalents restricted for capital support	22,354,579	-	-	-	22,354,579
Accounts and other receivables	9,025,177	-	2,259,195	330,194	11,614,566
Due from other governments	128,290,904	46,480	27,768	139,506	128,504,658
Internal balances	(39,569,418)	(257,058)	23,785,780	16,040,696	-
Inventory	-	-	4,506,437	24,810,004	29,316,441
Prepaid items and other current assets	2,106,747	209,580	809,446	677,824	3,803,597
Total current assets	191,706,838	100,212	30,869,533	41,732,385	264,408,968
Noncurrent assets:					
Capital assets (net of accumulated depreciation)	222,942,359	292,552,592	275,783,718	1,174,384,264	1,965,662,933
Total noncurrent assets	222,942,359	292,552,592	275,783,718	1,174,384,264	1,965,662,933
Total assets	414,649,197	292,652,804	306,653,251	1,216,116,649	2,230,071,901
DEFERRED OUTFLOWS OF RESOURCES					
Pension-related deferred outflows of resources	4,576,739	-	35,237,580	10,496,490	50,310,809
OPEB-related deferred outflows of resources	781,462	-	3,673,349	1,472,062	5,926,873
Total deferred outflows of resources	5,358,201	-	38,910,929	11,968,552	56,237,682
LIABILITIES					
Current liabilities:					
Accounts payable	14,105,127	8,521,059	3,518,565	3,204,116	29,348,867
Due to other governments	1,947,865	80,993	110,019	281,266	2,420,143
Unearned revenue	19,224,825	1,415,390	-	-	20,640,215
Accrued expenses	815,985	-	1,663,420	1,643,423	4,122,828
Retentions payable	1,309,545	3,033	-	3,152	1,315,730
Retentions payable from restricted assets	8,531,874	-	-	-	8,531,874
Due within one year:					
Compensated absences payable	681,508	-	3,227,750	2,441,693	6,350,951
Accrued damage, injury, and employee claims	326,768	-	2,768,554	1,283,636	4,378,958
Long-term debt	-	-	2,835,000	-	2,835,000
Total current liabilities	46,943,497	10,020,475	14,123,308	8,857,286	79,944,566
Noncurrent liabilities:					
Due in more than one year:					
Compensated absences payable	1,054,466	-	3,424,106	1,058,409	5,536,981
Accrued damage, injury, and employee claims	840,326	-	8,018,742	3,281,267	12,140,335
Long-term debt	-	-	4,830,000	-	4,830,000
Aggregate net pension liability	15,174,709	-	149,245,705	38,637,444	203,057,858
Aggregate total OPEB liability	7,455,121	-	32,247,006	14,029,534	53,731,661
Total noncurrent liabilities	24,524,622	-	197,765,559	57,006,654	279,296,835
Total liabilities	71,468,119	10,020,475	211,888,867	65,863,940	359,241,401
DEFERRED INFLOWS OF RESOURCES					
Pension-related deferred inflows of resources	159,108	-	1,579,972	1,361,635	3,100,715
OPEB-related deferred inflows of resources	866,083	-	3,152,797	962,761	4,981,641
Total deferred inflows of resources	1,025,191	-	4,732,769	2,324,396	8,082,356
NET POSITION					
Investment in capital assets	222,942,359	292,552,592	275,783,718	1,174,384,264	1,965,662,933
Unrestricted (deficit)	124,571,729	(9,920,263)	(146,841,174)	(14,487,399)	(46,677,107)
Total net position	\$ 347,514,088	\$ 282,632,329	\$ 128,942,544	\$ 1,159,896,865	\$ 1,918,985,826

San Diego Metropolitan Transit System
Combining Schedule of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2021

	General Operations	Contracted Services	SDTC
Operating revenues:			
Passenger revenue	\$ -	\$ 14,145,795	\$ 14,430,094
Advertising	1,012,753	-	-
Miscellaneous	17,347,083	-	-
Total operating revenues	18,359,836	14,145,795	14,430,094
Operating expenses:			
Personnel costs	24,087,114	883,188	81,960,455
Outside services	17,391,579	77,913,677	2,784,551
Transit operations funding	179,485,995	-	-
Materials and supplies	250,414	1,098,735	8,018,843
Energy costs	211,260	7,225,638	6,316,323
Risk management	3,178,572	7,437	1,981,153
Miscellaneous	(24,179,086)	2,778,610	8,468,799
Depreciation	5,512,373	24,552,291	27,365,603
Total operating expenses	205,938,221	114,459,576	136,895,727
Operating income (loss)	(187,578,385)	(100,313,781)	(122,465,633)
Public support and nonoperating revenues (expenses):			
Federal revenue	203,821,648	39,296,196	46,954,714
Transportation Development Act (TDA) funds	97,873,145	26,478,364	3,444,485
State Transit Assistance (STA) funds	30,355,674	-	3,929,052
State revenue - other	5,995,304	112,157	-
<i>TransNet</i> funds	49,562,481	8,721,443	35,341,038
Other local subsidies	14,471,993	1,153,330	8,239,135
Investment earnings	564,057	-	-
Interest expense	-	-	(466,053)
Gain (loss) on disposal of assets	215,923	-	231,538
Total public support and nonoperating revenues (expenses)	402,860,225	75,761,490	97,673,909
Income (loss) before transfers and contributed capital	215,281,840	(24,552,291)	(24,791,724)
Transfers	(77,801,491)	-	-
Contributed capital, net	(80,141,955)	28,813,224	51,176,150
Changes in net position	57,338,394	4,260,933	26,384,426
Net Position:			
Beginning of year	290,175,694	278,371,396	102,558,118
End of year	<u>\$ 347,514,088</u>	<u>\$ 282,632,329</u>	<u>\$ 128,942,544</u>

San Diego Metropolitan Transit System
Combining Schedule of Revenues, Expenses, and Changes in Net Position (Continued)
For the Year Ended June 30, 2021

	SDTI	Eliminations	Total
Operating revenues:			
Passenger revenue	\$ 19,337,502	\$ -	\$ 47,913,391
Advertising	-	-	1,012,753
Miscellaneous	586,343	-	17,933,426
Total operating revenues	19,923,845	-	66,859,570
Operating expenses:			
Personnel costs	44,629,985	-	151,560,742
Outside services	13,190,491	-	111,280,298
Transit operations funding	-	(179,088,871)	397,124
Materials and supplies	6,966,107	-	16,334,099
Energy costs	17,508,755	-	31,261,976
Risk management	417,110	-	5,584,272
Miscellaneous	18,237,574	-	5,305,897
Depreciation	66,671,933	-	124,102,200
Total operating expenses	167,621,955	(179,088,871)	445,826,608
Operating income (loss)	(147,698,110)	179,088,871	(378,967,038)
Public support and nonoperating revenues (expenses):			
Federal revenue	45,823,781	(132,074,691)	203,821,648
Transportation Development Act (TDA) funds	31,891,063	(61,813,912)	97,873,145
State Transit Assistance (STA) funds	5,604	(3,934,656)	30,355,674
State revenue - other	-	(112,157)	5,995,304
TransNet funds	-	(49,562,481)	44,062,481
Other local subsidies	-	(9,392,465)	14,471,993
Investment earnings	-	-	564,057
Interest expense	-	-	(466,053)
Gain (loss) on disposal of assets	(696,850)	-	(249,389)
Total public support and nonoperating revenues (expenses)	77,023,598	(256,890,362)	396,428,860
Income (loss) before transfers and contributed capital	(70,674,512)	(77,801,491)	17,461,822
Transfers	-	77,801,491	-
Contributed capital, net	39,162,300	-	39,009,719
Changes in net position	(31,512,212)	-	56,471,541
Net Position:			
Beginning of year	1,191,409,077	-	1,862,514,285
End of year	\$ 1,159,896,865	\$ -	\$ 1,918,985,826

San Diego Metropolitan Transit System
Combining Schedule of Cash Flows
For the Year Ended June 30, 2021

	General Operations	Contracted Services	SDTC	SDTI	Total
Cash flows from operating activities:					
Receipts from customers and users	\$ 19,594,563	\$ 15,561,185	\$ 14,965,534	\$ 19,893,005	\$ 70,014,287
Payments to suppliers	3,817,621	(88,042,960)	(25,154,542)	(56,642,950)	(166,022,831)
Payments to employees	(22,335,831)	(902,869)	(84,264,010)	(41,976,292)	(149,479,002)
Payments for damage and injury	(3,464,826)	-	(1,187,895)	(2,879,718)	(7,532,439)
Net cash provided by (used in) operating activities	(2,388,473)	(73,384,644)	(95,640,913)	(81,605,955)	(253,019,985)
Cash flows from noncapital financing activities:					
Public support funds received	120,285,331	73,943,731	98,494,411	81,169,174	373,892,647
Net cash provided by noncapital financing activities	120,285,331	73,943,731	98,494,411	81,169,174	373,892,647
Cash flows from capital and related financing activities:					
Debt service costs	-	-	(3,156,053)	-	(3,156,053)
Property acquisition	(152,148,977)	-	-	-	(152,148,977)
Proceeds from disposal of assets	423,802	-	243,692	3,232	670,726
Net cash provided by (used in) capital and related financing activities	(151,725,175)	-	(2,912,361)	3,232	(154,634,304)
Cash flows from investing activities:					
Interest received on investments	684,245	-	-	-	684,245
Net cash provided by investing activities	684,245	-	-	-	684,245
Net increase in cash and cash equivalents	(33,144,072)	559,087	(58,863)	(433,549)	(33,077,397)
Cash and cash equivalents:					
Beginning of year	124,997,500	(457,877)	(460,230)	167,710	124,247,103
End of year	\$ 91,853,428	\$ 101,210	\$ (519,093)	\$ (265,839)	\$ 91,169,706
Cash and cash equivalents:					
Cash and cash equivalents	\$ 69,498,849	\$ 101,210	\$ (519,093)	\$ (265,839)	\$ 68,815,127
Cash restricted for capital support	22,354,579	-	-	-	22,354,579
Total cash and cash equivalents	\$ 91,853,428	\$ 101,210	\$ (519,093)	\$ (265,839)	\$ 91,169,706

San Diego Metropolitan Transit System
Combining Schedule of Cash Flows (Continued)
For the Year Ended June 30, 2021

	General Operations	Contracted Services	SDTC	SDTI	Total
Reconciliation of Operating (Loss) to Net Cash (Used In) Operating Activities					
Operating (loss):	\$ (8,489,514)	\$ (100,313,781)	\$ (122,465,633)	\$ (147,698,110)	\$ (378,967,038)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities					
Depreciation	5,512,373	24,552,291	27,365,603	66,671,933	124,102,200
(Increase) decrease in:					
Accounts and other receivables	(424,333)	-	535,440	(30,840)	80,267
Due from other governments	245,356	-	-	-	245,356
Inventory	-	-	174,163	(722,979)	(548,816)
Prepaid expenses and other current assets	163,976	(64,143)	286,818	1,090,325	1,476,976
Increase (decrease) in:					
Accounts payable	1,559,096	1,049,436	181,983	(144,823)	2,645,692
Due to other governments	105,329	(4,156)	(71,181)	9,604	39,596
Accrued expenses	(202,782)	(19,681)	(551,709)	(394,409)	(1,168,581)
Unearned revenue	(2,841,771)	1,415,390	-	-	(1,426,381)
Aggregate net pension liability	1,071,355	-	(2,260,653)	(1,220,238)	(2,409,536)
Aggregate total OPEB liability	597,808	-	782,370	717,287	2,097,465
Compensated absences	294,570	-	200,913	385,343	880,826
Accrued damage, injury and employee claims	20,064	-	180,973	(269,048)	(68,011)
Total adjustments	6,101,041	26,929,137	26,824,720	66,092,155	125,947,053
Net cash (used in) operating activities	<u>\$ (2,388,473)</u>	<u>\$ (73,384,644)</u>	<u>\$ (95,640,913)</u>	<u>\$ (81,605,955)</u>	<u>\$ (253,019,985)</u>

Noncash investing, capital and financing activities:

During the year, SANDAG contributed \$39,009,719 in capital assets.

During the year, the fair value of investments increased by \$983.

San Diego Metropolitan Transit System
Combined Operations
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actuals per Statement of Revenues, Expenses, and Changes in Net Position Amounts	Budget Basis Adjustments	Actuals on Budget Basis	
Operating revenues:						
Passenger revenue	\$ 53,638,857	\$ 46,603,588	\$ 47,913,391	\$ -	\$ 47,913,391	\$ 1,309,803
Advertising	1,113,750	1,030,546	1,012,753	-	1,012,753	(17,793)
Miscellaneous operating revenues	14,018,055	16,689,651	17,933,426	(333,427)	17,599,999	910,348
Total operating revenues	68,770,662	64,323,785	66,859,570	(333,427)	66,526,143	2,202,358
Operating expenses:						
Personnel costs	167,207,801	155,970,659	151,560,742	(2,517,793)	149,042,949	6,927,710
Outside services	116,925,049	107,168,749	111,280,298	(6,240,897)	105,039,401	2,129,348
Transit operations funding	588,265	556,472	397,124	-	397,124	159,348
Materials and supplies	13,622,802	16,830,860	16,334,099	(246,071)	16,088,028	742,832
Energy costs	33,404,654	31,817,439	31,261,976	-	31,261,976	555,463
Risk management	5,767,261	7,381,688	5,584,272	136,808	5,721,080	1,660,608
Miscellaneous operating expenses	7,791,472	6,013,137	5,305,897	-	5,305,897	707,240
Depreciation	-	-	124,102,200	(124,102,200)	-	-
Total operating expenses	345,307,304	325,739,004	445,826,608	(132,970,153)	312,856,455	12,882,549
Operating income (loss)	(276,536,642)	(261,415,219)	(378,967,038)	132,636,726	(246,330,312)	15,084,907
Public support and nonoperating revenues (expenses):						
Federal revenue	165,808,248	137,363,247	203,821,648	(68,074,774)	135,746,874	(1,616,373)
Transportation Development Act (TDA) funds	61,896,509	71,776,987	97,873,145	(25,995,150)	71,877,995	101,008
State Transit Assistance (STA) funds	1,300,000	3,269,000	30,355,674	(26,308,272)	4,047,402	778,402
State revenue - other	300,000	130,034	5,995,304	(5,883,147)	112,157	(17,877)
TransNet funds	37,673,879	41,770,086	44,062,481	-	44,062,481	2,292,395
Other local subsidies	9,695,817	9,428,703	14,471,993	(5,079,528)	9,392,465	(36,238)
Investment earnings	421,581	661,671	564,057	(25,506)	538,551	(123,120)
Interest expense	(850,778)	(481,450)	(466,053)	(11,147)	(477,200)	4,250
Gain (loss) on disposal of assets	-	-	(249,389)	920,115	670,726	670,726
Total public support and nonoperating revenues (expenses):	276,245,256	263,918,278	396,428,860	(130,457,409)	265,971,451	2,053,173
Income (loss) before contributed capital	(291,386)	2,503,059	17,461,822	2,179,317	19,641,139	17,138,080
Reserve revenue	291,386	(2,503,059)	-	(496,879)	(496,879)	2,006,180
Contributed capital, net	-	-	39,009,719	(39,009,719)	-	-
Changes in net position	\$ -	\$ -	56,471,541	\$ (37,327,281)	\$ 19,144,260	\$ 19,144,260
Net Position:						
Beginning of year			1,862,514,285			
End of year			<u>\$ 1,918,985,826</u>			

San Diego Metropolitan Transit System
General Operations
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actuals per Statement of Revenues, Expenses, and Changes in Net Position Amounts	Budget Basis Adjustments	Actuals on Budget Basis	
Operating revenues:						
Advertising	\$ 1,113,750	\$ 1,030,546	\$ 1,012,753	\$ -	\$ 1,012,753	\$ (17,793)
Miscellaneous operating revenues	12,634,894	15,516,726	16,253,376	(333,427)	15,919,949	403,223
Total operating revenues	13,748,644	16,547,272	17,266,129	(333,427)	16,932,702	385,430
Operating expenses:						
Personnel costs	23,321,714	22,560,979	23,513,027	(1,701,905)	21,811,122	749,857
Outside services	19,077,957	18,242,017	17,314,739	(953,926)	16,360,813	1,881,204
Transit operations funding	588,265	556,472	179,485,995	(179,088,871)	397,124	159,348
Materials and supplies	20,300	42,948	249,580	(246,071)	3,509	39,439
Energy costs	247,287	233,700	198,226	-	198,226	35,474
Risk management	685,582	3,183,512	3,135,354	20,064	3,155,418	28,094
Miscellaneous operating expenses	(28,816,162)	(23,845,745)	(24,262,891)	-	(24,262,891)	417,146
Depreciation	-	-	5,493,342	(5,493,342)	-	-
Total operating expenses	15,124,943	20,973,883	205,127,372	(187,464,051)	17,663,321	3,310,562
Operating income (loss)	(1,376,299)	(4,426,611)	(187,861,243)	187,130,624	(730,619)	3,695,992
Public support and nonoperating revenues (expenses):						
Federal revenue	151,500	5,708,468	203,821,648	(200,149,465)	3,672,183	(2,036,285)
Transportation Development Act (TDA) funds	1,176,531	556,472	97,873,145	(82,556,162)	15,316,983	14,760,511
State Transit Assistance (STA) funds	-	-	30,355,674	(30,237,324)	118,350	118,350
State revenue - other	-	-	5,995,304	(5,995,304)	-	-
TransNet funds	-	-	49,562,481	(49,562,481)	-	-
Other local subsidies	-	-	14,471,993	(14,471,993)	-	-
Investment earnings	421,581	661,671	564,057	(25,506)	538,551	(123,120)
Interest expense	(373,313)	-	-	-	-	-
Gain (loss) on disposal of assets	-	-	20,933	207,879	228,812	228,812
Total public support and nonoperating revenues (expenses):	1,376,299	6,926,611	402,665,235	(382,790,356)	19,874,879	12,948,268
Income (loss) before transfers and contributed capital	-	2,500,000	214,803,992	(195,659,732)	19,144,260	16,644,260
Transfers	-	-	(77,801,491)	77,801,491	-	-
Reserve revenue	-	(2,500,000)	-	-	-	2,500,000
Contributed capital, net	-	-	(80,141,955)	80,141,955	-	-
Changes in net position	\$ -	\$ -	56,860,546	\$ (37,716,286)	\$ 19,144,260	\$ 19,144,260
Net Position:						
Beginning of year			272,401,825			
End of year			<u>\$ 329,262,371</u>			

San Diego Metropolitan Transit System
For Hire Vehicle Administration
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actuals per Statement of Revenues, Expenses, and Changes in Net Position Amounts	Budget Basis Adjustments	Actuals on Budget Basis	
Operating revenues:						
Miscellaneous operating revenues	\$ 942,730	\$ 720,825	\$ 925,610	\$ -	\$ 925,610	\$ 204,785
Total operating revenues	<u>942,730</u>	<u>720,825</u>	<u>925,610</u>	<u>-</u>	<u>925,610</u>	<u>204,785</u>
Operating expenses:						
Personnel costs	713,478	549,219	547,592	-	547,592	1,627
Outside services	88,200	54,118	30,922	-	30,922	23,196
Materials and supplies	1,000	120	834	-	834	(714)
Energy costs	17,000	15,000	13,034	-	13,034	1,966
Risk management	9,500	13,447	13,444	-	13,444	3
Miscellaneous operating expenses	206,531	105,506	63,903	-	63,903	41,603
Depreciation	-	-	2,518	(2,518)	-	-
Total operating expenses	<u>1,035,709</u>	<u>737,410</u>	<u>672,247</u>	<u>(2,518)</u>	<u>669,729</u>	<u>67,681</u>
Operating income (loss)	<u>(92,979)</u>	<u>(16,585)</u>	<u>253,363</u>	<u>2,518</u>	<u>255,881</u>	<u>272,466</u>
Public support and nonoperating revenues (expenses):						
Gain (loss) on disposal of assets	-	-	6,040	-	6,040	6,040
Total public support and nonoperating revenues (expenses):	<u>-</u>	<u>-</u>	<u>6,040</u>	<u>-</u>	<u>6,040</u>	<u>6,040</u>
Income (loss) before transfers	<u>(92,979)</u>	<u>(16,585)</u>	<u>259,403</u>	<u>2,518</u>	<u>261,921</u>	<u>278,506</u>
Reserve revenue	92,979	16,585	-	(261,921)	(261,921)	(278,506)
Changes in net position	<u>\$ -</u>	<u>\$ -</u>	<u>259,403</u>	<u>\$ (259,403)</u>	<u>\$ -</u>	<u>\$ -</u>
Net Position:						
Beginning of year			54,234			
End of year			<u>\$ 313,637</u>			

San Diego Metropolitan Transit System
San Diego and Arizona Eastern Railway
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts			
			Actuals per Statement of Revenues, Expenses, and Changes in Net Position Amounts	Budget Basis Adjustments	Actuals on Budget Basis	Variance with Final Budget Positive Negative
	Original	Final				
Operating revenues:						
Miscellaneous operating revenues	\$ 160,000	\$ 166,000	\$ 168,097	\$ -	\$ 168,097	\$ 2,097
Total operating revenues	160,000	166,000	168,097	-	168,097	2,097
Operating expenses:						
Personnel costs	45,804	27,187	26,495	-	26,495	692
Outside services	160,100	50,100	45,918	-	45,918	4,182
Risk management	122,736	47,969	29,774	-	29,774	18,195
Miscellaneous operating expenses	29,767	21,100	19,902	-	19,902	1,198
Depreciation	-	-	16,513	(16,513)	-	-
Total operating expenses	358,407	146,356	138,602	(16,513)	122,089	24,267
Operating income (loss)	(198,407)	19,644	29,495	16,513	46,008	26,364
Public support and nonoperating revenues (expenses):						
Gain (loss) on disposal of assets	-	-	188,950	-	188,950	188,950
Total public support and nonoperating revenues (expenses)	-	-	188,950	-	188,950	188,950
Income (loss) before transfers and contributed capital	(198,407)	19,644	218,445	16,513	234,958	215,314
Reserve revenue	198,407	(19,644)	-	(234,958)	(234,958)	(215,314)
Changes in net position	\$ -	\$ -	218,445	\$ (218,445)	\$ -	\$ -
Net Position:						
Beginning of year			17,719,635			
End of year			\$ 17,938,080			

San Diego Metropolitan Transit System
MTS - Contracted Services
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actuals per Statement of Revenues, Expenses, and Changes in Net Position Amounts	Budget Basis Adjustments	Actuals on Budget Basis	
Operating revenues:						
Passenger revenue	\$ 16,283,172	\$ 13,719,291	\$ 14,145,795	\$ -	\$ 14,145,795	\$ 426,504
Total operating revenues	<u>16,283,172</u>	<u>13,719,291</u>	<u>14,145,795</u>	<u>-</u>	<u>14,145,795</u>	<u>426,504</u>
Operating expenses:						
Personnel costs	766,204	749,660	883,188	-	883,188	(133,528)
Outside services	89,430,443	78,535,394	77,913,677	-	77,913,677	621,717
Materials and supplies	99,600	1,433,972	1,098,735	-	1,098,735	335,237
Energy costs	9,065,455	7,269,299	7,225,638	-	7,225,638	43,661
Risk management	15,300	15,300	7,437	-	7,437	7,863
Miscellaneous operating expenses	3,329,130	2,763,068	2,778,610	-	2,778,610	(15,542)
Depreciation	-	-	24,552,291	(24,552,291)	-	-
Total operating expenses	<u>102,706,132</u>	<u>90,766,693</u>	<u>114,459,576</u>	<u>(24,552,291)</u>	<u>89,907,285</u>	<u>859,408</u>
Operating income (loss)	(86,422,960)	(77,047,402)	(100,313,781)	24,552,291	(75,761,490)	1,285,912
Public support and nonoperating revenues (expenses):						
Federal revenue	35,211,738	38,876,284	39,296,196	-	39,296,196	419,912
Transportation Development Act (TDA) funds	41,221,863	28,088,061	26,478,364	-	26,478,364	(1,609,697)
State revenue - other	300,000	130,034	112,157	-	112,157	(17,877)
TransNet funds	8,411,542	8,767,801	8,721,443	-	8,721,443	(46,358)
Other local subsidies	1,277,817	1,185,222	1,153,330	-	1,153,330	(31,892)
Total public support and nonoperating revenues (expenses):	<u>86,422,960</u>	<u>77,047,402</u>	<u>75,761,490</u>	<u>-</u>	<u>75,761,490</u>	<u>(1,285,912)</u>
Income (loss) before contributed capital	-	-	(24,552,291)	24,552,291	-	-
Contributed capital, net	-	-	28,813,224	(28,813,224)	-	-
Changes in net position	<u>\$ -</u>	<u>\$ -</u>	<u>4,260,933</u>	<u>\$ (4,260,933)</u>	<u>\$ -</u>	<u>\$ -</u>
Net Position:						
Beginning of year			278,371,396			
End of year			<u>\$ 282,632,329</u>			

San Diego Metropolitan Transit System
San Diego Transit Corporation
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actuals per Statement of Revenues, Expenses, and Changes in Net Position Amounts	Budget Basis Adjustments	Actuals on Budget Basis	
Operating revenues:						
Passenger revenue	\$ 12,645,834	\$ 14,106,729	\$ 14,430,094	\$ -	\$ 14,430,094	\$ 323,365
Miscellaneous operating revenues	7,450	3,100	-	-	-	(3,100)
Total operating revenues	<u>12,653,284</u>	<u>14,109,829</u>	<u>14,430,094</u>	<u>-</u>	<u>14,430,094</u>	<u>320,265</u>
Operating expenses:						
Personnel costs	99,169,712	89,889,843	81,960,455	2,782,045	84,742,500	5,147,343
Outside services	1,966,731	2,032,938	2,784,551	(997,081)	1,787,470	245,468
Materials and supplies	6,210,500	8,166,168	8,018,843	-	8,018,843	147,325
Energy costs	6,781,280	6,485,280	6,316,323	-	6,316,323	168,957
Risk management	2,405,443	1,807,000	1,981,153	(207,159)	1,773,994	33,006
Miscellaneous operating expenses	11,856,050	8,534,631	8,468,799	-	8,468,799	65,832
Depreciation	-	-	27,365,603	(27,365,603)	-	-
Total operating expenses	<u>128,389,716</u>	<u>116,915,860</u>	<u>136,895,727</u>	<u>(25,787,798)</u>	<u>111,107,929</u>	<u>5,807,931</u>
Operating income (loss)	<u>(115,736,432)</u>	<u>(102,806,031)</u>	<u>(122,465,633)</u>	<u>25,787,798</u>	<u>(96,677,835)</u>	<u>6,128,196</u>
Public support and nonoperating revenues (expenses):						
Federal revenue	70,415,364	46,954,714	46,954,714	-	46,954,714	-
Transportation Development Act (TDA) funds	6,818,196	11,818,001	3,444,485	(997,081)	2,447,404	(9,370,597)
State Transit Assistance (STA) funds	1,300,000	3,269,000	3,929,052	-	3,929,052	660,052
TransNet funds	29,262,337	33,002,285	35,341,038	-	35,341,038	2,338,753
Other local subsidies	8,418,000	8,243,481	8,239,135	-	8,239,135	(4,346)
Interest expense	(477,465)	(481,450)	(466,053)	(11,147)	(477,200)	4,250
Gain (loss) on disposal of assets	-	-	231,538	12,154	243,692	243,692
Total public support and nonoperating revenues (expenses):	<u>115,736,432</u>	<u>102,806,031</u>	<u>97,673,909</u>	<u>(996,074)</u>	<u>96,677,835</u>	<u>(6,128,196)</u>
Income (loss) before contributed capital	<u>-</u>	<u>-</u>	<u>(24,791,724)</u>	<u>24,791,724</u>	<u>-</u>	<u>-</u>
Contributed capital, net	<u>-</u>	<u>-</u>	<u>51,176,150</u>	<u>(51,176,150)</u>	<u>-</u>	<u>-</u>
Changes in net position	<u>\$ -</u>	<u>\$ -</u>	<u>26,384,426</u>	<u>\$ (26,384,426)</u>	<u>\$ -</u>	<u>\$ -</u>
Net Position:						
Beginning of year			102,558,118			
End of year			<u>\$ 128,942,544</u>			

San Diego Metropolitan Transit System
San Diego Trolley, Inc
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts			
			Actuals per Statement of Revenues, Expenses, and Changes in Net Position Amounts	Budget Basis Adjustments	Actuals on Budget Basis	Variance with Final Budget Positive Positive (Negative)
	Original	Final				
Operating revenues:						
Passenger revenue	\$ 24,709,851	\$ 18,777,568	\$ 19,337,502	\$ -	\$ 19,337,502	\$ 559,934
Miscellaneous operating revenues	272,981	283,000	586,343	-	586,343	303,343
Total operating revenues	24,982,832	19,060,568	19,923,845	-	19,923,845	863,277
Operating expenses:						
Personnel costs	43,190,889	42,193,771	44,629,985	(3,597,933)	41,032,052	1,161,719
Outside services	6,201,618	8,254,182	13,190,491	(4,289,890)	8,900,601	(646,419)
Materials and supplies	7,291,402	7,187,652	6,966,107	-	6,966,107	221,545
Energy costs	17,293,632	17,814,160	17,508,755	-	17,508,755	305,405
Risk management	2,528,700	2,314,460	417,110	323,903	741,013	1,573,447
Miscellaneous operating expenses	21,186,156	18,434,577	18,237,574	-	18,237,574	197,003
Depreciation	-	-	66,671,933	(66,671,933)	-	-
Total operating expenses	97,692,397	96,198,802	167,621,955	(74,235,853)	93,386,102	2,812,700
Operating income (loss)	(72,709,565)	(77,138,234)	(147,698,110)	74,235,853	(73,462,257)	3,675,977
Public support and nonoperating revenues (expenses):						
Federal revenue	60,029,646	45,823,781	45,823,781	-	45,823,781	-
Transportation Development Act (TDA) funds	12,679,919	31,314,453	31,891,063	(4,255,819)	27,635,244	(3,679,209)
State Transit Assistance (STA) funds	-	-	5,604	(5,604)	-	-
Gain (loss) on disposal of assets	-	-	(696,850)	700,082	3,232	3,232
Total public support and nonoperating revenues (expenses):	72,709,565	77,138,234	77,023,598	(3,561,341)	73,462,257	(3,675,977)
Income (loss) before contributed capital	-	-	(70,674,512)	70,674,512	-	-
Contributed capital, net	-	-	39,162,300	(39,162,300)	-	-
Changes in net position	\$ -	\$ -	(31,512,212)	\$ 31,512,212	\$ -	\$ -
Net Position:						
Beginning of year			1,191,409,077			
End of year			\$ 1,159,896,865			

STATISTICAL SECTION (Unaudited)

Included in this section of the Metropolitan Transit System annual comprehensive financial report is detailed information to assist in analysis and understanding of the information presented in the financial statements, notes and required supplementary information.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how MTS's financial position has changed over time.

Revenue Capacity

These schedules contain detailed information about the fare structures and revenue generated from transit operations provided by MTS.

Debt Capacity

This schedule presents information to help the reader assess the affordability of MTS's current levels of outstanding debt and MTS's ability to issue debt in the future.

Demographic and Economic Information

These schedules provide service and infrastructure data to help the reader understand how the information in MTS's financial report relates to the services MTS provides.

Operating Information

These schedules provide service and infrastructure data to help the reader understand how the information in MTS's financial report relates to the services MTS provides.

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FINANCIAL TRENDS

San Diego Metropolitan Transit System
Net Position by Component (in 000's)
Last Ten Fiscal Years

	2021	2020	2019	2018	2017
Business-type activities:					
Net investment in capital assets	\$ 1,965,663	\$ 1,874,320	\$ 1,822,922	\$ 1,785,808	\$ 1,739,360
Restricted	-	218	212	4,545	4,440
Unrestricted	(46,677)	(12,024)	(53,159)	(55,407)	(19,615)
Total business-type activities net position	\$ 1,918,986	\$ 1,862,514	\$ 1,769,975	\$ 1,734,946	\$ 1,724,185
Primary government:					
Net investment in capital assets	\$ 1,965,663	\$ 1,874,320	\$ 1,822,922	\$ 1,785,808	\$ 1,739,360
Restricted	-	218	212	4,545	4,440
Unrestricted	(46,677)	(12,024)	(53,159)	(55,407)	(19,615)
Total primary government net position	\$ 1,918,986	\$ 1,862,514	\$ 1,769,975	\$ 1,734,946	\$ 1,724,185

Source: Audited Financial Statements.

San Diego Metropolitan Transit System
Net Position by Component (in 000's)(Continued)
Last Ten Fiscal Years

	2016	2015	2014	2013	2012
Business-type activities:					
Net investment in capital assets	\$ 1,760,427	\$ 1,699,222	\$ 1,395,206	\$ 1,296,217	\$ 1,172,816
Restricted	8,750	5,309	6,742	7,255	78,378
Unrestricted	(31,668)	(31,900)	181,114	189,837	157,609
Total business-type activities net position	\$ 1,737,509	\$ 1,672,631	\$ 1,583,062	\$ 1,493,309	\$ 1,408,803
Primary government:					
Net investment in capital assets	\$ 1,760,427	\$ 1,699,222	\$ 1,395,206	\$ 1,296,217	\$ 1,172,816
Restricted	8,750	5,309	6,742	7,255	78,378
Unrestricted	(31,668)	(31,900)	181,114	189,837	157,609
Total primary government net position	\$ 1,737,509	\$ 1,672,631	\$ 1,583,062	\$ 1,493,309	\$ 1,408,803

Source: Audited Financial Statements.

San Diego Metropolitan Transit System
Changes in Net Position (in 000's)
Last Ten Fiscal Years

	2021	2020	2019	2018	2017
Operating revenues:					
Passenger revenue	\$ 47,913	\$ 79,532	\$ 92,225	\$ 90,236	\$ 93,279
Advertising	1,013	2,027	1,604	1,131	1,379
Charter	-	-	-	-	-
Miscellaneous	17,933	19,166	18,831	17,404	18,863
Total operating revenues	66,859	100,725	112,660	108,771	113,521
Operating expenses:					
Personnel costs	151,561	149,331	146,006	146,282	137,021
Outside services	111,280	110,590	107,846	101,574	97,800
Transit operations funding	397	523	498	488	463
Materials and supplies	16,334	14,275	12,927	14,918	13,065
Energy costs	31,262	28,587	28,784	26,414	25,552
Risk management	5,584	7,858	2,183	6,675	4,276
Miscellaneous	5,306	5,011	5,446	5,854	5,934
Depreciation	124,102	126,971	123,007	120,928	123,880
Total operating expenses	445,826	443,146	426,697	423,133	407,991
Operating (loss)	(378,967)	(342,421)	(314,037)	(314,362)	(294,470)
Public support and nonoperating revenues (expenses):					
Grants and contributions	396,580	312,705	243,544	253,298	232,775
Investment earnings	564	1,360	1,952	941	636
Interest expense	(466)	(573)	(671)	(809)	(963)
Gain (loss) on disposal of assets	(249)	2,243	(2,351)	(809)	396
Other expenses	-	-	-	-	-
Total public support and nonoperating revenues (expenses)	396,429	315,735	242,474	252,621	232,844
Income (loss) before contributed capital	17,462	(26,686)	(71,563)	(61,741)	(61,626)
Contributed capital, net	39,010	119,225	106,592	99,551	48,301
Changes in net position	\$ 56,472	\$ 92,539	\$ 35,029	\$ 37,810	\$ (13,325)

Source: Audited Financial Statements.

San Diego Metropolitan Transit System
Changes in Net Position (in 000's)(Continued)
Last Ten Fiscal Years

	2016	2015	2014	2013	2012
Operating revenues:					
Passenger revenue	\$ 97,914	\$ 97,615	\$ 93,995	\$ 90,652	\$ 88,094
Advertising	968	816	870	972	784
Charter	-	6	30	1	186
Miscellaneous	15,781	9,349	9,531	4,934	4,445
Total operating revenues	114,663	107,786	104,426	96,559	93,509
Operating expenses:					
Personnel costs	121,921	114,575	117,092	123,720	112,537
Outside services	94,802	84,302	73,859	67,414	66,050
Transit operations funding	491	2,692	4,243	3,571	3,721
Materials and supplies	9,715	10,307	9,276	8,469	7,977
Energy costs	24,531	28,003	26,044	22,572	22,689
Risk management	4,864	5,849	3,610	2,902	4,030
Miscellaneous	4,978	4,975	6,244	6,493	5,116
Depreciation	119,520	108,199	103,198	92,788	84,811
Total operating expenses	380,822	358,902	343,566	327,929	306,931
Operating (loss)	(266,159)	(251,116)	(239,140)	(231,370)	(213,422)
Public support and nonoperating revenues (expenses):					
Grants and contributions	235,763	235,755	211,517	183,945	325,658
Investment earnings	292	3,065	6,087	6,267	7,622
Interest expense	(1,071)	(6,883)	(6,982)	(7,520)	(8,014)
Gain (loss) on disposal of assets	2,433	67	(273)	804	(620)
Other expenses	-	-	(13)	(13)	(5)
Total public support and nonoperating revenues (expenses)	237,417	232,004	210,336	183,483	324,641
Income (loss) before contributed capital	(28,742)	(19,112)	(28,804)	(47,887)	111,219
Contributed capital, net	93,619	245,717	118,768	132,182	44,118
Changes in net position	\$ 64,877	\$ 226,605	\$ 89,964	\$ 84,295	\$ 155,337

Source: Audited Financial Statements.

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REVENUE CAPACITY

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San Diego Metropolitan Transit System
Operating Revenues by Source (in 000's)
Last Ten Fiscal Years

Fiscal Year Ended	Passenger Fares	Federal Operating Funds	State Operating Funds	Local Operating Funds	Other
San Diego Transit Corporation					
2012	\$ 27,498	\$ 20,709	\$ 20,497	\$ 17,549	\$ 196
2013	28,621	20,266	31,954	18,886	6
2014	27,781	19,336	16,489	20,897	34
2015	27,156	18,096	18,085	28,982	5
2016	26,169	18,000	15,993	35,558	2
2017	24,864	20,000	17,138	31,038	10
2018	23,034	20,225	16,467	38,889	187
2019	22,041	20,500	10,050	40,904	6
2020	19,749	27,350	12,955	40,401	3
2021	14,430	46,955	7,374	43,580	-
San Diego Trolley, Inc.					
2012	\$ 35,216	\$ 14,989	\$ 7,208	\$ 5,492	\$ 552
2013	35,554	22,426	3,379	5,000	574
2014	40,188	22,913	1,501	5,000	1,256
2015	41,140	21,151	5,047	5,000	628
2016	41,113	21,148	6,040	5,000	698
2017	38,968	23,149	13,609	5,000	704
2018	39,354	24,247	22,930	-	777
2019	42,006	24,751	17,012	-	789
2020	36,464	30,213	23,808	187	740
2021	19,338	45,824	31,897	-	586
MTS - Contracted Services					
2012	\$ 25,380	\$ 7,155	\$ 26,635	\$ 1,984	\$ -
2013	26,476	5,595	28,132	2,368	-
2014	26,025	10,362	26,906	2,665	-
2015	29,318	14,127	30,543	2,123	79
2016	30,631	13,827	33,796	2,258	(2)
2017	29,447	13,838	36,162	2,296	2
2018	27,848	14,599	38,320	2,699	2
2019	28,178	15,613	41,445	5,705	1
2020	23,319	22,221	36,414	9,448	-
2021	14,146	39,296	26,591	9,875	-

Source: Audited Financial Statements.

San Diego Metropolitan Transit System
Fare Structure
Last Ten Fiscal Years

	2021	2020	2019	2018	2017
Bus Cash Fares					
One-way fare, local routes	\$ 2.50	\$ 2.50	\$ 2.25	\$ 2.25	\$ 2.25
Senior/disabled, local routes	1.25	1.25	1.10	1.10	1.10
Rapid/Express	2.50	2.50	2.50	2.50	2.50
Senior/disabled Rapid/Express	1.25	1.25	1.25	1.25	1.25
Rapid Express/Premium	5.00	5.00	5.00	5.00	5.00
Senior/disabled Rapid Express/Premium	2.50	2.50	2.50	2.50	2.50
Rural bus	8.00	8.00	5.00-10.00	5.00-10.00	5.00-10.00
Senior/disabled Rural bus	4.00	4.00	2.50-5.00	2.50-5.00	2.50-5.00
Trolley Cash Fares					
One-way fare, all stations	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50
Senior/disabled one-way fare all stations	1.25	1.25	1.25	1.25	1.25
Bus and Trolley Day Passes					
Regional day pass	\$ 6.00	\$ 6.00	\$ 5.00	\$ 5.00	\$ 5.00
Senior/disabled and youth	3.00	3.00	5.00	5.00	5.00
Premium region plus day pass	12.00	12.00	12.00	12.00	12.00
Senior/disabled and youth premium regional day	6.00	6.00	12.00	12.00	12.00
Bus and Trolley Monthly Passes					
Regional monthly pass	\$ 72.00	\$ 72.00	\$ 72.00	\$ 72.00	\$ 72.00
Senior/disabled Regional	23.00	23.00	18.00	18.00	18.00
Youth Regional	23.00	23.00	36.00	36.00	36.00
14-Day/Half-month	-	-	43.00	43.00	43.00
Rapid Express/Premium monthly pass	100.00	100.00	100.00	100.00	100.00
Senior/disabled Rapid Express/Premium	32.00	32.00	25.00	25.00	25.00
Youth Rapid Express/Premium	32.00	32.00	50.00	50.00	50.00
14-Day/Half-month Rapid Express/Premium	-	-	60.00	60.00	60.00

SOURCE: SANDAG Comprehensive Fare Ordinance, amendments effective September 2019.

**San Diego Metropolitan Transit System
Fare Structure (Continued)
Last Ten Fiscal Years**

	2016	2015	2014	2013	2012
Bus Cash Fares					
One-way fare, local routes	\$ 2.25	\$ 2.25	\$ 2.25	\$ 2.25	\$ 2.25
Senior/disabled, local routes	1.10	1.10	1.10	1.10	1.10
Rapid/Express	2.50	2.50	2.50	2.50	2.50
Senior/disabled Rapid/Express	1.25	1.25	1.25	1.25	1.25
Rapid Express/Premium	5.00	5.00	5.00	5.00	5.00
Senior/disabled Rapid Express/Premium	2.50	2.50	2.50	2.50	2.50
Rural bus	5.00-10.00	5.00-10.00	5.00-10.00	5.00-10.00	5.00-10.00
Senior/disabled Rural bus	2.50-5.00	2.50-5.00	2.50-5.00	2.50-5.00	2.50-5.00
Trolley Cash Fares					
One-way fare, all stations	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50
Senior/disabled one-way fare all stations	1.25	1.25	1.25	1.25	1.25
Bus and Trolley Day Passes					
Regional day pass	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Senior/disabled and youth	5.00	5.00	5.00	5.00	5.00
Premium region plus day pass	12.00	12.00	12.00	12.00	12.00
Senior/disabled and youth premium regional day	12.00	12.00	12.00	12.00	12.00
Bus and Trolley Monthly Passes					
Regional monthly pass	\$ 72.00	\$ 72.00	\$ 72.00	\$ 72.00	\$ 72.00
Senior/disabled Regional	18.00	18.00	18.00	18.00	18.00
Youth Regional	36.00	36.00	36.00	36.00	36.00
14-Day/Half-month	43.00	43.00	43.00	43.00	43.00
Rapid Express/Premium monthly pass	100.00	100.00	100.00	100.00	100.00
Senior/disabled Rapid Express/Premium	25.00	25.00	25.00	25.00	25.00
Youth Rapid Express/Premium	50.00	50.00	50.00	50.00	50.00
14-Day/Half-month Rapid Express/Premium	60.00	60.00	60.00	60.00	60.00

SOURCE: SANDAG Comprehensive Fare Ordinance, amendments effective September 2019.

**San Diego Metropolitan Transit System
Farebox Recovery Percentage
Last Ten Fiscal Years**

<u>Fiscal Year Ended</u>	<u>San Diego Transit</u>	<u>San Diego Trolley</u>	<u>MTS-Contracted Services</u>
2012	30.50	55.63	41.50
2013	29.01	53.98	42.31
2014	30.34	56.52	39.46
2015	29.50	56.64	38.48
2016	27.39	54.76	38.05
2017	26.21	47.81	36.02
2018	23.12	44.89	33.36
2019	23.41	49.71	30.98
2020	19.94	39.16	25.51
2021	12.82	20.32	15.73

Source: Audited financial statements; calculated as passenger revenue divided by operating expenses (less depreciation, GASB 68 related pension expense and GASB 75 related OPEB expenses), and interest expense.

DEBT CAPACITY

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San Diego Metropolitan Transit System
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

<u>Year ended June 30</u>	<u>Capital Lease - Tower</u>	<u>1995 LRV Lease/ Leaseback</u>	<u>Pension Obligation Bonds</u>	<u>Total</u>	<u>Percentage of Personal Income</u>	<u>Debt per Capita</u>
2012	\$ 4,766,867	\$ 116,942,900	\$ 40,510,000	\$ 162,219,767	0.10%	\$ 51
2013	4,189,818	115,264,486	25,880,000	145,334,304	0.09%	46
2014	3,614,149	113,457,002	23,965,000	141,036,151	0.08%	44
2015	3,006,729	18,108,323	21,960,000	43,075,052	0.02%	13
2016	2,393,787	-	19,860,000	22,253,787	0.01%	7
2017	1,747,713	-	17,655,000	19,402,713	0.01%	6
2018	1,071,269	-	15,340,000	16,411,269	0.01%	5
2019	363,072	-	12,910,000	13,273,072	0.01%	4
2020	-	-	10,355,000	10,355,000	0.01%	3
2021	-	-	7,665,000	7,665,000	0.00%	2

Details regarding MTS's outstanding debt can be found in the notes to the financial statements.

- MTS retired the 1995 LRV Lease/Leaseback obligation in FY2016
- MTS retired the Capital Lease - Tower in FY2020

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DEMOGRAPHIC AND ECONOMIC INFORMATION

**San Diego Metropolitan Transit System
Regional Population and Personal Income Statistics
Last Ten Fiscal Years**

	County of San Diego Population (1)	County of San Diego Personal Income (thousands) (1)	Per Capita Personal Income (1)	San Diego County Average Unemployment Rate (2)
2012	3,173,442	\$ 152,700,000	\$ 52,103	9.30%
2013	3,207,852	157,800,000	52,674	7.40%
2014	3,247,475	167,600,000	54,554	6.10%
2015	3,275,897	180,100,000	56,796	5.00%
2016	3,297,202	186,100,000	60,271	5.10%
2017	3,320,387	193,300,000	60,460	4.30%
2018	3,344,430	204,500,000	61,134	3.70%
2019	3,366,285	216,700,000	62,665	3.30%
2020	3,386,230	225,500,000	63,105	13.90%
2021	3,366,072	221,300,000	63,169	7.00%

Source:

(1) California Department of Transportation - Actuals 2012-2019, Forecast 2020-2021

(2) California Employment Development Department, June 2021

San Diego Metropolitan Transit System
Full-Time and Part-Time Employees by Function
Last Ten Fiscal Years

	<u>MTS</u>	<u>San Diego Transit</u>	<u>San Diego Trolley</u>	<u>Total</u>
2012	122	761	568	1,451
2013	136	786	599	1,521
2014	149	785	600	1,534
2015	154	852	595	1,601
2016	163	823	571	1,557
2017	165	825	578	1,568
2018	166	802	593	1,561
2019	166	841	612	1,619
2020	169	833	624	1,626
2021	168	793	643	1,604

Source: MTS Human Resources records

**San Diego Metropolitan Transit System
Ten Largest Employers in San Diego County**

Company Name	Number of Employees (1)	Percent of 1,420,400 County Total (2)
Naval Base San Diego	41,111	2.89%
University of California, San Diego	40,088	2.82%
Sharp HealthCare	19,148	1.35%
County of San Diego	17,929	1.26%
San Diego Unified School District	14,020	0.99%
Scripps Health	13,254	0.93%
City of San Diego	11,598	0.82%
Qualcomm Inc.	11,050	0.78%
Kaiser Permanente	9,653	0.68%
San Diego Community College District	6,804	0.48%

Source:

1. Data for fiscal year 2021 not available as of publication date. Data shown for the most recent available information: City of San Diego Annual Comprehensive Financial Report - June 30, 2020
2. Employment Development Department, State of California, June 2021

Note: County of San Diego employment information is presented. Employer information is not currently available for the area served by the Metropolitan Transit System within San Diego County. MTS presents only current employment data for the County of San Diego.

OPERATING INFORMATION

San Diego Metropolitan Transit System
Operating Indicators by Function
Last Ten Fiscal Years

	2021	2020	2019	2018	2017
Operating Cost (in 000's)					
San Diego Transit	\$ 112,591	\$ 99,027	\$ 94,160	\$ 99,619	\$ 94,878
San Diego Trolley	95,148	93,117	84,507	87,666	81,501
MTS-Contract Services	89,907	91,403	90,942	83,468	81,744
Farebox Revenue (in 000's)					
San Diego Transit	\$ 14,430	\$ 19,749	\$ 22,041	\$ 23,034	\$ 24,864
San Diego Trolley	19,338	36,464	42,006	39,354	38,968
MTS-Contract Services	14,146	23,319	28,178	27,848	29,447
Total Passengers (in 000's)					
San Diego Transit	\$ 8,604	\$ 18,383	\$ 22,397	\$ 22,867	\$ 24,315
San Diego Trolley	19,516	32,003	37,294	36,995	37,639
MTS-Contract Services	11,095	20,838	25,667	25,567	26,241
Revenue Miles (in 000's)					
San Diego Transit	\$ 9,632	\$ 9,236	\$ 9,739	\$ 9,684	\$ 9,626
San Diego Trolley	10,077	9,210	8,821	8,656	8,728
MTS-Contract Services	12,966	14,485	15,666	14,983	15,144
Subsidy / Total Passenger					
San Diego Transit	\$ 11.41	\$ 4.32	\$ 3.22	\$ 3.35	\$ 2.88
San Diego Trolley	3.88	1.76	1.14	1.31	1.13
MTS-Contract Services	6.83	3.27	2.45	2.18	2.00

Source: NTD Report, and audited financial statements.

San Diego Metropolitan Transit System
Operating Indicators by Function (Continued)
Last Ten Fiscal Years

	2016	2015	2014	2013	2012
Operating Cost (in 000's)					
San Diego Transit	\$ 95,526	\$ 92,059	\$ 91,568	\$ 98,666	\$ 90,153
San Diego Trolley	75,086	72,637	71,098	65,859	63,309
MTS-Contract Services	80,511	76,190	65,959	62,573	61,154
Farebox Revenue (in 000's)					
San Diego Transit	\$ 26,169	\$ 27,156	\$ 27,781	\$ 28,621	\$ 27,498
San Diego Trolley	41,113	41,140	40,188	35,554	35,216
MTS-Contract Services	30,631	29,318	26,025	26,476	25,380
Total Passengers (in 000's)					
San Diego Transit	\$ 25,628	\$ 27,264	\$ 28,541	\$ 28,927	\$ 28,802
San Diego Trolley	39,614	40,082	39,695	29,699	32,655
MTS-Contract Services	27,194	27,574	23,761	23,479	23,780
Revenue Miles (in 000's)					
San Diego Transit	\$ 9,702	\$ 9,561	\$ 8,695	\$ 8,557	\$ 8,221
San Diego Trolley	8,424	8,596	8,516	7,758	7,544
MTS-Contract Services	14,969	13,328	12,139	11,607	11,214
Subsidy / Total Passenger					
San Diego Transit	\$ 2.71	\$ 2.38	\$ 2.24	\$ 2.42	\$ 2.18
San Diego Trolley	0.86	0.78	0.78	1.02	0.86
MTS-Contract Services	1.83	1.70	1.68	1.54	1.50

Source: NTD Report, and audited financial statements.

San Diego Metropolitan Transit System
Service Performance Data
Last Ten Fiscal Years

	2021	2020	2019	2018	2017
Service Provided					
San Diego Transit					
Vehicle Revenue Miles (in 000's)	9,632	9,236	9,739	9,684	9,626
Vehicle Revenue Hours (in 000's)	814	782	823	821	822
Passengers (in 000's)	8,604	18,383	22,397	22,867	24,315
Passenger Miles (in 000's)	45,774	80,855	98,896	104,545	109,727
Number of Vehicles	278	277	271	271	278
San Diego Trolley					
Vehicle Revenue Miles (in 000's)	10,077	9,210	8,821	8,656	8,728
Vehicle Revenue Hours (in 000's)	555	508	487	478	490
Passenger Car Hours (in 000's)	571	527	500	486	504
Passengers (in 000's)	19,516	32,003	37,294	36,995	37,639
Passenger Miles (in 000's)	123,389	194,285	219,453	214,376	210,971
Number of Vehicles	163	168	142	131	179
MTS-Contracted Services					
Vehicle Revenue Miles (in 000's)	12,966	14,485	15,666	14,983	15,144
Vehicle Revenue Hours (in 000's)	1,168	1,237	1,305	1,256	1,269
Passengers (in 000's)	11,095	20,838	25,667	25,567	26,241
Passenger Miles (in 000's)	44,276	82,173	97,045	94,665	95,940
Number of Vehicles	468	508	529	536	526
Total					
Passengers (in 000's)	39,215	71,224	85,358	85,429	88,195
Passenger Miles (in 000's)	213,439	357,313	415,394	413,586	416,638

Source: NTD Report and MTS internal capital asset system

San Diego Metropolitan Transit System
Service Performance Data (Continued)
Last Ten Fiscal Years

	2016	2015	2014	2013	2012
Service Provided					
San Diego Transit					
Vehicle Revenue Miles (in 000's)	9,702	9,561	8,695	8,557	8,221
Vehicle Revenue Hours (in 000's)	825	806	795	787	757
Passengers (in 000's)	25,628	27,264	28,541	28,927	28,802
Passenger Miles (in 000's)	111,639	117,585	110,009	108,222	106,804
Number of Vehicles	279	272	310	260	236
San Diego Trolley					
Vehicle Revenue Miles (in 000's)	8,424	8,596	8,516	7,758	7,544
Vehicle Revenue Hours (in 000's)	493	496	504	472	428
Passenger Car Hours (in 000's)	507	509	512	476	433
Passengers (in 000's)	39,614	40,082	39,695	29,699	32,655
Passenger Miles (in 000's)	223,185	224,422	228,531	173,151	194,822
Number of Vehicles	179	179	179	178	151
MTS-Contracted Services					
Vehicle Revenue Miles (in 000's)	14,969	13,328	12,139	11,607	11,214
Vehicle Revenue Hours (in 000's)	1,252	1,112	998	961	933
Passengers (in 000's)	27,194	27,573	23,761	23,479	23,780
Passenger Miles (in 000's)	97,479	94,504	85,269	84,021	79,789
Number of Vehicles	520	520	449	427	404
Total					
Passengers (in 000's)	92,436	94,919	91,997	82,105	85,237
Passenger Miles (in 000's)	432,303	436,511	423,809	365,394	381,415

Source: NTD Report and MTS internal capital asset system

San Diego Metropolitan Transit System
Capital Asset Statistics by Function
Last Ten Fiscal Years

	2021	2020	2019	2018	2017
General Operations					
Buildings and structures	1	1	1	1	1
Nonrevenue vehicles	-	-	-	-	-
San Diego Transit					
Land (parcels)	2	2	2	2	2
Buildings and structures	11	11	11	11	9
Buses	278	277	271	271	278
Nonrevenue vehicles	12	14	15	15	12
San Diego Trolley					
Trolley stations	54	55	54	54	54
Track miles	54	54	54	54	54
Light rail vehicles (total inventory)	163	168	142	131	179
Nonrevenue vehicles	10	11	11	11	12
MTS - Contracted Services					
Land (parcel)	2	2	2	2	2
Buildings and structures	11	11	11	5	4
Buses	468	508	529	536	526
Nonrevenue vehicles	2	2	7	7	9
For Hire Vehicle Administration					
Buildings and structures	1	1	1	1	1
Nonrevenue vehicles	-	1	1	1	1

Source: MTS ERP System

San Diego Metropolitan Transit System
Capital Asset Statistics by Function (Continued)
Last Ten Fiscal Years

	2016	2015	2014	2013	2012
General Operations					
Buildings and structures	1	1	1	1	1
Nonrevenue vehicles	1	3	3	3	5
San Diego Transit					
Land (parcels)	2	2	2	2	2
Buildings and structures	8	7	7	4	2
Buses	279	272	310	260	236
Nonrevenue vehicles	12	12	12	14	19
San Diego Trolley					
Trolley stations	54	54	54	54	54
Track miles	54	54	54	54	54
Light rail vehicles (total inventory)	179	179	179	178	151
Nonrevenue vehicles	12	16	16	15	31
MTS - Contracted Services					
Land (parcel)	2	2	2	2	2
Buildings and structures	4	4	4	4	4
Buses	520	520	449	427	404
Nonrevenue vehicles	9	10	8	8	8
For Hire Vehicle Administration					
Buildings and structures	1	1	1	1	1
Nonrevenue vehicles	1	2	2	2	4

Source: MTS ERP System

San Diego Metropolitan Transit System
Ridership
Last Ten Fiscal Years

	2021	2020	2019	2018	2017
Ridership (in 000's)					
San Diego Transit	8,604	18,383	22,397	22,867	24,315
% Change	-53.20%	-17.92%	-2.06%	-5.96%	-5.12%
San Diego Trolley	19,516	32,003	37,294	36,995	37,639
% Change	-39.02%	-14.19%	0.81%	-1.71%	-4.99%
MTS - Contracted Services	11,095	20,838	25,667	25,567	26,241
% Change	-46.76%	-18.81%	0.39%	-2.57%	-3.51%

Source: NTD Report

San Diego Metropolitan Transit System
Ridership (Continued)
Last Ten Fiscal Years

	2016	2015	2014	2013	2012
Ridership (in 000's)					
San Diego Transit	25,628	27,264	28,541	28,927	28,802
% Change	-6.00%	-4.47%	-1.33%	0.43%	5.69%
San Diego Trolley	39,614	40,082	39,695	29,699	32,655
% Change	-1.17%	0.97%	33.66%	-9.05%	3.30%
MTS - Contracted Services	27,194	27,574	23,761	23,479	23,780
% Change	-1.38%	16.05%	1.20%	-1.27%	4.92%

Source: NTD Report

**San Diego Metropolitan Transit System
Operating Subsidy
Last Ten Fiscal Years**

	2021	2020	2019	2018	2017
Average Fare per Rider					
San Diego Transit	\$ 1.68	\$ 1.07	\$ 0.98	\$ 1.01	\$ 1.02
San Diego Trolley	0.99	1.14	1.13	1.06	1.04
MTS - Contract Services	1.28	1.12	1.10	1.09	1.12
Operating Expense per Rider					
San Diego Transit	\$ 13.09	\$ 5.39	\$ 4.19	\$ 4.36	\$ 3.90
San Diego Trolley	4.88	2.91	2.18	2.37	2.17
MTS - Contract Services	8.10	4.39	3.54	3.27	3.12
Subsidy per Rider					
San Diego Transit	\$ 11.41	\$ 4.32	\$ 3.21	\$ 3.35	\$ 2.88
San Diego Trolley	3.88	1.76	1.05	1.31	1.13
MTS - Contract Services	6.83	3.27	2.44	2.18	2.00

Source: NTD report and audited financial statements

San Diego Metropolitan Transit System
Operating Subsidy (Continued)
Last Ten Fiscal Years

	2016	2015	2014	2013	2012
Average Fare per Rider					
San Diego Transit	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.99	\$ 0.95
San Diego Trolley	1.04	1.03	1.01	1.20	1.08
MTS - Contract Services	1.13	1.06	1.10	1.13	1.07
Operating Expense per Rider					
San Diego Transit	\$ 3.73	\$ 3.38	\$ 3.21	\$ 3.41	\$ 3.13
San Diego Trolley	1.90	1.81	1.79	2.22	1.94
MTS - Contract Services	2.96	2.76	2.78	2.67	2.57
Subsidy per Rider					
San Diego Transit	\$ 2.71	\$ 2.38	\$ 2.24	\$ 2.42	\$ 2.18
San Diego Trolley	0.86	0.78	0.78	1.02	0.86
MTS - Contract Services	1.83	1.70	1.68	1.54	1.50

Source: NTD report and audited financial statements

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Independent Auditors' Report

To the Board of Directors
of the San Diego Metropolitan Transit System
San Diego, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate remaining fund information of the San Diego Metropolitan Transit System ("MTS"), as of and for the year ending June 30, 2021, and the related notes to the basic financial statements, which collectively comprise MTS's basic financial statements, and have issued our report thereon dated November 4, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered MTS's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of MTS's internal control. Accordingly, we do not express an opinion on the effectiveness of MTS's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether MTS's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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www.pungroup.cpa

To the Board of Directors
of the San Diego Metropolitan Transit System
San Diego, California
Page 2

Purpose of this report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The PwC Group, LLP

San Diego, California
November 4, 2021

San Diego Metropolitan Transit System

Presentation to the Board of Directors
For the Fiscal Year Ended June 30, 2021

November 18, 2021



CONTENTS

- Management and Auditors' Responsibilities
- Approach to the Audit
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MANAGEMENT AND AUDITORS' RESPONSIBILITIES

Management Responsibilities

- Responsible for the financial statements
- Present the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP)
- Adopt sound accounting policies
- Establish and maintain internal controls over financial reporting and compliance
- Provide evidence supporting the amounts and disclosures in the financial statements
- Fair presentation of financial statements that are free from material misstatements, whether due to fraud or error
- Preventing and detecting fraud

Auditors' Responsibilities

- Perform the audit in conformity with Auditing Standards Generally Accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards (GAGAS or “Yellow Book”)
- Communicate with “Those Charged with Governance”
- Assess audit risk of internal control over financial reporting and compliance
- Determine the fair presentation of the financial statements
- Render an opinion on the financial statements
- Issue recommendations to management, if any

APPROACH TO THE AUDIT

The Pun Group's Audit Approach for MTS

- Phase I – Detailed Planning
- Phase II – Risk Based Review of Internal Controls Over Systems and Compliance including:
 - Financial Reporting
 - Revenues and Expenses
 - Capital Assets and Inventories
 - Payroll and Related Liabilities
 - Federal Grant Programs
 - IT Controls
- Phase III – Validation of Account Balances
- Phase IV – Review Financial Statements and Issue Audit Report Opinion

OVERVIEW OF THE FINANCIAL STATEMENTS

San Diego Metropolitan Transit System

Summary Statements of Net Position – Primary Government

June 30, 2021 and 2020

	2021	2020
Assets	\$ 2,230,072,000	\$ 2,168,713,000
Deferred Outflows of Resources	56,238,000	44,105,000
Liabilities	359,241,000	341,508,000
Deferred Inflows of Resources	8,082,000	8,796,000
Net Position:		
Net investment in capital assets	1,965,663,000	1,874,320,000
Restricted	-	218,000
Unrestricted (deficit)	(46,677,000)	(12,024,000)
Total Net Position	\$ 1,918,986,000	\$ 1,862,514,000

San Diego Metropolitan Transit System
Summary Statements of Revenues, Expenses and Changes in Net Position
Primary Government
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Operating revenues	\$ 66,860,000	\$ 100,725,000
Nonoperating revenues	397,144,000	316,308,000
Total revenues	<u>464,004,000</u>	<u>417,033,000</u>
Expenses		
Operating expenses	445,827,000	443,147,000
Nonoperating expenses	<u>715,000</u>	<u>573,000</u>
Total expenses	<u>446,542,000</u>	<u>443,720,000</u>
Income (Loss) before capital contributions	17,462,000	(26,687,000)
Capital contributions	<u>39,010,000</u>	<u>119,225,000</u>
Changes in Net Position	<u>\$ 56,472,000</u>	<u>\$ 92,538,000</u>

San Diego Metropolitan Transit System
Summary Statements of Cash Flows – Primary Government
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities	\$ (253,020,000)	\$ (199,150,000)
Cash Flows from Noncapital Financing Activities	373,893,000	281,545,000
Cash Flows from Capital and Related Financing Activities	(154,634,000)	(81,391,000)
Cash Flows from Investing Activities	<u>684,000</u>	<u>1,912,000</u>
Changes in cash and cash equivalents	<u>\$ (33,077,000)</u>	<u>\$ 2,916,000</u>

San Diego Metropolitan Transit System

Summary Statements of Fiduciary Net Position

June 30, 2021 and 2020

	2021	2020
Assets	<u>\$ 205,150,000</u>	<u>\$ 166,571,000</u>
Liabilities	<u>678,000</u>	<u>649,000</u>
Total Net Position	<u><u>\$ 204,472,000</u></u>	<u><u>\$ 165,922,000</u></u>

San Diego Metropolitan Transit System

Summary Statements of Changes in Fiduciary Net Position

For the Years Ended June 30, 2021 and 2020

	2021	2020
Additions		
Contributions	\$ 25,669,000	\$ 16,727,000
Net investment income	34,665,000	25,000
Total additions	60,334,000	16,752,000
Deductions		
Distributions	21,531,000	20,713,000
Administrative expenses	253,000	256,000
Total deductions	21,784,000	20,969,000
Changes in fiduciary net position	\$ 38,550,000	\$ (4,217,000)

KEY PENSION AND OPEB INFORMATION

San Diego Metropolitan Transit System

Net Pension Liability Sensitivity

June 30, 2021

	MTS	SDTC	SDTI PERS	SDTI PARS	Aggregate
1% Decrease	6.15%	5.75%	6.15%	5.50%	
Net Pension Liability	\$ 23,225,000	\$ 182,329,000	\$ 61,935,000	\$ 2,579,000	\$ 270,068,000
Current Discount Rate	7.15%	6.75%	7.15%	6.50%	
Net Pension Liability	\$ 15,175,000	\$ 149,246,000	\$ 37,168,000	\$ 1,470,000	\$ 203,059,000
1% Increase	8.15%	7.75%	8.15%	7.50%	
Net Pension Liability	\$ 8,523,000	\$ 121,157,000	\$ 16,751,000	\$ 541,000	\$ 146,972,000

**San Diego Metropolitan Transit System
Pension Expense
For the Years Ended June 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
MTS CalPERS Miscellaneous Plan	\$ 3,391,000	\$ 3,582,000
SDTI CalPERS Miscellaneous Plan	7,274,000	7,040,000
SDTI PARS Plan	207,000	406,000
SDTC Retirement Plan	<u>20,249,000</u>	<u>21,959,000</u>
Total Pension Expense	<u>\$ 31,121,000</u>	<u>\$ 32,987,000</u>

San Diego Metropolitan Transit System

Other Postemployment Benefits Plan

OPEB Liability Sensitivity

June 30, 2021

	MTS		SDTI		SDTC		Aggregate
1% Decrease		1.66%		1.66%		1.66%	
Total OPEB Liability	\$	8,948,000	\$	16,427,000	\$	37,419,000	\$ 62,794,000
Current Discount Rate		2.66%		2.66%		2.66%	
Total OPEB Liability	\$	7,455,000	\$	14,030,000	\$	32,247,000	\$ 53,732,000
1% Increase		3.66%		3.66%		3.66%	
Total OPEB Liability	\$	6,279,000	\$	12,098,000	\$	28,068,000	\$ 46,445,000

**San Diego Metropolitan Transit System
OPEB Expense
For the Years Ended June 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
MTS	\$ 715,000	\$ 593,000
SDTI	950,000	776,000
SDTC	<u>1,805,000</u>	<u>1,560,000</u>
Total OPEB Expense	<u><u>\$ 3,470,000</u></u>	<u><u>\$ 2,929,000</u></u>

AUDIT RESULTS

Audit Results

- **Unmodified Opinion**

- Financial statements are fairly presented in all material respects
- Significant accounting policies have been consistently applied
- Estimates are reasonable
- Disclosures are properly reflected in the financial statements

- **Other Results**

- No disagreements with management
- No material weaknesses or significant deficiencies in internal controls were noted
- No accounting issues noted

GASB: UPCOMING STANDARDS AND KEY RESEARCH PROJECTS

GASB: Upcoming Standards

- **No. 87 Leases (effective 2022) ***
- No. 89 *Interest Cost Incurred before the End of a Construction Period* (effective 2022)
- No. 91 *Conduit Debt Obligations* (effective 2023)
- No. 92 *Omnibus 2020* (effective 2022)
- No. 93 *Replacement of Interbank Offered Rates* (effective 2022)
- No. 94 *Public-Private and Public-Public Partnerships* (effective 2023)
- **No. 96 Subscription-Based IT Arrangements (effective 2023) ***
- No 97 *Certain Component Unit Criteria...IRC Section 457 Deferred Compensation Plans* (effective 2022)

* Expected to have an impact on MTS's financial reporting

GASB: Key Research Projects

- Capital Asset Reporting
- Condition Reporting
- Financial Reporting Model
- Revenue and Expense Recognition

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Agenda Item No. 31

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

FISCAL YEAR (FY) 2021 FINAL BUDGET COMPARISON (GORDON MEYER)

RECOMMENDATION:

That the San Diego Metropolitan System (MTS) Board of Directors receive the MTS operations budget status report for FY 2021 and approve the staff recommendation for programming of available one-time funding.

Budget Development Committee Recommendation

At its October 15, 2021 meeting, the Budget Development Committee voted 5 to 0 (Board Members Fletcher, Moreno, Salas, Sandke, and Whitburn in favor) to recommend that the Board of Directors approve the staff recommendation.

Budget Impact

Final FY 2021 results show revenues exceeding expenses by \$13,954,000. After reserve related adjustments, there will be \$13,414,000 in available one-time funding, which staff recommends be allocated between the following:

- Allocate \$800,000 to fund Board-approved front-line employee appreciation bonuses in FY 2022
- Allocate \$12,500,000 to the Capital Improvement Program (CIP) 3004100801 - Division Six facility project
- Allocate \$114,000 to contingency reserve to achieve the 12.5% target for FY 2022

DISCUSSION:

This report summarizes the year-end operating results for FY 2021 compared to the FY 2021 amended budget for MTS. The FY 2021 amended budget includes the projected impacts from the COVID-19 pandemic; therefore, variances are between actuals and the FY 2021 amended budget, inclusive of projected impacts from the pandemic. Attachment A-1 combines the operations', administrations' and other activities' results for FY 2021. Attachment A-2 details the FY 2021 combined operations' results and Attachments A-3 to A-7 present budget comparisons for each MTS operation. Attachment A-8 details budget comparisons for MTS Administration,



and Attachment A-9 provides FY 2021 results for MTS's other activities (Taxicab/San Diego and Arizona Eastern Railway Company). Attachment A-10 details subsidy revenue and other non-operating revenue and expenses. Attachment A-11 details MTS's contingency reserve balance. Attachment A-12 details the balances of all reserve accounts.

MTS OPERATING SUBSIDY RESULTS

As indicated within Attachment A-1, for the FY ending June 2021, MTS's net-operating income favorable variance totaled \$12,943,000 (5.0%). The favorable budget results were primarily due to favorable experience in passenger revenue, other operating revenue, personnel expenses, and outside services expenses.

Non-operating net subsidy for FY 2021 was favorable to budget by \$1,012,000 (0.4%), primarily due to favorable Transnet revenue resulting from higher than projected state sales tax receipts.

In total, revenues exceeded expenses by \$13,954,000 for FY 2021.

MTS COMBINED RESULTS

Operating Revenues. Total combined operating revenues for FY 2021 were \$67,735,000 compared to the budget of \$64,985,000, representing a \$2,750,000 (4.2%) favorable variance. Passenger revenue had a favorable variance of \$1,310,000 (2.8%). Passenger revenue for the year ended at 49% of pre-pandemic baseline passenger revenue versus the budget of 47%. Other operating revenue was favorable by \$1,440,000 (7.8%), primarily due to favorable auction proceeds from the sale of capital assets, favorable lease income, and favorable regulatory fee income within the For-Hire Vehicle (FHV) Administration.

Operating Expenses. Total combined expenses for FY 2021 were \$315,546,000 compared to the budget of \$325,739,000 resulting in a \$10,193,000 (3.1%) favorable variance.

Personnel Costs. Personnel-related costs totaled \$150,915,000, compared to a budgetary figure of \$155,751,000, producing a favorable variance of \$4,837,000 (3.1%). This was primarily due to favorable bus operator wages, favorable health and welfare expenses due to large one-time credits from a prior vendor, favorable unemployment insurance, and favorable cost recovery.

Outside Services and Purchased Transportation. Total outside services for the fiscal year totaled \$103,830,000 compared to a budget of \$107,326,000, resulting in a favorable variance of \$3,496,000 (3.3%). This was primarily due to favorable contracted security costs, favorable repair and maintenance costs within rail operations, favorable Information Technology expenses, as well as favorable purchased transportation costs for both fixed route and paratransit operations.

Materials and Supplies. Total materials and supplies expenses were \$15,980,000, compared to a budgetary figure of \$16,718,000, resulting in a favorable variance of \$738,000 (4.4%). This was primarily due to favorable revenue vehicle parts within bus operations. The FY 2021 amended budget included over \$2 million for installing driver protective germ barriers for the entire fixed route bus fleet. Some of the installations carried over into FY 2022, resulting in less expenses and a favorable variance in FY 2021.

Energy. Total energy costs were \$32,389,000, compared to the budget of \$33,032,000, resulting in a favorable variance of \$643,000 (1.9%). This was primarily due to favorable traction power electricity and compressed natural gas (CNG) expenses.

Risk Management. Total expenses for risk management were \$7,031,000 compared to the budget of \$7,382,000, resulting in a favorable variance totaling \$351,000 (4.8%). This was primarily due to favorable liability claim payouts and recoveries within rail operations as well as favorable risk-related legal expenses.

General and Administrative. Total general and administrative costs were \$4,100,000 for FY 2021, compared to a budget of \$4,200,000, resulting in a favorable variance of \$101,000 (2.4%). This was primarily due to favorable travel and meetings, credit card fees, and general supplies costs.

Vehicle and Facility Leases. The vehicle and facilities leases costs were \$1,302,000 compared to the budget of \$1,330,000, resulting in a \$28,000 (2.1%) favorable variance.

Subsidy Revenue and Other Non-Operating Revenue and Expenses

Attachment A-10 details subsidy revenue and other non-operating revenue and expenses. Subsidy and non-operating activities for FY 2021 were \$261,765,000 compared to the fiscal year budget of \$260,754,000, representing a favorable variance of \$1,012,000 (0.4%). The drivers of this favorable variance included the following:

- Recurring Federal revenues were favorable \$427,000 as a result of receiving supplemental Section 5311 and 5311(f) rural funding allocations authorized under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.
- On March 27, 2020, the President signed the CARES Act, which provided \$25 billion to the transit industry nationwide. MTS will receive \$220 million in CARES Act funding across multiple fiscal years. The FY 2021 amended budget included \$74,144,000 in CARES Act funding based on projected deficits; however, MTS only utilized \$72,100,000 of CARES Act funding in FY 2021 due to lower than projected deficits.
- State Transit Assistance (STA) revenue was favorable \$778,000 to the amended budget.
- Transnet revenues were \$2,292,000 favorable to the amended budget. This was primarily due to strong regional sales tax receipts in FY 2021.
- Other Non-Operating Income was unfavorable \$494,000. This was due to favorable budgetary results within the FHV Administration and the San Diego and Arizona Eastern (SD&AE) division. Both of these entities are self-funded and their operations must be funded by operating revenues generated by their own operating activities. Both entities have reserve accounts for excess revenue and the favorable variance in FY 2021 is due to favorable contributions to these reserve accounts in FY 2021.

Net Revenues Less Expenses

For FY 2021, MTS had an excess of revenues over expenses totaling \$13,954,000. After reserve adjustments for interest and one-time adjustments included in the FY 2021 operating budget, there is \$13,414,000 in available one-time funding. Staff recommends the following actions to program this one-time funding:

- Allocate \$800,000 to fund Board-approved front-line employee appreciation bonuses in FY 2022
- Allocate \$12,500,000 to the Capital Improvement Program (CIP) to fund the Division Six facility project
- Allocate \$114,000 to contingency reserve to achieve the 12.5% target for FY 2022

With the inclusion of one-time CARES Act funding of \$72.1 million to supplement the operating budget in FY 2021, the net MTS structural deficit for FY 2021 was \$58.1M.

Reserves

Attachment A-11 details MTS's contingency reserve. The contingency reserve target is 12.5% of the operating budget. The ending reserve balance on June 30, 2020, was \$39,259,000. In order to achieve the 12.5% target for FY 2022, MTS must make a net contribution of \$114,000 to the contingency reserve after accounting for all FY 2021 reserve activity. The recommended allocation of the \$13,414,000 in one-time funding from the section above results in a net contribution of \$114,000 to the contingency reserve in FY 2021, and thus achieves the 12.5% contingency reserve target for FY 2022.

MTS has other designated reserves, of which the balances for each are listed on Attachment A-12.

/S/ Sharon Cooney
Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachment: A. Comparison to Budget

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

**OPERATIONS
CONSOLIDATED**

Att. A, AI 31, 11/18/2021

COMPARISON TO BUDGET - FISCAL YEAR 2021

JUNE 30, 2021

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 47,913	\$ 46,604	\$ 1,310	2.8%
Other Revenue	833	286	547	191.3%
Total Operating Revenue	\$ 48,747	\$ 46,890	\$ 1,857	4.0%
Personnel costs	\$ 129,155	\$ 132,937	\$ 3,781	2.8%
Outside services	87,689	89,228	1,539	1.7%
Materials and supplies	15,978	16,676	699	4.2%
Energy	31,524	32,096	572	1.8%
Risk management	3,832	4,137	305	7.4%
General & administrative	886	951	65	6.8%
Vehicle/facility leases	1,085	1,075	(10)	-0.9%
Administrative Allocation	27,339	27,339	0	0.0%
Total Operating Expenses	\$ 297,488	\$ 304,438	\$ 6,949	2.3%
Operating Income (Loss)	\$ (248,742)	\$ (257,548)	\$ 8,806	3.4%
Total Non-Operating Activities	246,052	257,548	(11,496)	-4.5%
Income (Loss) before Capital Contributions	\$ (2,690)	\$ 0	\$ (2,690)	-135983249.9%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

**MTS
CONSOLIDATED**

Att. A, AI 31, 11/18/2021

COMPARISON TO BUDGET - FISCAL YEAR 2021

JUNE 30, 2021

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 47,913	\$ 46,604	\$ 1,310	2.8%
Other Revenue	19,822	18,382	1,440	7.8%
Total Operating Revenue	\$ 67,735	\$ 64,985	\$ 2,750	4.2%
Personnel costs	\$ 150,915	\$ 155,751	\$ 4,837	3.1%
Outside services	103,830	107,326	3,496	3.3%
Materials and supplies	15,980	16,718	738	4.4%
Energy	32,389	33,032	643	1.9%
Risk management	7,031	7,382	351	4.8%
General & administrative	4,100	4,200	101	2.4%
Vehicle/facility leases	1,302	1,330	28	2.1%
Administrative Allocation	0	(0)	(0)	0.0%
Total Operating Expenses	\$ 315,546	\$ 325,739	\$ 10,193	3.1%
Operating Income (Loss)	\$ (247,811)	\$ (260,754)	\$ 12,943	5.0%
Total Non-Operating Activities	261,765	260,754	1,012	0.4%
Income (Loss) before Capital Contributions	\$ 13,954	\$ 0	\$ 13,954	525431492.3%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS Att. A, AI 31, 11/18/2021
BUS - DIRECTLY OPERATED (SAN DIEGO TRANSIT CORP.)
COMPARISON TO BUDGET - FISCAL YEAR 2021
JUNE 30, 2021
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 14,430	\$ 14,107	\$ 323	2.3%
Other Revenue	244	3	241	7761.0%
Total Operating Revenue	\$ 14,674	\$ 14,110	\$ 564	4.0%
Personnel costs	\$ 87,376	\$ 89,842	\$ 2,466	2.7%
Outside services	1,787	2,033	245	12.1%
Materials and supplies	7,980	8,128	147	1.8%
Energy	6,435	6,643	208	3.1%
Risk management	1,774	1,807	33	1.8%
General & administrative	430	436	6	1.3%
Vehicle/facility leases	366	378	12	3.2%
Administrative Allocation	7,649	7,649	0	0.0%
Total Operating Expenses	\$ 113,798	\$ 116,916	\$ 3,118	2.7%
Operating Income (Loss)	\$ (99,124)	\$ (102,806)	\$ 3,682	3.6%
Total Non-Operating Activities	96,434	102,806	(6,372)	-6.2%
Income (Loss) before Capital Contributions	\$ (2,690)	\$ 0	\$ (2,690)	-127747248.6%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OPERATIONS

Att. A, AI 31, 11/18/2021

RAIL (SAN DIEGO TROLLEY INC.)

COMPARISON TO BUDGET - FISCAL YEAR 2021

JUNE 30, 2021

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 19,338	\$ 18,778	\$ 560	3.0%
Other Revenue	590	283	307	108.3%
Total Operating Revenue	\$ 19,927	\$ 19,061	\$ 867	4.5%
Personnel costs	\$ 40,896	\$ 42,193	\$ 1,298	3.1%
Outside services	7,591	8,254	663	8.0%
Materials and supplies	6,899	7,115	216	3.0%
Energy	17,692	18,016	324	1.8%
Risk management	2,051	2,314	264	11.4%
General & administrative	449	498	50	10.0%
Vehicle/facility leases	359	357	(2)	-0.5%
Administrative Allocation	17,451	17,451	(0)	0.0%
Total Operating Expenses	\$ 93,386	\$ 96,199	\$ 2,813	2.9%
Operating Income (Loss)	\$ (73,459)	\$ (77,138)	\$ 3,679	4.8%
Total Non-Operating Activities	73,459	77,138	(3,679)	-4.8%
Income (Loss) before Capital Contributions	\$ 0	\$ 0	\$ 0	513.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OPERATIONS

Att. A, AI 31, 11/18/2021

BUS - CONTRACTED SERVICES (FIXED ROUTE)

COMPARISON TO BUDGET - FISCAL YEAR 2021

JUNE 30, 2021

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 13,684	\$ 13,269	\$ 415	3.1%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 13,684	\$ 13,269	\$ 415	3.1%
Personnel costs	\$ 719	\$ 645	\$ (74)	-11.5%
Outside services	68,587	68,989	402	0.6%
Materials and supplies	1,080	1,419	339	23.9%
Energy	6,934	6,993	58	0.8%
Risk management	-	-	-	-
General & administrative	3	6	2	43.3%
Vehicle/facility leases	51	60	9	14.4%
Administrative Allocation	2,033	2,033	0	0.0%
Total Operating Expenses	\$ 79,407	\$ 80,144	\$ 737	0.9%
Operating Income (Loss)	\$ (65,723)	\$ (66,875)	\$ 1,152	1.7%
Total Non-Operating Activities	65,723	66,875	(1,152)	-1.7%
Income (Loss) before Capital Contributions	\$ -	\$ (0)	\$ 0	-

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OPERATIONS

Att. A, AI 31, 11/18/2021

BUS - CONTRACTED SERVICES (PARATRANSIT)

COMPARISON TO BUDGET - FISCAL YEAR 2021

JUNE 30, 2021

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 462	\$ 450	\$ 11	2.5%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 462	\$ 450	\$ 11	2.5%
Personnel costs	\$ 165	\$ 105	\$ (60)	-56.8%
Outside services	9,327	9,547	220	2.3%
Materials and supplies	19	15	(4)	-25.9%
Energy	463	444	(19)	-4.3%
Risk management	7	15	8	51.4%
General & administrative	4	11	7	61.8%
Vehicle/facility leases	309	280	(29)	-10.4%
Administrative Allocation	206	206	0	0.0%
Total Operating Expenses	\$ 10,500	\$ 10,622	\$ 123	1.2%
Operating Income (Loss)	\$ (10,038)	\$ (10,172)	\$ 134	1.3%
Total Non-Operating Activities	10,038	10,172	(134)	-1.3%
Income (Loss) before Capital Contributions	\$ -	\$ 0	\$ (0)	-

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OPERATIONS

Att. A, AI 31, 11/18/2021

CORONADO FERRY

COMPARISON TO BUDGET - FISCAL YEAR 2021

JUNE 30, 2021

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	-	-	-	-
Total Operating Revenue	\$ -	\$ -	\$ -	-
Personnel costs	\$ -	\$ -	\$ -	-
Outside services	234	234	(0)	-0.1%
Materials and supplies	-	-	-	-
Energy	-	-	-	-
Risk management	-	-	-	-
General & administrative	-	-	-	-
Vehicle/facility leases	-	-	-	-
Administrative Allocation	-	-	-	0.0%
Total Operating Expenses	\$ 234	\$ 234	\$ (0)	-0.1%
Operating Income (Loss)	\$ (234)	\$ (234)	\$ (0)	-0.1%
Total Non-Operating Activities	234	234	0	0.1%
Income (Loss) before Capital Contributions	\$ -	\$ -	\$ -	-

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

**ADMINISTRATION
CONSOLIDATED**

Att. A, AI 31, 11/18/2021

COMPARISON TO BUDGET - FISCAL YEAR 2021

JUNE 30, 2021

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	17,700	17,209	491	2.9%
Total Operating Revenue	\$ 17,700	\$ 17,209	\$ 491	2.9%
Personnel costs	\$ 21,185	\$ 22,238	\$ 1,053	4.7%
Outside services	16,064	17,994	1,930	10.7%
Materials and supplies	1	41	40	96.9%
Energy	852	921	69	7.5%
Risk management	3,155	3,184	28	0.9%
General & administrative	3,157	3,183	26	0.8%
Vehicle/facility leases	225	230	5	2.2%
Administrative Allocation	(27,374)	(27,374)	-	0.0%
Total Operating Expenses	\$ 17,266	\$ 20,417	\$ 3,151	15.4%
Operating Income (Loss)	\$ 434	\$ (3,208)	\$ 3,642	113.5%
Total Non-Operating Activities	16,210	3,208	13,002	405.2%
Income (Loss) before Capital Contributions	\$ 16,644	\$ 0	\$ 16,644	4755502151.9%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OTHER ACTIVITIES

Att. A, AI 31, 11/18/2021

CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2021

JUNE 30, 2021

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	1,289	887	402	45.3%
Total Operating Revenue	\$ 1,289	\$ 887	\$ 402	45.3%
Personnel costs	\$ 574	\$ 576	\$ 2	0.4%
Outside services	77	104	27	26.3%
Materials and supplies	1	0	(1)	-594.9%
Energy	13	15	2	13.0%
Risk management	43	61	18	29.6%
General & administrative	57	66	10	14.6%
Vehicle/facility leases	(7)	26	33	128.7%
Administrative Allocation	35	35	(0)	0.0%
Total Operating Expenses	\$ 792	\$ 884	\$ 92	10.4%
Operating Income (Loss)	\$ 497	\$ 3	\$ 494	-16141.4%
Total Non-Operating Activities	(497)	(3)	(494)	16143.1%
Income (Loss) before Capital Contributions	\$ -	\$ 0	\$ (0)	-

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
MTS
COMBINED SUBSIDY AND OTHER NON-OPERATING REVENUE AND EXPENSES
COMPARISON TO BUDGET - FISCAL YEAR 2021
June 30, 2021
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
<u>Subsidy Revenue</u>				
Federal Revenue	\$ 63,647	\$ 63,220	\$ 427	0.7%
FTA CARES Act	\$ 72,100	\$ 74,144	\$ (2,044)	-2.8%
Transportation Development Act	71,878	71,777	101	0.1%
State Transit Assistance	4,047	3,269	778	23.8%
State Revenue - Other	112	130	(18)	-13.7%
TransNet funds	44,062	41,770	2,292	5.5%
Other Local subsidies	9,392	9,429	(36)	-0.4%
Total Subsidy Revenue	\$ 265,239	\$ 263,738	\$ 1,501	0.6%
<u>Other Non-Operating Revenue and Expense</u>				
Investment Earnings	\$ -	\$ -	\$ -	-
Other Non-Operating Income	(2,997)	(2,503)	(494)	19.7%
Other Non-Operating Expenses	(477)	(481)	4	-0.9%
Total Other Non-Operating Revenue and Expense	\$ (3,474)	\$ (2,985)	\$ (490)	16.4%
Total Subsidy and Non-Operating Revenue and Expense	\$ 261,765	\$ 260,754	\$ 1,012	0.4%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
MTS
CONTINGENCY RESERVE BALANCE
JUNE 30, 2021
(in \$000's)

Balance, June 30, 2020	\$ 39,259
Current Year Adjustments:	
FY 2021 Income (Loss)	\$ 13,954
Additional Settlement Payout in FY21	\$ (500)
Interest Adjustment	\$ (40)
Allocate to Capital Improvement Program for Division Six Facility Project	\$ (12,500)
Employee Appreciation Bonus	\$ (800)
Net Adjustments:	\$ 114
Balance, June 30, 2021	\$ 39,373
FY22 Operating Expense Budget	\$ 355,153
FY22 Operating Budget Adjustments:	
Debt Service	\$ (335)
FHV Admin/SD&AE	\$ (917)
Transnet Funded Operations	\$ (38,914)
Net Adjustments:	\$ (40,166)
Adjusted FY22 Operating Expense Budget	\$ 314,987
Contingency Reserve % of MTS Operating Expense Budget	12.5%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
MTS
RESERVE BALANCES
JUNE 30, 2021

Title	Amount	Explanation
Contingency	\$ 39,373,435	For ongoing operations, future matching of grants; target is 12.5% of operating budget per Policy 36
Taxicab Contingency	411,219	For ongoing operations and future capital improvement needs
SD&AE	691,438	Established from 1984 state payments for storm damage, restricted for repair/improvement of line
Insurance	5,000,000	Established for potential future liability claims, minimum \$2 million per Policy 46
Billboard San Diego	371,418	Per agreement with city, used for improvements to right of way
Billboard Chula Vista	2,091,511	Per agreement with city, used for improvements to right of way
Land Management	0	For repair and maintenance of rental property
Total	\$ 47,939,022	

Metropolitan Transit System FY 2021 - June 2021 Financial Review

MTS Board of Directors
November 18, 2021

CONSOLIDATED MTS OPERATIONS

COMPARISON TO BUDGET – JUNE 30, 2021 - FY 2021

FTA CARES ACT FUNDING

- COVID-19 Budget Impact:
 - FY21 Amended Budget included projected revenues and expenses
 - Structural deficit of \$74.1M (recurring revenues less recurring expenses)
- Federal CARES Act:
 - \$25B federal stimulus package in response to pandemic
 - MTS share is \$220M
 - FY21 Amended Budget included \$74.1M of projected CARES Act
- Favorable budget results in FY21 means less CARES Act needs
 - More CARES Act funding available for future years
 - Structural deficits until passenger revenue rebounds from pandemic

CONSOLIDATED MTS OPERATIONS

COMPARISON TO BUDGET – JUNE 30, 2021 - FY 2021

TOTAL OPERATING REVENUES (\$000's)

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>VAR %</u>
Fare Revenue	\$ 47,913	\$ 46,604	\$ 1,310	2.8%
Other Operating Revenue	\$ 19,822	\$ 18,382	\$ 1,440	7.8%
Operating Revenue	\$ 67,735	\$ 64,985	\$ 2,750	4.2%

- Fare Revenue
 - Revenue unfavorable to prior year by \$31.6M (-39.8%)
 - 49% of pre-pandemic baseline versus budgeted 47%
 - Ridership unfavorable to the prior year by 32.0M passengers (-44.9%)
- Other Operating Revenue
 - Favorable auction proceeds, lease income, and FHV Administration permit revenue

CONSOLIDATED MTS OPERATIONS

COMPARISON TO BUDGET – JUNE 30, 2021 - FY 2021

TOTAL OPERATING EXPENSES (\$000's)

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>VAR %</u>
Personnel Costs	\$ 150,915	\$155,751	\$ 4,837	3.1%
Purchased Transportation	\$ 73,624	\$ 74,129	\$ 505	0.7%
Other Outside Services	\$ 30,206	\$ 33,197	\$ 2,991	9.0%
Energy	\$ 32,389	\$ 33,032	\$ 643	1.9%
Other Expenses	\$ 28,413	\$ 29,630	\$ 1,217	4.1%
Operating Expenses	\$ 315,546	\$325,739	\$ 10,193	3.1%

- Personnel – favorable bus operator wages, retiree health and welfare expenses, unemployment insurance, paid absences, and cost recovery
- Purchased Transportation – favorable for both fixed route and paratransit
- Other Outside Services – favorable IT, security, and rail repair/maintenance costs
- Energy – favorable traction power electricity costs and CNG
- Other Expenses – favorable materials and supplies (germs shields) and risk management

CONSOLIDATED MTS OPERATIONS

COMPARISON TO BUDGET – JUNE 30, 2021 - FY 2021

TOTAL OPERATING VARIANCE (\$000's)

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>VAR %</u>
MTS Operating Revenue	\$ 67,735	\$ 64,985	\$ 2,750	4.2%
MTS Operating Expenses	\$ 315,546	\$ 325,739	\$ 10,193	3.1%
Total Net Operating Variance	\$ (247,811)	\$ (260,754)	\$ 12,943	5.0%

CONSOLIDATED MTS OPERATIONS

COMPARISON TO BUDGET – JUNE 30, 2021 - FY 2021

SUBSIDY REVENUE CATEGORY DESCRIPTIONS

- Federal
 - Recurring FTA funds for preventive maintenance and rural ops (5307, 5337, 5311)
- FTA CARES Act
 - \$25B federal stimulus package in response to pandemic; MTS share is \$220M
- Transportation Development Act (TDA)
 - 1/4 percent of regional sales tax assessed in region and administered by SANDAG and County
- Transnet
 - ½ cent sales tax in San Diego County to fund transportation projects
 - MTS receives formula share and reimbursement for Transnet funded operations

CONSOLIDATED MTS OPERATIONS

COMPARISON TO BUDGET – JUNE 30, 2021 - FY 2021

SUBSIDY REVENUE CATEGORY DESCRIPTIONS (CONTINUED)

- State Transit Assistance (STA)
 - State sales tax on diesel fuel distributed based on population and agency revenue

- Other
 - MediCal reimbursement for trips to and from Managed Care Providers (MCPs)
 - FasTrak revenue – toll road revenue appropriated by SANDAG
 - UCSD Shuttle Service Agreement
 - City of San Diego ADA Maintenance of Effort
 - NCTD Sorrento Valley Coaster Connection (SVCC)
 - Taxicab and SD&AE Self-Funded Reserves

CONSOLIDATED MTS OPERATIONS

COMPARISON TO BUDGET – JUNE 30, 2021 - FY 2021

TOTAL NON-OPERATING ACTIVITIES (\$000's)

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>VAR %</u>
Federal	\$ 63,647	\$ 63,220	\$ 427	0.7%
FTA CARES	\$ 72,100	\$ 74,144	\$ (2,044)	-2.8%
TDA	\$ 71,878	\$ 71,777	\$ 101	0.1%
TransNet	\$ 44,062	\$ 41,770	\$ 2,292	5.5%
STA	\$ 4,047	\$ 3,269	\$ 778	23.8%
Other	\$ 6,508	\$ 7,056	\$ (548)	-7.8%
Non-Operating Revenue	\$ 262,242	\$ 261,235	\$ 1,007	0.4%
Non-Operating Expenses	\$ 477	\$ 481	\$ (4)	-0.9%
Total Non-Operating Activities	\$ 261,765	\$ 260,754	\$ 1,012	0.4%

- Federal (Recurring) – CARES allocations for 5311/5311f rural operations
- FTA CARES – deficit lower than projected; needed less CARES to fill gaps
- TDA/Transnet – strong sales tax receipts
- STA – allocations from state higher than original state projections
- Other – lower reserve usage for FHV Admin and SD&AE (contributed to reserves)

CONSOLIDATED MTS OPERATIONS

COMPARISON TO BUDGET – JUNE 30, 2021 - FY 2021

TOTAL REVENUES LESS EXPENSES (\$000's)

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>VAR %</u>
Operating Revenues	\$ 67,735	\$ 64,985	\$ 2,750	4.2%
Operating Expenses	<u>315,546</u>	<u>325,739</u>	<u>10,193</u>	<u>3.1%</u>
Net Operating Loss	\$(247,811)	\$(260,754)	\$ 12,943	5.0%
Non-Operating Revenues	\$ 190,142	\$ 187,091	\$ 3,051	1.6%
Net Debt Service Expenses	<u>477</u>	<u>481</u>	<u>4</u>	<u>0.9%</u>
Net Deficit	\$ (58,146)	\$ (74,144)	\$ 15,998	
Federal CARES Act	<u>72,100</u>	<u>74,144</u>	<u>(2,044)</u>	
Revenues Less Expenses	\$ 13,954	\$ 0	\$ 13,954	

- Total favorable variance of \$14.0M when combining operating and non-operating revenues and expenses
- Structural deficit of \$58.1M

CONSOLIDATED MTS OPERATIONS

COMPARISON TO BUDGET – JUNE 30, 2021 - FY 2021

5 YEAR PROJECTION (\$000's)

	FY 2020 Actual	FY 2021 Actual	FY 2022 Projected	FY 2023 Projected	FY 2024 Projected	FY 2025 Projected	FY 2026 Projected
Operating Revenues	\$ 101,349	\$ 67,735	\$ 80,705	\$ 99,668	\$ 115,034	\$ 128,866	\$ 131,543
Subsidy Revenues	188,067	193,139	212,610	221,300	226,698	231,942	237,277
Total Recurring Revenues	\$ 289,416	\$ 260,875	\$ 293,315	\$ 320,968	\$ 341,732	\$ 360,808	\$ 368,820
Total Operating Expenses	303,183	316,024	348,374	371,571	384,816	395,458	406,686
Net Operating Deficit	\$ (13,767)	\$ (55,149)	\$ (55,059)	\$ (50,603)	\$ (43,085)	\$ (34,650)	\$ (37,866)
Reserve Revenues	26	(2,997)	835	-	-	-	-
Total Revenues Less Expenses	\$ (13,741)	\$ (58,146)	\$ (54,224)	\$ (50,603)	\$ (43,085)	\$ (34,650)	\$ (37,866)
Federal Stimulus Funding	17,900	72,100	54,224	50,603	43,085	34,650	37,866
Total Operating Income (Deficit)	\$ 4,159	\$ 13,954	\$ 0	\$ -	\$ -	\$ -	\$ -

- Staff presented revised FY22 and 5-year forecast to BDC on October 15th
- Favorable trends in passenger revenue, subsidy revenue, personnel costs, outside services continuing into FY22
- **Substantial structural deficits (recurring expenses higher than recurring revenues)**
- Stimulus funding (CARES/ARP) will be utilized to balance structural deficits

CONSOLIDATED MTS OPERATIONS

COMPARISON TO BUDGET – JUNE 30, 2021 - FY 2021

CONTINGENCY RESERVE BALANCE (\$000's)

- Board policy for the contingency reserve balance
 - Target set at 12.5% of the Operating Expense Budget
 - FY22 Target of \$39.4M
- Current Reserve Balance
 - \$14.0M excess revenue over expenses in FY21
 - \$13.4M of one-time funding available after adjustments for interest and planned reserve activity for FY21
- Proposed allocation:
 - \$800K to fund Board-approved front-line employee bonuses
 - \$114K to MTS contingency reserve to achieve 12.5% target for FY22
 - \$12.5M to CIP 3004100801 to fund new Division Six facility

Staff Recommendation

That the Board of Directors approve the staff recommendation to program the allocation of one-time funding in FY21 to the following:

- \$800K to fund Board-approved front-line employee bonuses
- \$114K to MTS contingency reserve to achieve 12.5% target for FY22
- \$12.5M to CIP 3004100801 to fund new Division Six facility



Agenda Item No. 32

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

SAN DIEGO TRANSIT CORPORATION (SDTC) EMPLOYEE RETIREMENT PLAN'S (PLAN) ACTUARIAL EXPERIENCE STUDY (ALICE ALSBERGHE OF CHEIRON INC. AND LARRY MARINESI)

RECOMMENDATION:

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

- 1) Adopt the Actuarial Experience Study of the SDTC's Employee Retirement Plan;
- 2) Approve the revised actuarial assumptions.

Budget Development Committee Recommendation

At its October 15, 2021 meeting, the Budget Development Committee voted 5 to 0 (Board Members Fletcher, Moreno, Salas, Sandke and Whitburn in favor) to recommend that the Board of Directors approve the staff recommendation.

Budget Impact

None at this time. The revised actuarial assumptions will be effective with the actuarial valuation report dated June 30, 2021 and be incorporated into the Fiscal Year (FY) 2023 operating budget.

DISCUSSION:

The following are the results of an Experience Study of SDTC's Retirement Plan for the evaluation period of July 1, 2015, through June 30, 2020. Actuarial assumptions (economic and demographic) are intended to be long-term in nature and should be both individually reasonable and consistent in the aggregate. The purpose of this experience study is to evaluate whether or not the current assumptions adequately reflect the long-term expectations for SDTC, and if not, to suggest adjustments.



In this Experience Study, SDTC's Retirement Plan's demographic experience – observed rates of retirement, withdrawal, termination, disability, and mortality – is compared with the experience expected under the actuarial assumptions adopted to determine Plan actuarial liabilities and cost and whether revised assumptions are recommended as appropriate. In addition, the Plan's economic assumptions are reviewed. The economic assumptions include the assumed rates of inflation, investment return and active payroll growth.

The proposed revised actuarial assumptions will be presented. Among the recommended changes are the following:

- Adopt new mortality tables, based on the Amalgamated Transit Union (ATU) mortality tables produced by Cheiron for represented employees, and the Public 2010 General Healthy Retiree tables for Non-Contract and Clerical.
- Reducing the investment rate of return assumption from 6.75% to 6.00%
- Reducing the inflation assumption from 2.75% to 2.50%

The table below provides a summary of experience and the expected impact of the proposed assumption changes on the overall Plan contribution, which would be effective as of July 1, 2020.

<i>Assumption Change</i>	<i>Impact</i>
Investment rate of return	\$ 2,170,000
Mortality	-730,000
Retirement rates	-302,000
Inflation	-143,000
Other	59,000
Total Contribution Increase	\$ 1,054,000

Should all of the recommendations in this report be adopted, it would result in an increase in the total actuarial contribution of approximately \$1.1 million for the next actuarial valuation report. The results of that actuarial valuation will set the contribution amount for SDTC's Employee Retirement Plan for the FY 2023 operating budget.

/S/ Sharon Cooney
Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachment: A. Draft SDTC Actuarial Experience Study July 1, 2015 through June 30, 2020



Retirement Plans of San Diego Transit Corporation

**Actuarial Experience Study
for July 1, 2015 through
June 30, 2020**

Produced by Cheiron

September 2021

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September 17, 2021

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

Dear Mr. Marinesi:

The purpose of this report is to present an Actuarial Experience Study of the Retirement Plans of San Diego Transit Corporation (SDTC) covering actuarial experience from July 1, 2015, through June 30, 2020. This report includes analyses and proposed economic and demographic assumptions for the use of the Retirement Board and the San Diego Metropolitan Transit System (MTS) Board in selecting assumptions to be used beginning with the July 1, 2021 actuarial valuation.

In preparing our report, we relied on information (some oral and some written) supplied by the plan administrator, MTS. 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 software program leased from Winklevoss Technologies (WinTech), to calculate liabilities and projected benefit payments. We have reviewed the underlying workings of this model to the degree feasible and consistent with Actuarial Standard of Practice No. 56 and believe them to be appropriate for the purposes of this experience study report.

This report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices that are consistent with 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 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.

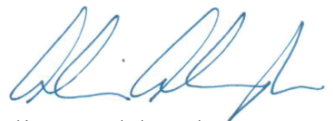
This report was prepared for the SDTC Retirement Board and MTS Board for the purposes described herein. Other users of this report are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

If you have any questions about the report or would like additional information, please let us know.

Sincerely,
Cheiron



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



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

Actuarial assumptions (economic and demographic) are intended to be long-term in nature and should be both individually reasonable and consistent in the aggregate. The purpose of this experience study is to evaluate whether or not the current assumptions adequately reflect the long-term expectations for SDTC, and if not, to suggest adjustments. It is important to note that frequent and significant changes in the actuarial assumptions are not typically recommended, unless there are known fundamental changes in expectations of the economy, or with respect to SDTC's membership or assets that would warrant such frequent or significant changes.

This study does not take into account any of the implications on a short or long term basis of the impact COVID-19 may have on the Plans, other than those that are reflected in the data through June 30, 2020. As the long term implications of COVID-19 are still uncertain, we have not made any adjustments to our proposed assumptions at this time.

SUMMARY OF ECONOMIC ASSUMPTION ANALYSIS

The specific economic assumptions analyzed in this report are price inflation, wage and pensionable payroll growth, and the discount rate. These assumptions have a significant impact on the contributions in the short-term and the risk of negative outcomes in the long-term. The current economic assumptions are an assumed 6.75% normal investment rate of return on Plan assets and a 2.75% annual increase in prices measured by the Consumer Price Index (CPI). This results in a real rate of return assumption of 4.00% (6.75% normal return minus 2.75% inflation).

We are proposing that the assumed rate of investment return is reduced from 6.75% to 6.00% and that the inflation assumption is reduced from 2.75% to 2.50%. A reduction in the nominal investment rate of return to 6.00%, as well as a reduction in the price inflation to 2.50%, results in a real rate of return decrease to 3.50%.

The current real return assumption of 4.00% is more optimistic than RVK's 10-year capital market assumptions and more optimistic than a 2021 survey of investment consultants (Horizon Survey) for both the short term (10-year) and long term expectations (20-year).

In addition, the nominal assumed earnings rate of 6.75% is higher than the 10-year capital market assumptions of RVK for the current target portfolio. The 10-year projections reported by RVK include an average annual return on investments of 4.45%, with 2.00% assumed annual inflation. Without a change to the economic assumptions, if the current target asset allocation is maintained and RVK's projections are realized, the Board can expect a pattern of actuarial losses from the assets in the near term.

SUMMARY OF DEMOGRAPHIC ASSUMPTION ANALYSIS

This experience study specifically analyzes and makes the following recommendations for the demographic assumptions to better align with actual experience.

- **Merit salary increases** – No changes are proposed for all plans.
- **Retirement rates** – For all plans, propose to decrease the overall expected rates of retirement.
- **Termination rates** – For all plans, propose slight modifications to the rates of termination.
- **Disability rates** – Lower rates are proposed for ATU and IBEW members.
- **Mortality rates** – We propose new mortality tables, based on the ATU mortality tables produced by Cheiron for ATU and IBEW, and the Public 2010 General Healthy Retiree tables for Non-Contract and Clerical. Generational improvement for all members is proposed from the base year of these tables, using MP-2020 projection scale.
- **Administrative expenses** – We propose a slight decrease to the assumption for administrative expenses based on the 5-year average adjusted for inflation.

The body of this report provides additional detail and support for our conclusions and recommendations.

COST OF ECONOMIC AND DEMOGRAPHIC ASSUMPTION CHANGES

The changes to the economic assumptions have the largest impact on funded status and contributions. Among the demographic assumptions, the proposed changes to mortality have the largest impact on contributions.

Tables I-1 and I-2 summarize the estimated total (employer plus employee) cost impact from the proposed changes to demographic and economic assumptions contained in this report. The cost impacts have been measured using the current funding policies, in particular a 16-year level dollar amortization of the change in the Unfunded Actuarial Liability (UAL).

Table I-1

San Diego Transit Retirement Plans Estimated Impact of Proposed Assumption Changes					
	2020 Valuation	All Demographic Assumption Changes	All Demographic plus Assumed Inflation Change	6.00% Assumed Investment Return plus all Other Changes	
Discount Rate	6.75%	6.75%	6.75%	6.00%	
Inflation	2.75%	2.75%	2.50%	2.50%	
Actuarial Liability (AL)	\$ 315,200,000	\$ 303,400,000	\$ 302,800,000	\$ 325,500,000	
Estimated Change in AL		(11,800,000)	(12,400,000)	10,300,000	
Funded Ratio	56.3%	58.5%	58.6%	54.5%	
Total Contribution	\$ 17,586,000	\$ 16,613,000	\$ 16,470,000	\$ 18,640,000	
Estimated Cumulative Change in Contribution		\$ (973,000)	\$ (1,116,000)	1,054,000	

Table I-2

Contribution Impact of Individual Assumption Changes	
Mortality Changes	\$ (730,000)
Retirement Changes	(302,000)
Termination Changes	29,000
Disability Changes	38,000
Administrative Expenses	<u>(8,000)</u>
All Demographic Assumption Changes	\$ (973,000)
Inflation: Reduction from 2.75% to 2.50%	\$ (143,000)
Assumed Investment Return:	
Reduction from 6.75% to 6.00%	<u>\$ 2,170,000</u>
Total Estimated Change in Contribution	\$ 1,054,000

The economic assumptions used in actuarial valuations are intended to be long term in nature and should be both individually reasonable and consistent with each other. The specific assumptions analyzed in this report are:

- **Price inflation** – used indirectly as an underlying component of other economic assumptions.
- **Wage inflation** – across the board wage growth used to project benefits.
- **Nominal Rate of Return/Discount rate** – used both to project long-term asset growth and to discount future cash flows in calculating the liabilities and costs of the Plan.

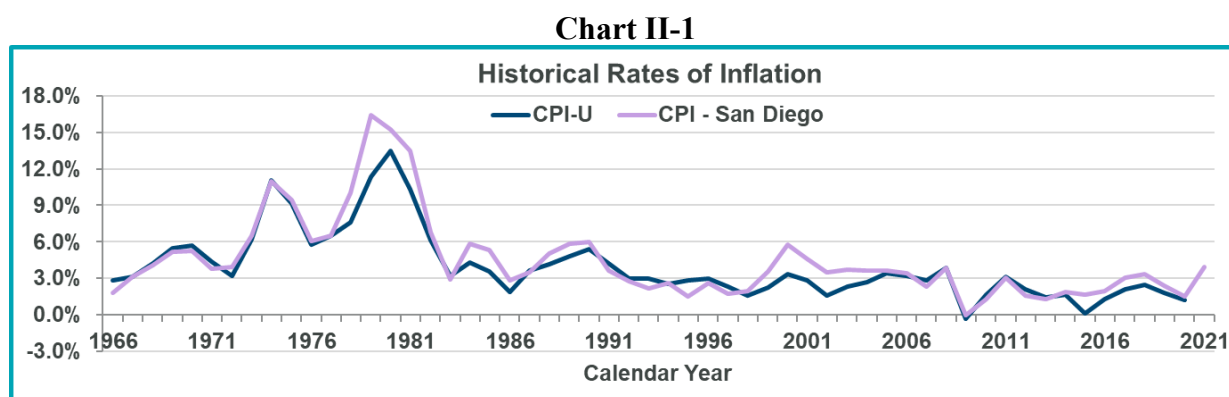
In order to develop recommendations for each of these assumptions, we considered historical data, both nationally and for the Plan, and expectations for the future, as expressed by the Plan's investment consultant and the Boards.

PRICE INFLATION

Long term price inflation rates are the foundation of other economic assumptions. In a growing economy, wages and investments are expected to grow at the underlying inflation rate plus some additional real growth rate, whether it reflects productivity in terms of wages or risk premiums in terms of investments.

Historical Data

Chart II-1 below shows inflation for the U.S. and for San Diego by individual year since 1966.

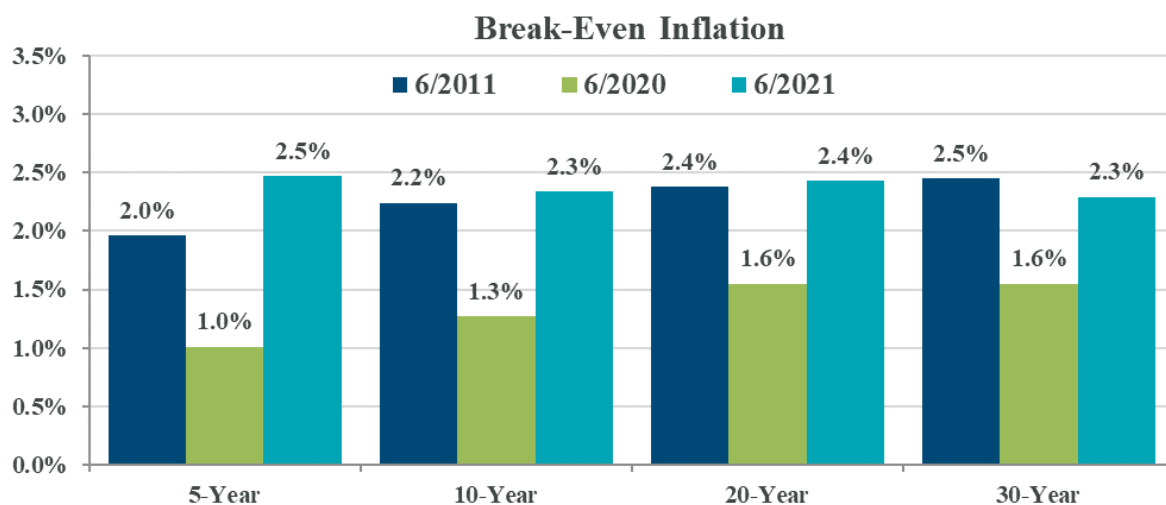


Over the last 55 years, the geometric average inflation rate for the U.S. has been about 3.9%, but this average is heavily influenced by the high inflation rates in the late 1970s and early 1980s. Over the last 30 years, the geometric average inflation rate has been 2.3%, and it has only been 1.7% over the last 10 years. The inflation rate for San Diego has generally tracked U.S. inflation reasonably closely but has been somewhat higher over the past decade.

Future Expectations

A measure of the market consensus of expected future inflation rates is the difference in yields between conventional treasury bonds/notes and Treasury Inflation-Protected Securities (TIPS) at the same maturity. Chart II-2 shows the break-even inflation rate as of June 2021, as well as one year and 10 years earlier. Break-even inflation is the level of inflation needed for an investment in TIPS to “break even” with an investment in conventional treasury bonds/notes of the same maturity.

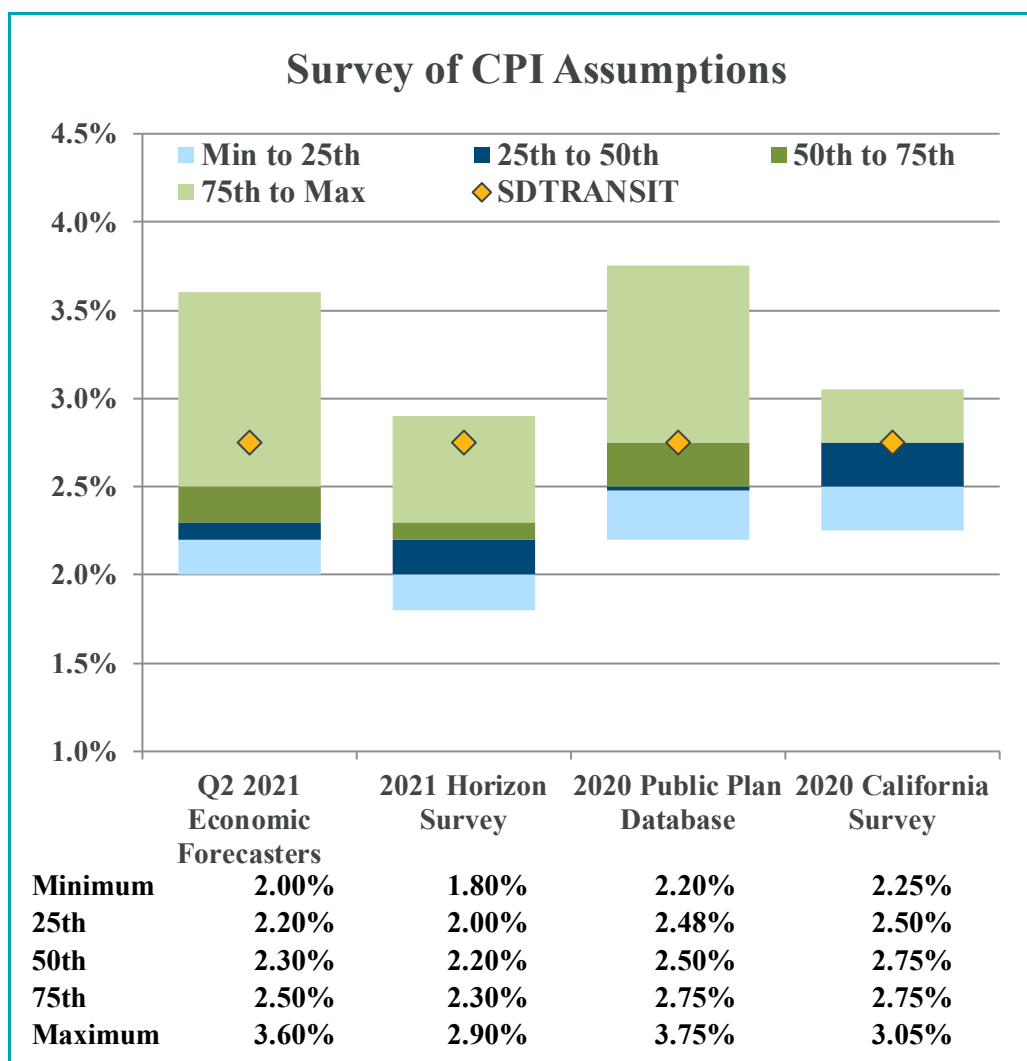
Chart II-2



Data Source Federal Reserve, Constant Maturity Yields, Monthly Series

The Federal Reserve Bank of Philadelphia publishes a quarterly survey of professional economic forecasters. Chart II-3 below shows the distribution of the professionals' forecasts for average inflation over the next 10 years, compared to a survey of investment consultants performed by Horizon Actuarial Services, as well as a database of assumptions used by U.S. public pension plans and a Cheiron survey of assumptions used by California public pension plans.

Chart II-3



The Plan's investment consultant, RVK, uses a long-term inflation assumption of 2.00%.

Considering all of these surveys and RVK's assumption, we propose reducing the current inflation assumption from 2.75% to 2.50% to be more in line with future expectations.

WAGE INFLATION

Wage inflation can be thought of as the annual across-the-board increase in wages. Individuals often receive salary increases in excess of the wage inflation rate, and we study these increases as a part of the merit salary increase assumption. Wage inflation is used in the actuarial valuation as the minimum expected salary increase for an individual.

Wage inflation generally exceeds price inflation by some margin reflecting the history of increased purchasing power. However, California transit workers did not experience much real wage growth from 2009 to 2020. We often recommend that long range gains due to productivity, the collective bargaining process or other pressures should be assumed to be zero or minimal. While productivity tends to increase in many sectors of the economy, any long term assumption of salary growth beyond inflation carries with it an assumed improvement in relative standard of living. For transit employees in particular, such pay increases beyond the rate of inflation have not been observed. Therefore, the current assumption of no increases in wages over inflation continues to be reasonable.

We propose maintaining a wage inflation assumption equal to the assumed inflation rate.

NOMINAL INVESTMENT RATE OF RETURN/DISCOUNT RATE

The discount rate assumption is generally the most significant of all the assumptions employed in actuarial valuations. The discount rate is based on the long term expected return on plan investments. In the short term, a higher discount rate results in lower expected contributions. However, over the long term, actual contributions will depend on actual investment returns and not the discount rate (or expected investment returns). If actual investment returns are lower than expected, contribution rates will increase in the future. It is important to set a realistic discount rate so that projections of future contributions for budgeting purposes will not be biased, particularly to be too low.

Other Large Public Retirement Plans

Based on the Public Fund Survey, developed by the National Association of State Retirement Administrators (NASRA) covering most of the largest public retirement systems in the country, there has been a general movement over at least the last decade to reduce the discount rate used in actuarial valuations. Chart II-4 below shows the change in the distribution of assumptions since 2001. The median assumption is now 7.25% and the number of plans using a discount rate of 7.0% or lower has increased significantly.

Chart II-4

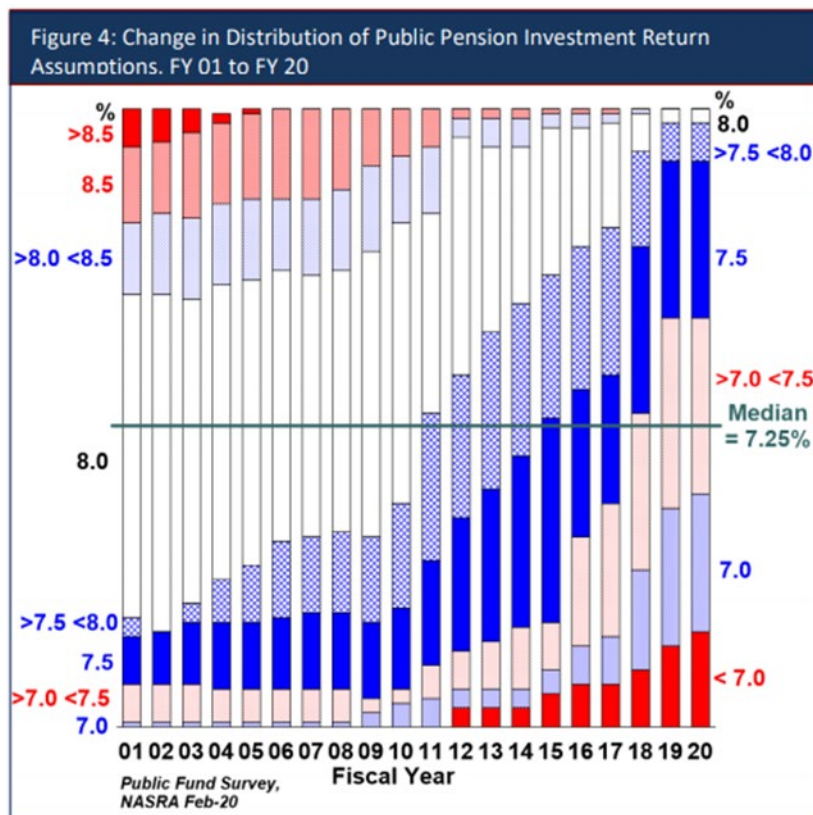
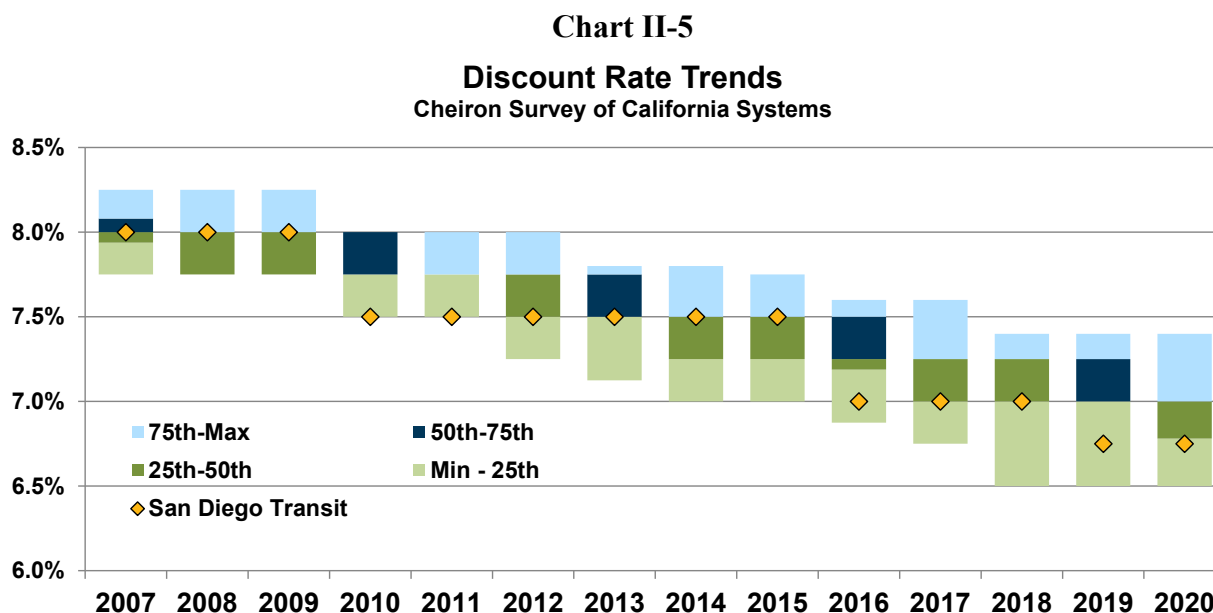


Chart II-5 below shows the change in discount rate assumptions for California systems from 2007 to 2020. Almost all of these systems are open to all new entrants and have more risk within their asset allocations and as a result have higher expected returns than San Diego Transit Corporation's portfolio. The Retirement Plans of San Diego Transit Corporation are closed to most new entrants, except for the Non-Contract group, and the Plan's portfolio has a larger percentage of assets invested in fixed income asset classes. As a result, SDTC's portfolio has a much lower expected return than most California systems.

As shown in the chart below, the current discount rate for SDTC is 6.75%. Other public retirement systems in the San Diego area, San Diego City Employees' Retirement System (SDCERS) and San Diego County Employees' Retirement Association (SDCERA), have discount rates as of June 30, 2020 of 6.50% and 7.00%, respectively. The California Public Employees Retirement System (CalPERS) discount rate as of June 30, 2020 was 7.00%. Both SDCERA and CalPERS' Boards are lowering their discount rates to 6.75% and 6.80%, respectively, for the June 30, 2021 actuarial valuations. While these comparisons may be of interest, it is important to note that SDTC is very different from these systems in terms of size and asset allocation given that SDTC is a largely closed system.



Target Asset Allocation and Future Expectations

The nominal expected return on assets depends on the allocation of assets to different asset classes (e.g., stocks, bonds, etc.) and the capital market assumptions for each of the asset classes.

Table II-1 below shows the expected nominal geometric return based on the Plan's current target asset allocation and the capital market assumptions provided by the Plan's investment consultant (RVK), as well as an average set of capital market assumptions based on a survey of multiple investment consultants published by Horizon Actuarial Services. The table also shows the underlying inflation assumption used by the investment consultants in the development of their capital market assumptions and computes the expected real rate of return (investment return in excess of inflation). These results were produced using an internally developed model, which relies on asset class returns, standard deviations, and correlations provided by RVK and Horizon Actuarial Services, and which reflects an assumption that asset class returns are lognormally distributed.

Table II-1

San Diego Transit Corporation Target Portfolio Return Expectations			
Source	Nominal	Inflation	Real
RVK (10-Year)	4.45%	2.00%	2.45%
Horizon Survey (10-Year)	4.95%	2.13%	2.82%
Horizon Survey (20-year)	<u>5.68%</u>	<u>2.24%</u>	<u>3.44%</u>
Average	5.03%	2.12%	2.90%
Current Assumption	6.75%	2.75%	4.00%

Based on these capital market assumptions, we also calculated the potential distribution of nominal returns over 10-year and 20-year periods (as applicable), as shown in Table II-2 below. These results were determined based on the same internally developed model.

Table II-2

Expected Distribution of Average Nominal Annual Investment Returns			
Percentile	RVK (10 years)	Horizon Survey (10 years)	Horizon Survey (20 years)
95th	9.4%	10.4%	9.5%
75th	6.5%	7.2%	7.2%
60th	5.2%	5.8%	6.3%
50th	4.4%	4.9%	5.7%
40th	3.7%	4.9%	5.1%
25th	2.5%	2.8%	4.1%
5th	-0.3%	-0.3%	2.0%

Finally, we calculated the likelihood of achieving various nominal and real return thresholds, using the same model as described above, with the results shown in Table II-3 and Table II-4 below. We note that for the purposes of this analysis, we used the applicable constant inflation assumption from the assumption set to estimate the real return from the simulated nominal returns. This practice may result in inaccurate estimates to the extent that the real returns by asset class are not independent of inflation.

Table II-3

Consultant	Expected Nominal Return	Likelihood of Achieving Nominal Returns		
		5.50%	6.00%	6.75%
RVK (10-Year)	4.45%	36%	30%	22%
Horizon Survey (10-Year)	4.95%	43%	37%	29%
Horizon Survey (20-Year)	<u>5.68%</u>	<u>52%</u>	<u>46%</u>	<u>37%</u>
Average	5.03%	44%	38%	29%

Table II-4

Consultant	Expected Real Return	Likelihood of Achieving Real Returns		
		3.00%	3.50%	4.00%
RVK (10-Year)	2.45%	43%	36%	30%
Horizon Survey (10-Year)	2.82%	48%	42%	36%
Horizon Survey (20-Year)	<u>3.44%</u>	<u>56%</u>	<u>49%</u>	<u>43%</u>
Average	3.44%	56%	49%	43%

As shown in Table II-1, we calculated an average expected geometric real return of 2.90%, which is below the Plan's current real return assumption of 4.00%. The average nominal return of 5.03% is also lower than the current nominal return assumption of 6.75%.

We propose that the Board reduce the current real return assumption from 4.00% to 3.50%; and reduce the nominal return assumption from 6.75% to 6.00%, which is more reasonable for the assumption based on the future market expectations.

Demographic assumptions are used to predict membership behavior, including rates of retirement, termination, disability, and mortality. These assumptions are based primarily on the historical experience of SDTC, with some adjustments where future experience is expected to differ from historical experience and with deference to standard tables where SDTC experience is not fully credible, and a standard table is available. For purposes of this study, merit salary increases, and administrative expenses are also considered demographic assumptions because the assumptions are based primarily on SDTC's historical experience.

MERIT SALARY INCREASES

Salary increases consist of three components: increases due to cost-of-living maintenance (inflation), increases related to non-inflationary pressures on base pay (such as productivity increases), and increases in individual pay due to merit, promotion, and longevity. Increases due to cost-of-living and non-inflationary base pay factors were addressed in an earlier section of this report.

The merit salary increase assumption is analyzed by employee group (ATU Drivers, IBEW Mechanics, Non-Contract and Clerical participants) and by service. Charts III-1 through III-4 on the following pages compare the current pay patterns for each group with current pay data. Only increases due to merit (longevity and promotion) are considered here. In the graphs, the average pay of the active members of SDTC as of July 1, 2020, is plotted against service. A curve is then fitted to the average pay data, and this curve is used to determine a pay increase due to merit.

This is a transverse study of longevity and promotion pay increases: salaries are examined at one point in time (the valuation date), as opposed to being observed over a number of years (a longitudinal study). A transverse study serves as a reliable way to assess average increases in pay due to merit. With a homogeneous group of any size at all, the pattern of promotions and longevity increases during the career of an average employee is visible in this analysis.

In each chart, the current assumption (the blue line) represents the current assumed pay increases due to merit and the teal diamonds represent the average pay at each year of service. The current assumptions for all groups are close to the observed increases, as a result, no changes are proposed at this time.

Chart III-1

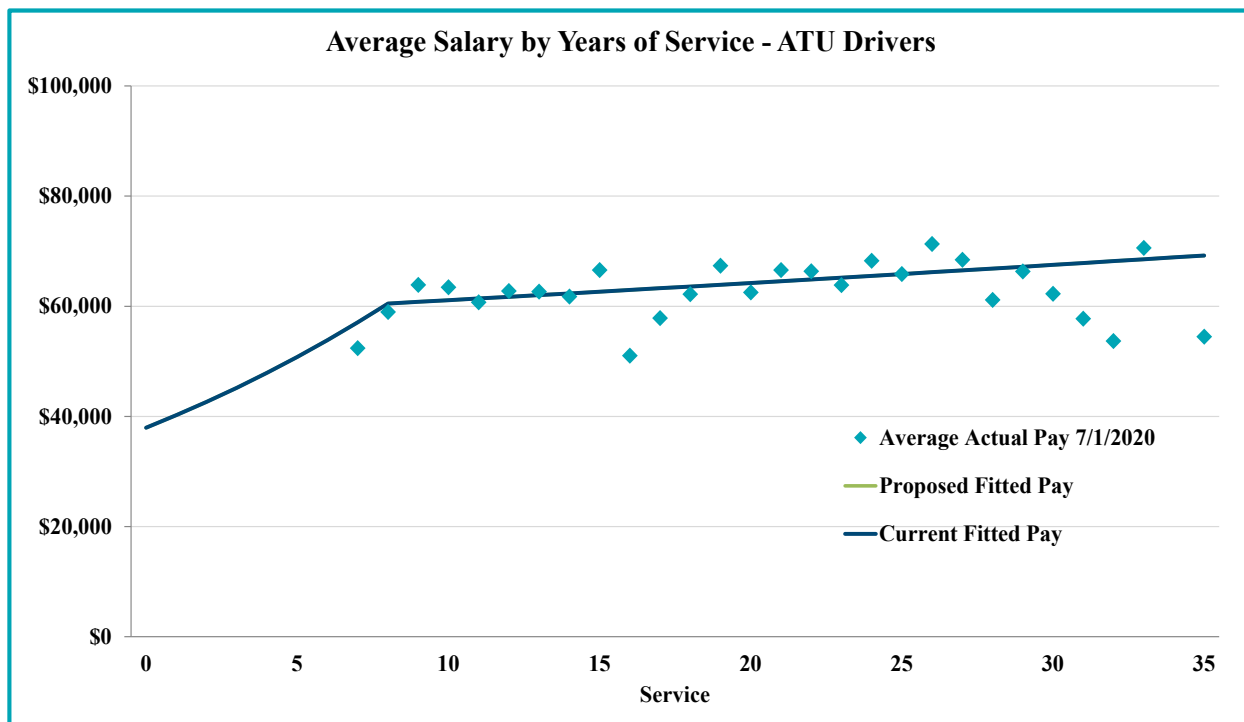


Chart III-2

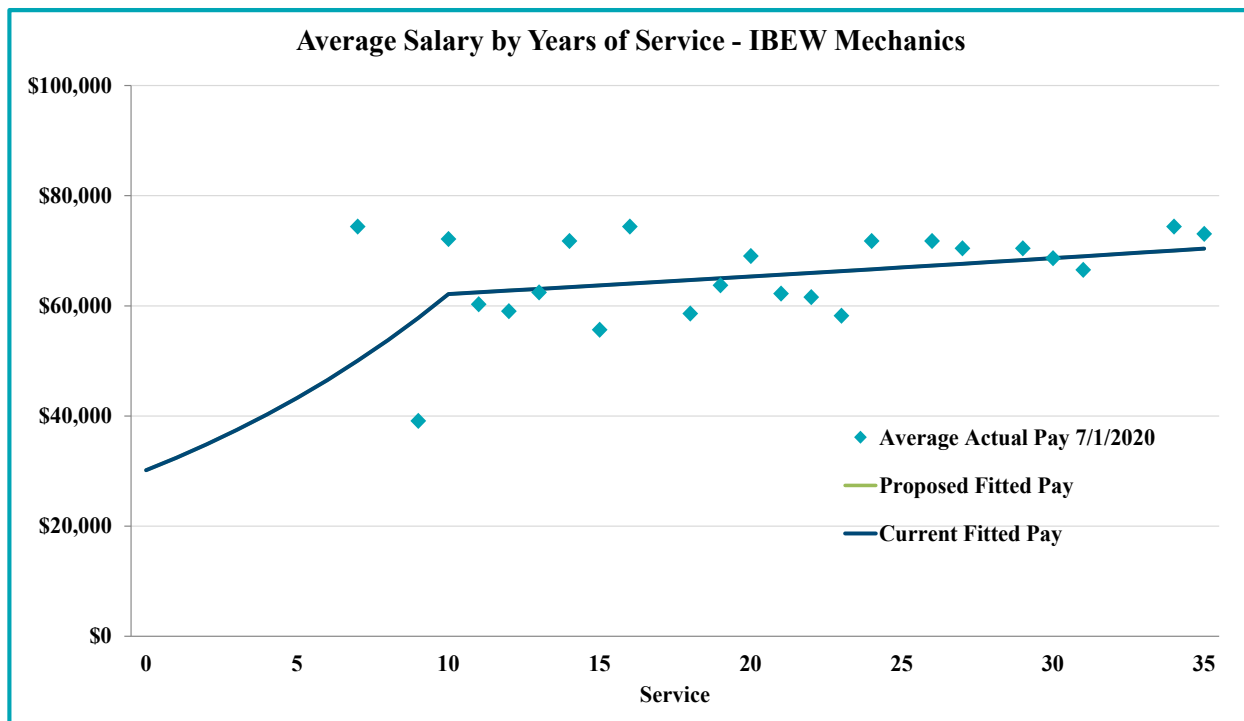


Chart III-3

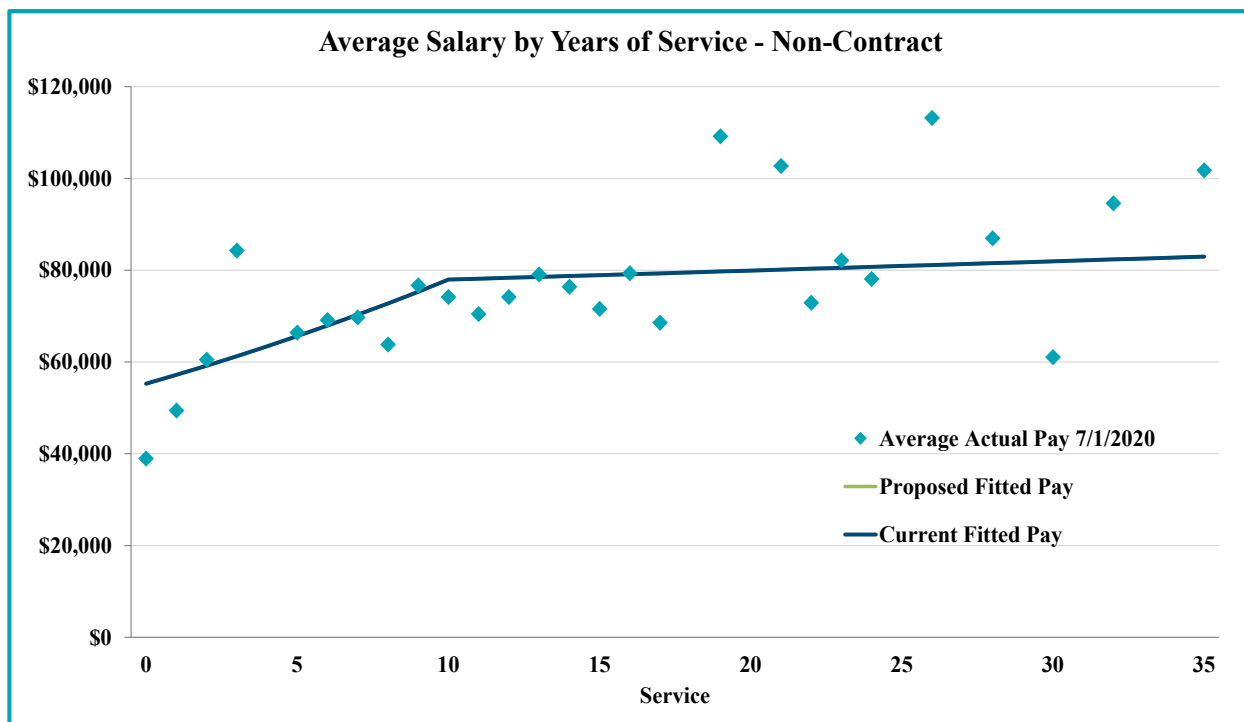
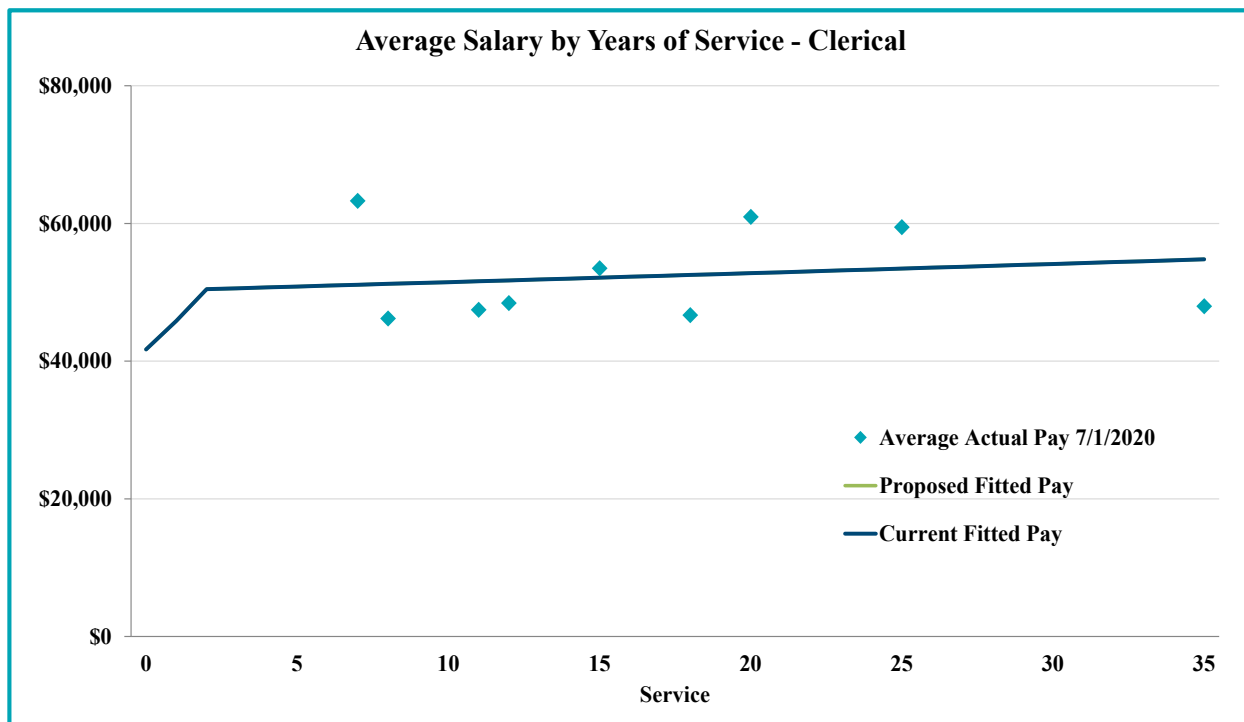


Chart III-4



ANALYSIS OF OTHER DEMOGRAPHIC ASSUMPTIONS

For most of the remaining demographic assumptions, we determined the ratio of the actual number of decrements for each membership group compared to the expected number of decrements (A/E ratio or actual-to-expected ratio). If the assumption is perfect, this ratio will be 100%. Otherwise, any proposed assumption change should move from the current A/E ratio towards 100% unless future experience is expected to be different than the experience during the period of study.

In addition, we calculated the 90% confidence interval using a binomial distribution, which represents the range within which the true decrement rate during the experience study period fell with 90% confidence. We generally propose assumption changes when the current assumption is outside the 90% confidence interval of the observed experience. However, adjustments are made to account for differences between future expectations and historical experience, to account for the past experience represented by the current assumption, and to maintain a neutral to slight conservative bias in the selection of the assumption. For mortality rates, we compare SDTC's experience to that of a published table and adjust the tables to bring the proposed assumption closer to an A/E ratio of 100% taking into account the level and credibility of SDTC's experience.

Our internal model uses the limited fluctuation approach to assign full credibility when there is a 90% probability that SDTC's sample experience rate will be within 5% of the true expected rate. For assumptions where the expected rate is near zero, this approach requires 1082 actual decrements for full credibility. When there is insufficient experience for full credibility, partial credibility is assigned, weighting SDTC's experience by the square root of the ratio of actual decrements in the sample to the number of decrements required for full credibility. The remaining weight is given to the published table.

Essentially, this method results in relying on a combination of SDTC's experience, as well as standard tables produced based on studies of much larger populations. This is a commonly used technique for developing assumptions for smaller plans such as SDTC's. Other methods of determining credibility may produce a different result.

To track how well the assumption fits the pattern of the data, we calculate the percentage of the assumptions that fall within the 90% confidence interval. Any proposed assumption change should increase the percentage of assumptions within the confidence interval compared to the current assumption making it closer to 100% unless the pattern of future decrements is expected to be different from the pattern experienced during the period of study.

RETIREMENT RATES

In the tables and charts that follow, detailed retirement experience results are shown by plan of SDTC - ATU Drivers, IBEW Mechanics, and Clerical and Non-Contract participants. The tables and charts are displayed by age groups rather than incremental ages to provide a better view of the credibility of Plan experience. In the last experience study, actual retirements were less than expected and we lowered the assumed retirement rates. In general, we are seeing the same trend with this experience study and are proposing lower retirement rates for all groups.

Table III-R1 shows the calculation of actual-to-expected ratios for ATU Drivers across all service levels. Chart III-R1 shows the information graphically along with the 90% confidence intervals.

The data shows lower actual retirement rates than expected under the current assumption, particularly between the ages of 61-63, where the current assumption is outside the 90% confidence interval. We are proposing lower rates for most ages. The proposed assumptions decrease the aggregate assumed rate of retirement and increase the aggregate A/E ratio from 69% to 88%. Refer to Appendix A for current rates and Appendix B for the proposed rates by age.

Table III-R1

ATU Drivers Retirement Rates									
Age	Exposures	Number of Retirements			Retirement Rates			A/E Ratios	
		Actual	Current	Proposed	Actual	Current	Proposed	Current	Proposed
55-57	215	16	22	18	7%	10%	8%	74%	90%
58-60	187	15	22	16	8%	12%	8%	69%	96%
61-63	165	18	36	22	11%	22%	13%	51%	82%
64-66	99	27	31	31	27%	31%	31%	87%	88%
67-69	23	5	7	6	22%	30%	25%	72%	87%
Total	689	81	117	92	12%	17%	13%	69%	88%

Chart III-R1

ATU Retirement Rates

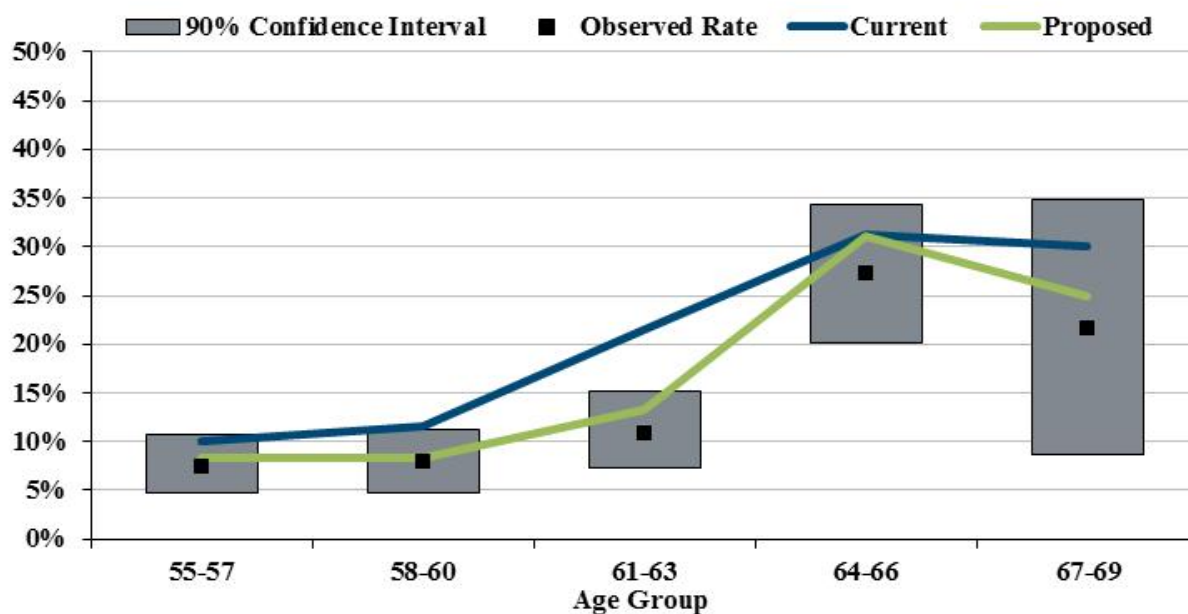


Table III-R2 shows the calculation of actual-to-expected ratios for IBEW members across all service levels. Chart III-R2 shows the information graphically along with the 90% confidence intervals.

The data shows lower actual retirement rates than expected under the current assumption. We are proposing lower rates at most ages. The proposed assumptions decrease the aggregate assumed rate of retirement and increase the aggregate A/E ratio from 77% to 86%.

Table III-R2

IBEW Mechanics Retirement Rates									
Age	Exposures	Number of Retirements			Retirement Rates			A/E Ratios	
		Actual	Current	Proposed	Actual	Current	Proposed	Current	Proposed
55-57	97	3	5	5	3%	5%	5%	62%	62%
58-60	74	4	5	5	5%	6%	6%	85%	85%
61-63	56	5	9	6	9%	16%	10%	55%	89%
64-66	45	15	14	15	33%	30%	32%	111%	103%
67-69	9	0	3	2	0%	30%	20%	0%	0%
Total	281	27	35	32	10%	12%	11%	77%	86%

Chart III-R2

IBEW Retirement Rates

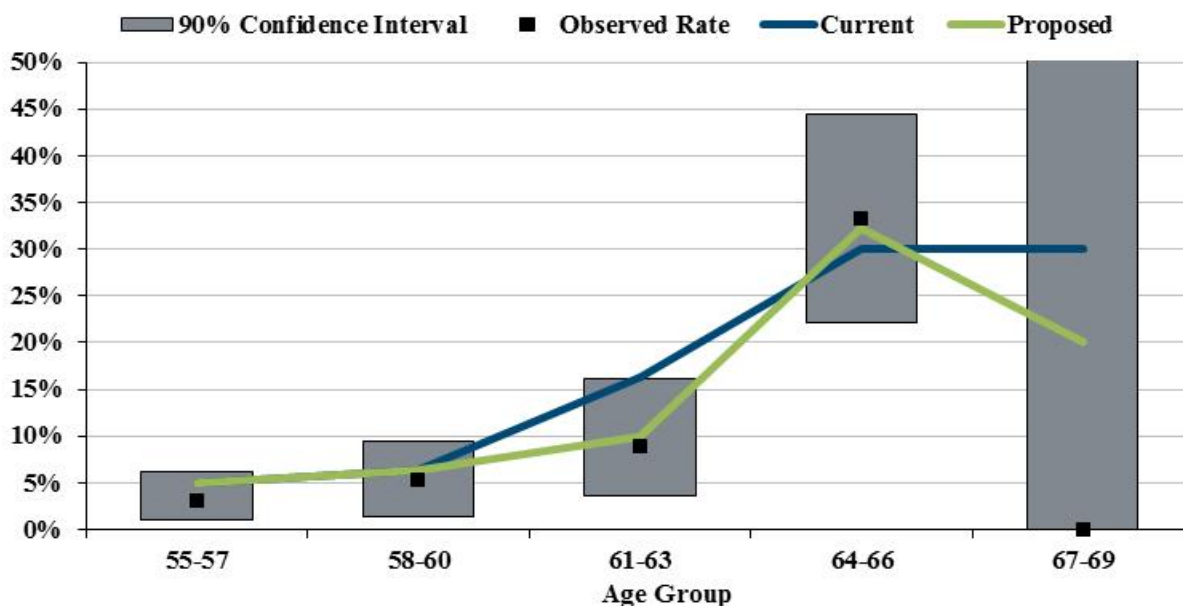


Table III-R3 shows the calculation of actual-to-expected ratios for all Clerical and Non-Contract members across all service groups. Chart III-R3 shows the information graphically along with the 90% confidence intervals.

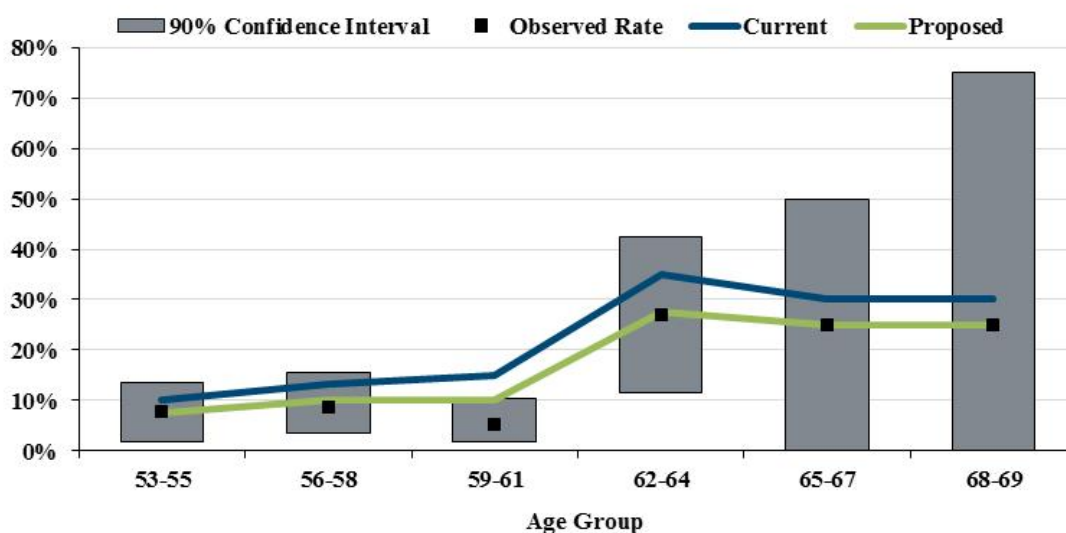
The data shows lower actual retirement rates than expected under the current assumption. We are proposing lower rates at all ages. The proposed assumptions decrease the aggregate assumed rate of retirement and increase the aggregate A/E ratio from 64% to 86%.

Table III-R3

Clerical/Non-Contract Retirement Rates									
Age	Exposures	Number of Retirements			Retirement Rates			A/E Ratios	
		Actual	Current	Proposed	Actual	Current	Proposed	Current	Proposed
53-55	52	4	5	4	8%	10%	8%	77%	103%
56-58	58	5	8	6	9%	13%	10%	65%	86%
59-61	58	3	9	6	5%	15%	10%	34%	52%
62-64	26	7	9	7	27%	35%	28%	77%	98%
65-67	8	2	2	2	25%	30%	25%	83%	100%
68-69	4	1	1	1	25%	30%	25%	83%	100%
Total	206	22	34	26	11%	17%	12%	64%	86%

Chart III-R3

Clerical/Non-Contract Retirement Rates



Although some have speculated that the reduced multipliers reflected in the PEPRA benefits may result in members working longer than they would have under the old benefit formulas, we do not yet have enough experience to support a different set of assumptions. In addition, our initial modeling of the PEPRA benefits revealed that the actuarially determined contributions required to fund these benefits are relatively insensitive to the actual retirement rates, as a result of the early retirement reductions reflected in the benefit formulas. We will continue to monitor the retirement behavior of the PEPRA members as it develops and consider in future experience studies whether different sets of retirement rates are appropriate for these groups.

TERMINATION RATES

Termination rates reflect the frequency at which active members leave employment for reasons other than retirement, death, or disability. Currently, there is one set of service-based termination rates for ATU Drivers and IBEW Mechanics, another set of service-based termination rates for Non-Contract members, and a set of age-based rates for Clerical members.

For each service group, we determined the ratio of the actual number of terminations at each age compared to the expected number of terminations (A/E ratio). If the assumption is perfect, this ratio will be 100%. Adjustments are made to account for differences between future expectations and historical experience, to account for the past experience represented by the current assumption, and to maintain a neutral to slight conservative bias in the selection of the assumption.

Table III-T1 shows the calculation of actual-to-expected ratios for ATU Drivers and IBEW members, and Chart III-T1 shows the information graphically along with the 90% confidence intervals. The data shows lower actual termination rates between four and nine years of service but higher actual termination rates for active members with 10 or more years of service, compared to the current assumptions. The proposed assumptions increase the assumed rates of termination and decrease the aggregate A/E ratio from 110% to 102%.

Table III-T1

ATU Drivers / IBEW Mechanics Termination Rates									
Service	Exposures	Number of Terminations			Termination Rates			A/E Ratios	
		Actual	Current	Proposed	Actual	Current	Proposed	Current	Proposed
3	25	2	3	3	8%	12%	10%	67%	80%
4 -9	377	13	19	15	3%	5%	4%	69%	86%
10 +	688	24	14	21	3%	2%	3%	174%	116%
Total	1,090	39	36	38	4%	3%	4%	110%	102%

Chart III-T1

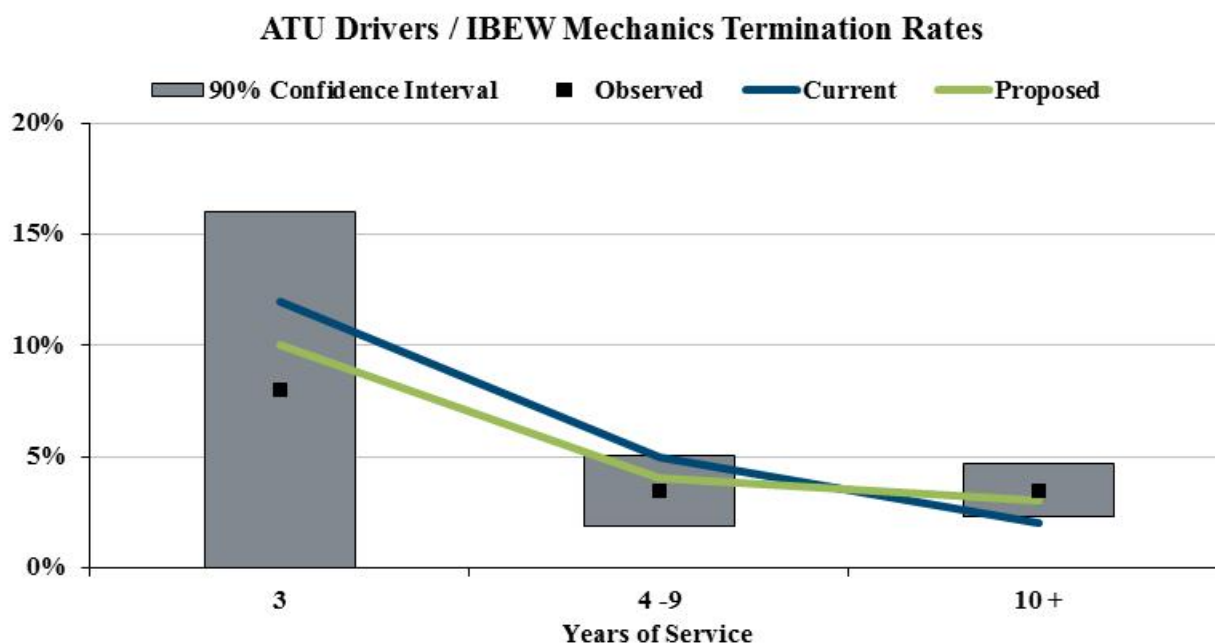


Table III-T2 shows the calculation of actual-to-expected ratios for Non-Contract members, and Chart III-T2 shows the information graphically along with the 90% confidence intervals. The data shows lower actual termination rates for members with less than 10 years of service and higher actual termination rates for members with 10 or more years of service, compared to the current assumptions. The proposed assumption of 5% falls within the 90% confidence interval for each service group, decreases the assumed rates of termination and increases the aggregate A/E ratio from 68% to 94%.

Table III-T2

Non-Contract Termination Rates									
Service	Exposures	Number of Terminations			Termination Rates			A/E Ratios	
		Actual	Current	Proposed	Actual	Current	Proposed	Current	Proposed
0 - 4	48	1	5	2	2%	10%	5%	21%	42%
5 - 9	60	3	6	3	5%	10%	5%	50%	100%
10 - 14	38	2	1	2	5%	3%	5%	175%	105%
15+	45	3	1	2	7%	3%	5%	222%	133%
Total	191	9	13	10	5%	7%	5%	68%	94%

Chart III-T2

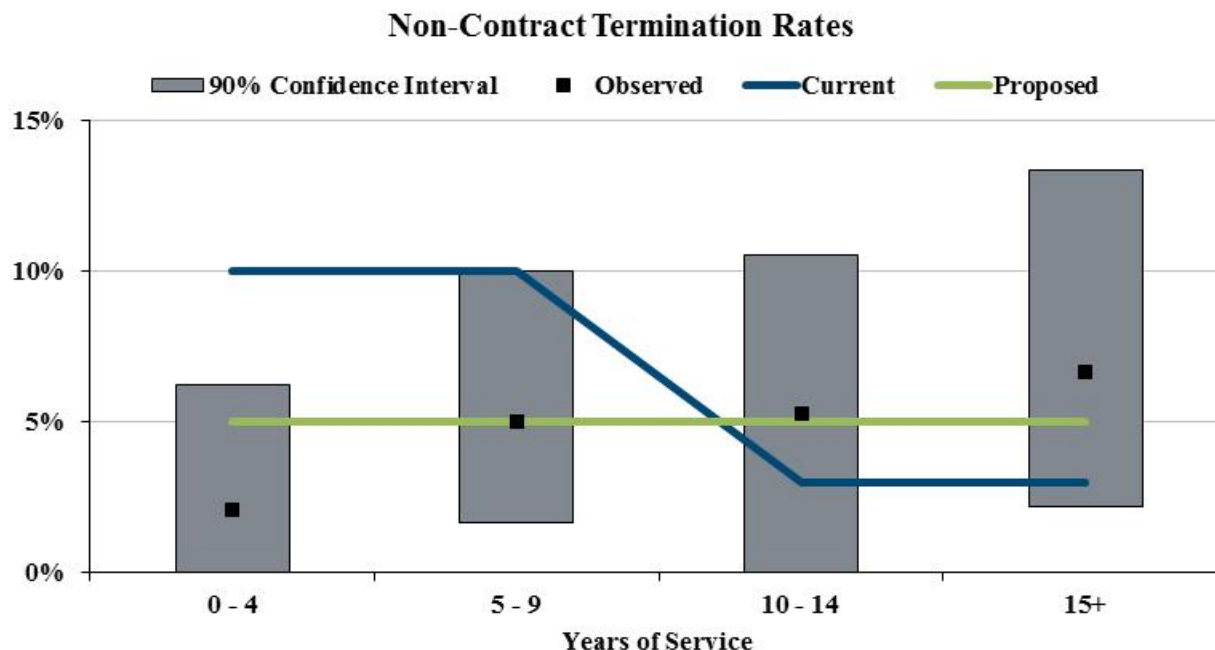
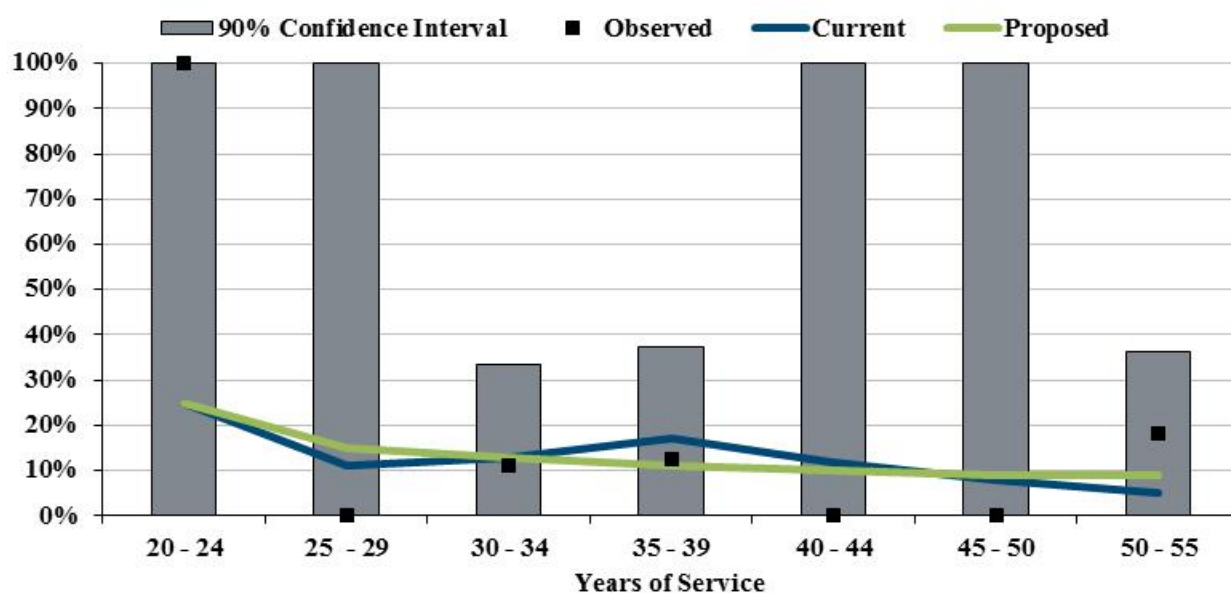


Table III-T3 shows the calculation of actual-to-expected ratios for Clerical members, and Chart III-T3 shows the information graphically along with the 90% confidence intervals. The Clerical group's termination rates are based on age rather than service. The data shows lower actual termination rates close to those expected under the current assumptions. We are proposing only slight modifications to the current assumptions since there is limited credibility due to the few exposures and actual terminations. The proposed assumptions decrease the assumed rates of termination and increases the aggregate A/E ratio from 108% to 110%.

Table III-T3

Clerical Termination Rates									
Age	Exposures	Number of Terminations			Termination Rates			A/E Ratios	
		Actual	Current	Proposed	Actual	Current	Proposed	Current	Proposed
20 - 24	1	1	0	0	100%	25%	25%	400%	400%
25 - 29	0	0	0	0	0%	11%	15%	0%	0%
30 - 34	9	1	1	1	11%	13%	13%	85%	85%
35 - 39	8	1	1	1	13%	17%	11%	74%	114%
40 - 44	7	0	1	1	0%	12%	10%	0%	0%
45 - 50	6	0	0	1	0%	8%	9%	0%	0%
50 - 55	11	2	1	1	18%	5%	9%	364%	202%
Total	42	5	5	5	12%	11%	11%	108%	110%

Chart III-T3**Clerical Termination Rates**

DISABILITY RATES

This section analyzes the incidence of disability by the age of the employee. All members are eligible for disability benefits after earning five years of credited service. There have been zero incidences of disability for Clerical and Non-Contract participants in this experience study and the two previous studies (the last 15 years). As such, the disability assumption continues to be zero for this group. For ATU and IBEW members, 0.50% of eligible participants are assumed to become disabled each year.

The amount of disability experience is very limited with only two disabilities occurring in the last five years for ATU and IBEW members and a total of six disabilities within the last 10 years. We have combined the disability experience from the last experience study with this study to perform our analysis.

Table III-D1 shows the calculation of actual-to-expected ratios for ATU and IBEW members by age grouping, and Chart III-D1 shows the information graphically along with the 90% confidence intervals. Where there is insufficient data to calculate a confidence interval, the confidence interval is shown as the entire range of the graph at all age groupings.

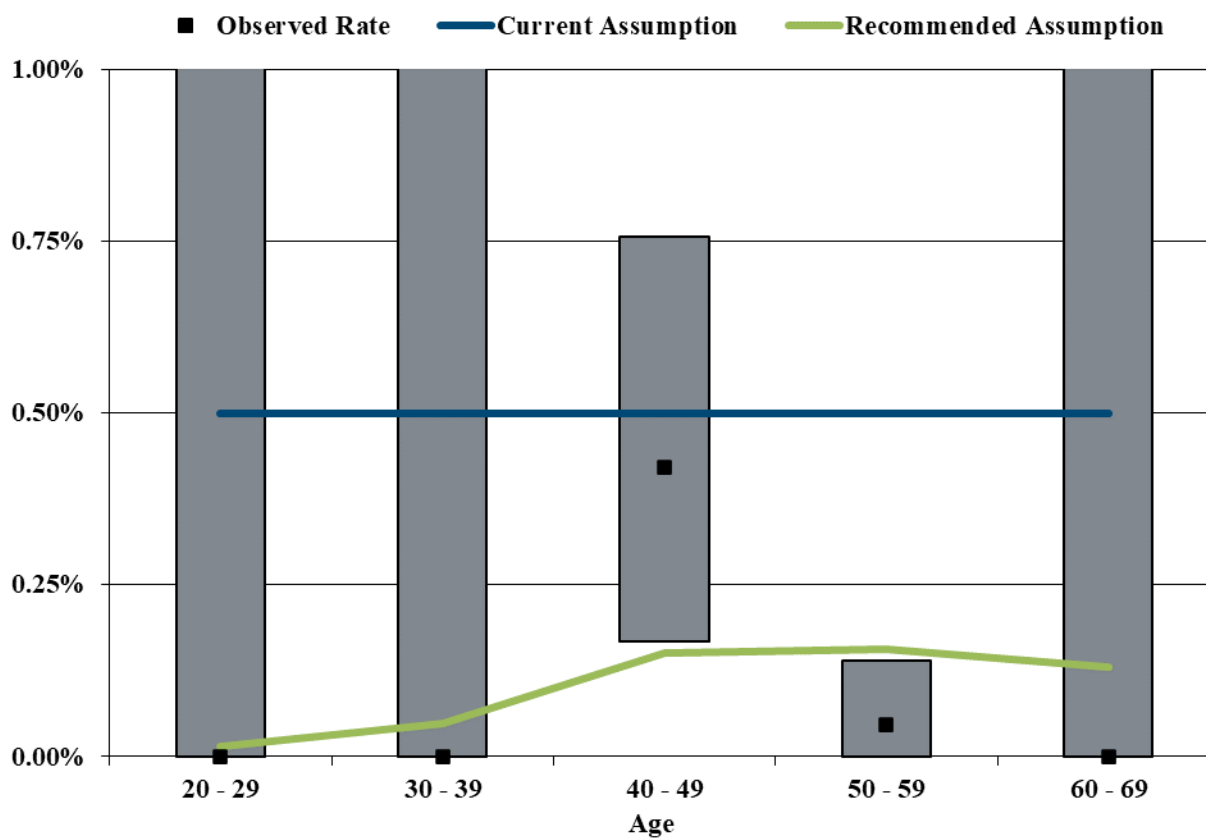
The data shows that disability rates are notably less than the current assumption. This finding is consistent with the prior experience study where the actual disability rates were also only 0.1%. We are proposing to use the standard CalPERS Non-Industrial Disability for Public Agency Miscellaneous (blended 80% males and 20% females). The current assumption has an A/E ratio of 23% and the proposed assumption has an A/E ratio of 89%.

Table III-D1

ATU/IBEW Disability Incidence Rates						
Age	Exposures	Number of Disabilities			A/E Ratios	
		Actual	Current	Proposed	Current	Proposed
20 - 29	233	0	1	0	0%	0%
30 - 39	585	0	3	0	0%	0%
40 - 49	1,188	5	6	2	84%	278%
50 - 59	2,152	1	11	3	9%	30%
60 - 69	982	0	5	1	0%	0%
70+	12	0	0	0	0%	0%
Total	5,152	6	26	7	23%	89%

Chart III-D1

ATU/IBEW Disability Incidence



MORTALITY RATES

Post-retirement mortality assumptions are typically developed separately by gender for both healthy annuitants and disabled annuitants. Pre-retirement mortality assumptions are developed separately for males and females. Unlike most of the other demographic assumptions that rely exclusively on the experience of the Plan, for mortality, standard mortality tables are used with modifications so that the aggregate experience matches the Plan's experience. Standard projection scales also serve as the basis for the assumption.

Cheiron has recently undertaken a study of mortality for public sector transit plans, specifically for their ATU members, and we have developed a standard set of mortality tables based on this study. In addition, the Society of Actuaries recently completed an extensive mortality study and new sets of mortality tables for both the private and public sector. We have used a combination of these tables as the basis for our analysis.

The steps in our analysis are as follows:

1. Select a standard mortality table that is based on experience most closely matching the anticipated experience of SDTC.
2. Compare actual SDTC experience to what would have been predicted by the selected standard table for the period of the experience study.
3. Adjust the standard table either fully or partially depending on the level of credibility for SDTC experience. This adjusted table is called the base table.
4. Select an appropriate standard mortality improvement projection scale and apply it to the base table.

In general, we propose assumption changes when the actual-to-expected (A/E) ratio for the current assumption is significantly different than 100%. However, for those groups that do not have sufficient experience, such as the SDTC active members, we may propose replacement tables based on the experience of the groups that have more credible data. We note that the pre-retirement mortality assumptions have very little impact on the liability estimates, because of the very low rates of decrement and the declining active population since SDTC is mostly closed to new entrants.

In the prior study, we proposed the following assumptions:

Active members

- Combined Healthy Retired Pensioners (RP) 2000 Tables published by the Society of Actuaries with generational improvements using Scale MP-2015, from base year 2010, using male rates only for both male and female Participants.

Healthy retirees and beneficiaries

- Combined Healthy Retired Pensioners (RP) 2000 Tables with Blue Collar Adjustments for males and no collar adjustments for females published by the Society of Actuaries with generational improvements using Scale MP-2015, from base year 2010.

Disabled members

- Retired Pensioners (RP) 2014 Tables for Disabled Annuitants for males. Combined Healthy Retired Pensioners (RP) 2000 Table for females published by the Society of Actuaries, with future mortality improvements to 2010 using projection scale MP-2015.

Since the prior study, the Society of Actuaries' Retirement Plans Experience Committee (RPEC) has continued to release annual updates of the mortality improvement scales, with the newest version – Scale MP-2020 - reflecting five additional years of data (2013-2018) than was used in the development of Scale MP-2015. As a result, it reflects lower expected improvement rates in the near term than Scale MP-2015, based on the lower levels of mortality improvement observed during the five most recent years in the data. It also reflects modifications to the long term (or ultimate) levels of expected improvement at various ages.

MP-2020, similar to MP-2015, represents the Society of Actuaries' most advanced actuarial methodology in incorporating mortality improvement trends with actual recent mortality rates, by using rates that vary not only by age but also by calendar year – known as a two-dimensional approach to projecting mortality improvements. Scale MP-2020 was designed with the intent of being applied to mortality on a generational basis. The effect of this is to build in an automatic expectation of future improvements in mortality. RPEC suggests that using generational mortality is a preferable approach, as it allows for an explicit declaration of the amount of future mortality improvement included in the assumptions.

RPEC has also recently released two new sets of base mortality rate tables – the Pub-2010 and Pri-2012 Mortality Tables, which are based on a recent study of US defined benefit public and private plan mortality experience, respectively. We reviewed both of these sets of tables as potentially predictor of SDTC experience, as well as the proprietary ATU-specific mortality tables developed by Cheiron.

We are using the combined data from the last experience study (2010-2015) and this experience study (2015-2020) for our mortality experience analysis to improve the credibility of the data. SDTC's ATU and IBEW experience over the past ten years matches fairly well with the new

Cheiron ATU rates, with the exception of that of the Clerical and Non-Contract group, for whom we are proposing the Pub-2010 General Retiree Mortality as the base table.

Even with the use of 10 years of data, the SDTC experience has very low credibility, based on standard statistical theory. We therefore propose no adjustments to the standard base tables.

Rather than weighting the experience based on the number of members living and dying, we have weighted the experience based on benefit size (and by compensation for active members). This approach has been recommended by RPEC, since members with larger benefits are expected to live longer, and a benefit-weighted approach helps avoid underestimating the liabilities.

Based on this information, we are proposing the following base mortality table assumptions:

Active members

- ATU and IBEW members: Cheiron ATU Non-Annuitant mortality, with generational improvements using Scale MP-2020 from 2016, the central year of Cheiron's ATU mortality study
- Clerical and Non-Contract members: 2010 Public General Employee, with generational improvements using Scale MP-2020 from 2010

Healthy retirees and beneficiaries

- ATU and IBEW members: Cheiron ATU Healthy-Annuitant mortality, with generational improvements using Scale MP-2020 from 2016, the central year of Cheiron's ATU mortality study
- Clerical and Non-Contract members: 2010 Public General Healthy Annuitant Amount Weighted, with generational improvements using Scale MP-2020 from 2010

Disabled members

- Cheiron ATU Disabled Annuitant mortality for ATU and IBEW members with generational improvements using Scale MP-2020 from 2016, the central year of Cheiron's ATU mortality study

Table III-M1 below shows a summary of the data over the past ten years, as well as our proposed mortality rates across all statuses compared to current rates.

Table III-M1

Morality Analysis by Group								
Group	Exposures	Actual Deaths	Weighted Exposures	Weighted Deaths			A/E Ratios	
				Actual	Current	Proposed	Current	Proposed
All Annuitants	8,555	181	162,197,304	2,909,379	3,528,778	3,503,694	82%	83%
Healthy Annuitants and Beneficiaries								
ATU/IBEW Male	4,270	88	85,733,495	1,661,344	2,118,833	2,149,568	78%	77%
ATU/IBEW Female	1,713	29	20,539,725	256,756	309,915	377,805	83%	68%
Clerical/Non-Contract Male	883	16	30,816,097	476,993	555,775	416,205	86%	115%
Clerical/Non-Contract Female	789	19	16,442,101	218,272	254,574	213,397	86%	102%
Disabled Annuitants								
ATU/IBEW Male	523	22	5,727,318	259,629	246,442	259,758	105%	100%
ATU/IBEW Female	377	7	2,938,567	36,385	43,239	86,962	84%	42%
Active Memebers								
ATU/IBEW Male	4,218	3	213,674,920	196,347	892,425	374,684	22%	52%
ATU/IBEW Female	994	3	47,681,480	136,302	166,801	97,194	82%	140%
Clerical/Non-Contract Male	593	1	41,288,435	53,373	163,118	85,377	33%	63%
Clerical/Non-Contract Female	343	3	17,567,907	151,432	65,399	19,333	232%	783%

Since the Plan is relatively small and there are very few deaths over the 10-year period, the credibility of the data is low, between 5% and 29% for all groups. However, the proprietary ATU-specific mortality tables developed by Cheiron have much higher credibility, between 12% and 71%. While the experience of SDTC is not sufficiently credible to select and adjust a published table to fit its specific mortality experience, the combined data used to develop Cheiron's ATU table provides more information in the selection of a mortality table and allows for an adjustment using partial credibility than is possible for SDTC on its own.

PLAN ADMINISTRATIVE EXPENSES

An explicit assumption is made for Plan administrative expenses and is included in the annual cost calculations to develop the Actuarially Determined Contribution. The assumed administrative expenses for FY2020-2021 were approximately \$290,000 and increase annually by the assumed rate of inflation. Thus, the current assumption for FYE 2022 is \$297,000.

We have reviewed the actual administrative expenses for the past five years and adjusted each year with actual inflation from the San Diego-Carlsbad CPI-U. Table III-O1 shows the results of this analysis below. We propose a slight decrease in the administrative expense assumption from \$297,000 to \$282,000 for the July 1, 2021 actuarial valuation.

Table III-O1

Administrative Expense Assumption		
FYE	Actual Expenses	Inflation Adjusted to FYE 2020
2016	290,381	321,708
2017	234,128	251,157
2018	244,890	254,990
2019	252,584	255,882
2020	256,420	256,420
5-Year Average as of June 30, 2020		268,032
Proposed administrative expense assumption for FYE June 30, 2022		282,000

FAMILY COMPOSITION

The current assumption is that 100% of active SDTC active participants have beneficiaries eligible for pre-retirement death benefits and that males are four years older than their spouses and females are four years younger than their spouses. This is consistent with the assumptions used by other systems. Since we have limited spouse data, we propose continuing the use of the same assumptions, for both pre-retirement deaths and for valuing survivor benefits for current retirees with missing spouse dates of birth.

The total Plan cost on an annual basis, the Actuarially Determined Contribution (ADC), is the sum of the normal cost, assumed administrative expenses, and the amortization of the Unfunded Actuarial Liability (UAL). The UAL payment is currently a series of layers each amortized as a level dollar amount over a closed period. The existing UAL as of July 1, 2012, is being amortized in level dollar payments over a 25-year period and will be fully paid as of June 30, 2037.

Subsequent changes in the UAL due to changes in the actuarial assumptions or methods and plan amendments are amortized in level dollar payments over a separate period such that the amortization period ends on June 30, 2037, consistent with the amortization of the remaining July 1, 2012 UAL.

Currently, changes in the UAL due to actuarial experience gains and losses are amortized over separate closed 15-year periods in level dollar payments. The amortization of future experience gains and losses will soon (starting with the July 1, 2023 actuarial valuation) extend beyond the initial 25-year period ending June 30, 2037. In order for SDTC to achieve its goal of full funding by 2037, we propose aligning the amortization periods of future experience gains and losses to a maximum of 15-years and no longer than the period ending June 30, 2037.

As the targeted full funding date of June 30, 2037 approaches, changes to the amortization policy can be made at the MTS Board's discretion to mitigate volatility or unsustainable increases in the UAL payment as a result of potentially adverse experience.

All of the following economic and demographic assumptions were based on the experience study covering the period from July 1, 2010, through June 30, 2015, that was adopted at the Budget Development Meeting in April 2016, with the exception of the rate of return assumption. The rationale for all the assumptions can also be found in the experience study report dated April 2016. The MTS Board voted to decrease the expected rate of return at its April 2019 meeting from 7.00% to 6.75%.

1. Rate of Return

The annual rate of return on all Plan assets is assumed to be 6.75% net of investment expenses.

2. Cost-of Living

The cost-of-living as measure by the Consumer Price Index (CPI) will increase at the rate of 2.75% 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. 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:

Proposed Longevity and Promotion Increases				
Service	ATU Drivers	IBEW Mechanics	Clerical	Non-Contract
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 2.75%. The combination of rates is compounded rather than using an additive method.

5. Active Participant Mortality

Rates of mortality for all active Participants are given by the Combined Healthy Retired Pensioners (RP) 2000 Tables published by the Society of Actuaries using male's rates for both male and female members with generational improvements from the base year 2010 using Scale MP-2015.

6. Healthy Inactive Participant and Beneficiary Mortality

Rates of mortality for healthy inactive Participants, spouses, and surviving spouses are given by the Combined Healthy Retired Pensioners (RP) 2000 Tables with Blue Collar Adjustments for males and no collar adjustments for females published by the Society of Actuaries with generational improvements from the base year 2010 using Scale MP-2015.

7. Disabled Participant Mortality

Rates of mortality for male disabled members are given by the Retired Pensioners (RP) 2014 Tables for Disabled Annuitants. Rates of mortality for female disabled members are given by Retired Pensioners (RP) 2000 Combined Healthy Table published by the Society of Actuaries, with future mortality improvements to 2010, the midpoint of the experience used for the mortality study, using projection scale MP-2015.

8. Mortality Improvement

For active and healthy inactive Participants, mortality is assumed to improve in future years in accordance with the MP-2015 generational improvement tables. For disabled Participants, no explicit provision for mortality improvement is used.

9. Disability

Among ATU Drivers and IBEW Mechanics, 0.50% of Participants eligible for a disability benefit are assumed to become disabled each year. Disabled Participants are assumed not to return to active service. No disability is assumed for Clerical and Non-Contract Participants.

10. Plan Expenses

Plan administrative expenses of \$289,801 are included in the Actuarially Determined Contribution and increase each year with the assumed rate of inflation.

11. Family Composition

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

12. 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 ¹	0%	0%	10%
53-54	0%	0%	10%
55-56	10%	5%	10%
57-59	10%	5%	15%
60-61	15%	10%	15%
62	25%	20%	40%
63-64	25%	20%	30%
65	40%	40%	30%
66-69	30%	30%	30%
70 and older	100%	100%	100%

¹Non-Contract retirement assumption at age 52 is for PEPPA participants only, 0% otherwise.

13. 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	25.0%	25.0%	10.0%
1	25.0%	25.0%	10.0%
2	12.0%	12.0%	10.0%
3	12.0%	12.0%	10.0%
4 – 9	5.0%	5.0%	10.0%
10 +	2.0%	2.0%	3.0%

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	11.0%
30-34	13.0%
35-39	17.0%
40-44	12.0%
45-49	8.0%
50 and older	5.0%

The proposed assumptions have not yet been adopted by the Board. The demographic assumptions are based on an experience study covering the period from July 1, 2015, through June 30, 2020, with the exception of the mortality assumption that is based on experience from July 1, 2010, through June 30, 2020.

1. Rate of Return

The annual rate of return on all Plan assets is assumed to be 6.75% 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 2.75% 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. 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:

Proposed Longevity and Promotion Increases				
Service	ATU Drivers	IBEW Mechanics	Clerical	Non-Contract
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 2.75%. The combination of rates is compounded rather than using an additive method.

5. Active Participant Mortality

- ATU and IBEW members: Cheiron ATU Non-Annuitant mortality, with generational improvements using Scale MP-2020 from 2016
- Clerical and Non-Contract members: 2010 Public General Employee, with generational improvements using Scale MP-2020 from 2010

6. Healthy Inactive Participant and Beneficiary Mortality

- ATU and IBEW members: Cheiron ATU Healthy-Annuitant mortality, with generational improvements using Scale MP-2020 from 2016
- Clerical and Non-Contract members: 2010 Public General Healthy Annuitant Amount Weighted, with generational improvements using Scale MP-2020 from 2010

7. Disabled Participant Mortality

Cheiron ATU Disabled Annuitant mortality for ATU and IBEW members with generational improvements using Scale MP-2020 from 2016.

8. Mortality Improvement

For all participants, mortality is assumed to improve in future years in accordance with the MP-2020 generational improvement tables.

9. Disability

Among ATU Drivers and IBEW Mechanics uses the standard CalPERS PAMODU 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	0.015%
30	0.020%
35	0.057%
40	0.130%
45	0.198%
50	0.217%
55	0.211%
60	0.200%
65	0.187%
70	0.164%
75+	0.136%

10. Plan Expenses

Plan administrative expenses of \$282,000, are included in the Actuarially Determined Contribution, and increase each year with the assumed rate of inflation.

11. Family Composition

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

12. 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 ¹	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%

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

13. 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%

Retirement Plans of San Diego Transit Corporation

AI No. 32, 11/18/2021



Actuarial Experience Study Results

July 1, 2015 through June 30, 2020

November 18, 2021

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

- Overview
- Cost Impact
- Economic Assumptions
 - Price Inflation & Wage Inflation
 - Discount Rate (Expected Investment Return)
- Mortality Assumption
- Other Assumptions
- Projected Financial / Funding Impact
- Staff Recommendation

- Experience study is performed every 4 - 5 years
- Study covers both demographic and economic assumptions
 - Extensive analysis performed on multiple years of data
 - This presentation captures the most important findings
 - The report contains additional information not covered in this presentation
- The actuarial assumptions adopted based on this experience study will be used for the 2021 and subsequent actuarial valuations

- Key findings and recommendations
 - Future expectations for investment returns are considerably lower
 - We propose reducing the discount rate assumption (expected investment return) from 6.75% to 6.00%, which would increase the total actuarially determined contribution
 - Mortality experience has been fairly consistent with the current assumptions, but future mortality improvements have decreased since the last study
 - The aggregate impact of all other recommended assumptions changes, including mortality, will slightly reduce the total actuarially determined contribution

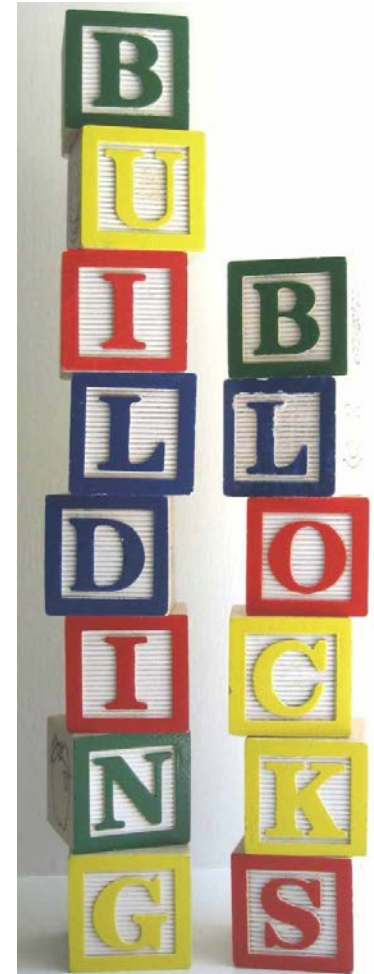
Contribution Impact of Individual Assumption Changes

Mortality Changes	\$ (730,000)
Retirement Changes	(302,000)
Termination Changes	29,000
Disability Changes	38,000
Administrative Expenses	<u>(8,000)</u>
All Demographic Assumption Changes	\$ (973,000)
 Inflation: Reduction from 2.75% to 2.50%	 \$ (143,000)
Assumed Investment Return:	
Reduction from 6.75% to 6.00%	<u>\$ 2,170,000</u>
 Total Estimated Change in Contribution	 \$ 1,054,000



Building block approach

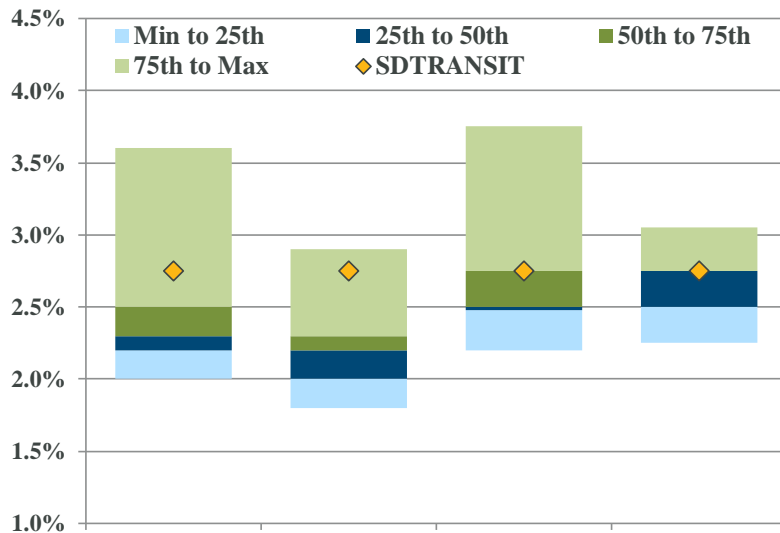
- Price inflation is the foundation for all economic assumptions
 - Expected Return (Nominal) = Inflation + Real Return
- Assumptions must be reasonable, both individually *and* in aggregate
- Current Assumptions
 - 6.75% Expected Nominal Rate of Return
 - 2.75% Inflation
 - 4.00% Real Rate of Return



Price Inflation



Survey of CPI Assumptions



	Q2 2021 Economic Forecasters	2021 Horizon Survey	2020 Public Plan Database	2020 California Survey
Minimum	2.00%	1.80%	2.20%	2.25%
25th	2.20%	2.00%	2.48%	2.50%
50th	2.30%	2.20%	2.50%	2.75%
75th	2.50%	2.30%	2.75%	2.75%
Maximum	3.60%	2.90%	3.75%	3.05%

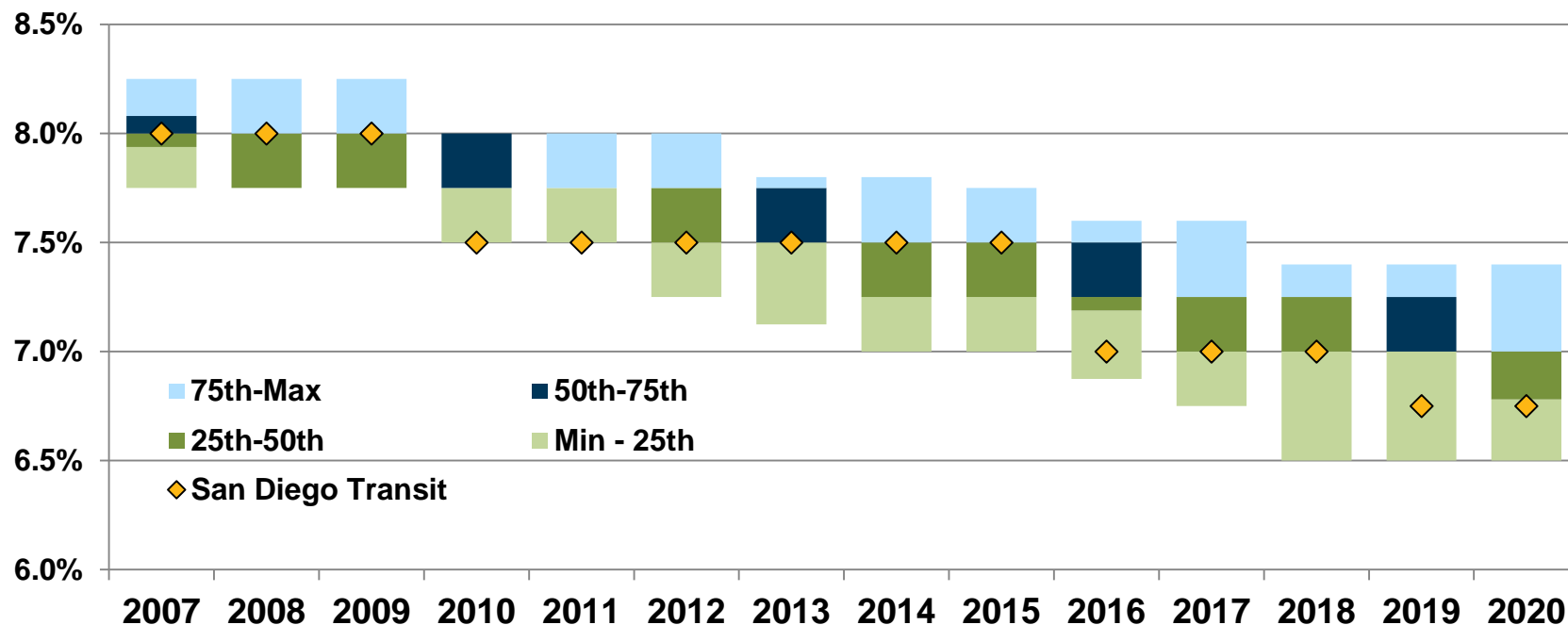
- Inflation expectations over the **next 10 years**
 - Professional economic forecasters
 - Investment Consultants
 - US Public Pension Plans
 - California Public Pension Plans
- 2.75% is the most common assumption for CA plans
- SDTC's investment consultant, RVK, uses long-term inflation assumption of 2.00%
- Propose reducing price inflation assumption from 2.75% to 2.50%

- Most powerful single assumption
 - Lower discount rate (expected return) → Higher expected contributions
 - Over time, actual contributions will depend on actual investment returns (not expected)
 - Current discount rate is 6.75%
- Context for selecting the discount rate
 - Historical experience
 - Industry trends
- Primary factors considered in selecting the discount rate
 - Expectations for the future
 - Board's risk preference

Discount Rate Trends - California



Discount Rate Trends
Cheiron Survey of California Systems



Investment Return Expectations



San Diego Transit Corporation Target Portfolio Return Expectations

Source	Nominal	Inflation	Real
RVK (10-Year)	4.45%	2.00%	2.45%
Horizon Survey (10-Year)	4.95%	2.13%	2.82%
Horizon Survey (20-year)	<u>5.68%</u>	<u>2.24%</u>	<u>3.44%</u>
Average	5.03%	2.12%	2.90%
Current Assumption	6.75%	2.75%	4.00%

Proposed Assumption

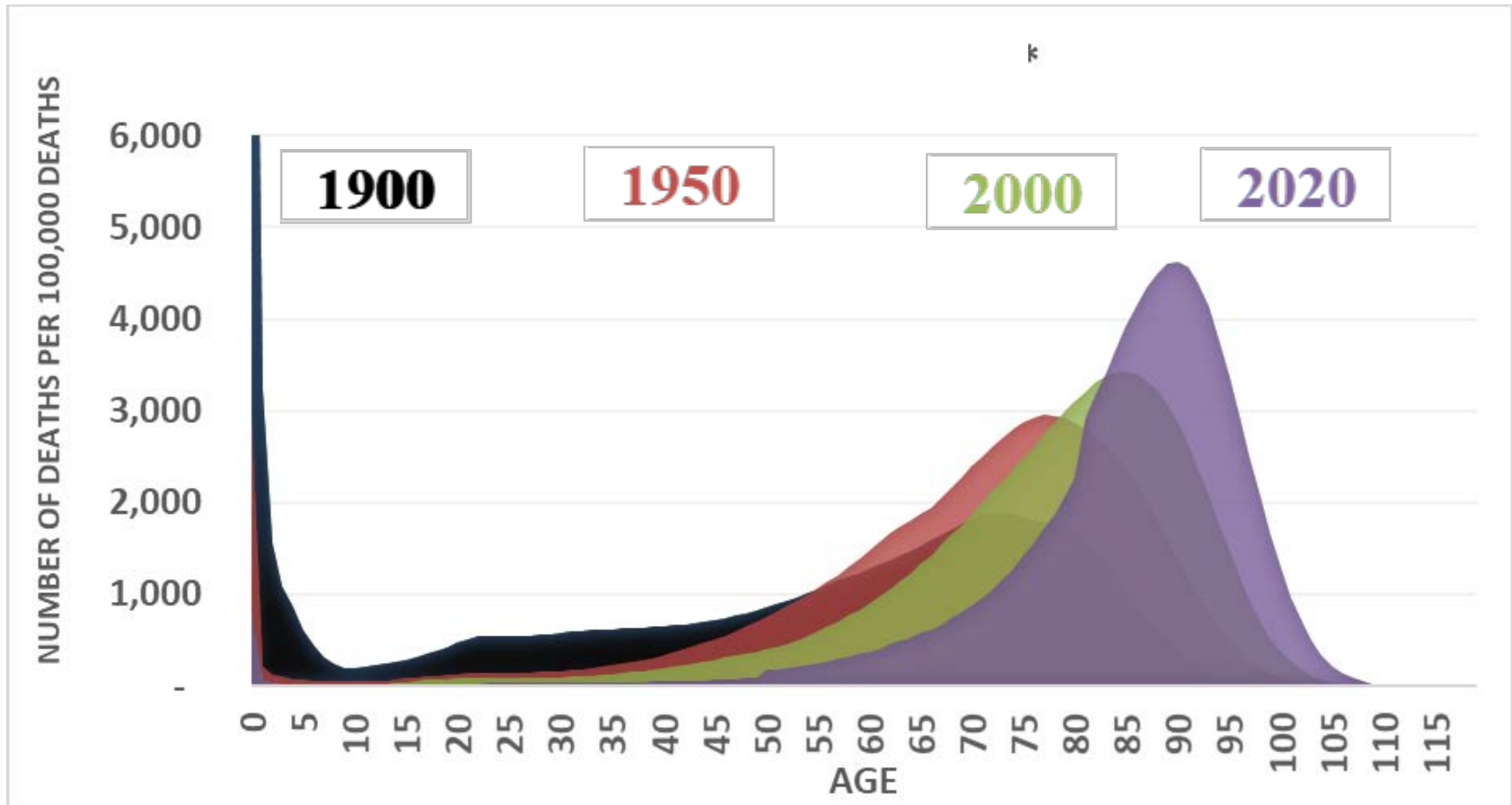
6.00% Nominal Return = 2.50% Inflation + 3.50% Real Return

Two Part Assumption:

- 1) Where we are now – Base Mortality Table
- 2) Where are we going – Future mortality improvements



Mortality Assumption



**1900, 1950, 2000 from Social Security tables on the general US population, 2020 is estimated from latest Society of Actuaries tables on the pension participant population*

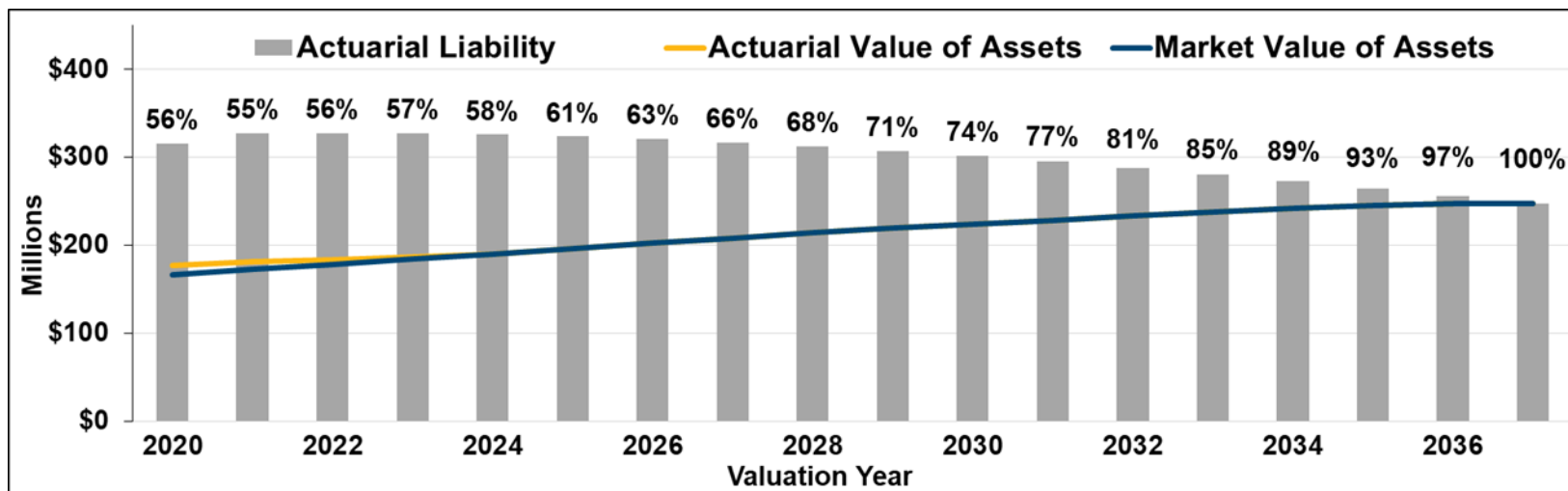
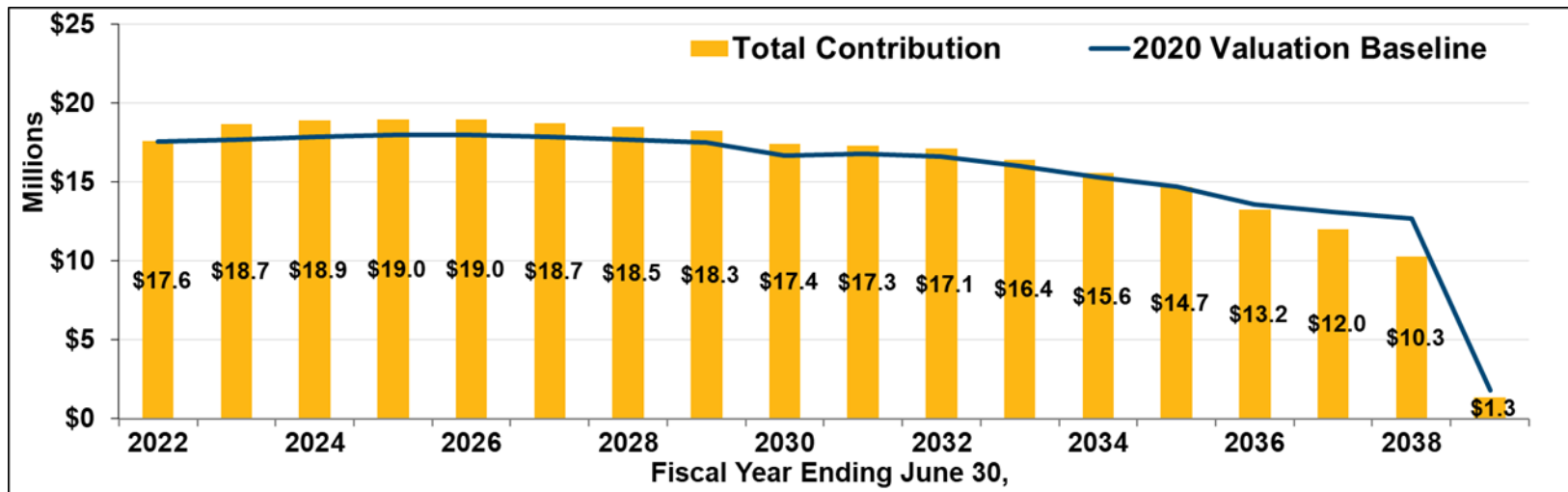
Mortality Assumption



- Cheiron performed and published a mortality experience study covering Cheiron's ATU members, including SDTC experience
 - Propose Cheiron ATU mortality table as base table for ATU and IBEW members, given similar experience
- For Clerical and Non-Contract members, propose 2010 Public General Employee and Healthy Annuitant amount weighted base tables
- Mortality improvement has been less than expected
 - Propose most recent MP-2020 mortality projection scale which has lower future improvement rates than current MP-2015 projection scale

- Recommendation
 - Retirement
 - Propose to decrease the expected rates of retirement
 - Termination
 - Propose slight modifications to the rates of termination
 - Disability
 - Propose lower rates for ATU and IBEW members
 - Merit Pay Increases
 - No proposed changes
 - Administrative Expenses
 - Propose a decrease from \$297,000 to \$282,000, with annual increases equal to assumed inflation

Proposed Financial / Funding Impact



Note: Return in FY2021 was 21.53% and updated projections incorporating this return will be reported through the FY21 Actuarial Valuation report

November 18, 2021

Staff Recommendation

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

1. adopt the Actuarial Experience Study of the SDTC's Employee Retirement Plan;
2. approve the revised actuarial assumptions.

Reliance



The purpose of this presentation is to show the findings and the proposed actuarial assumption changes from the 2021 Actuarial Experience Study Report 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 MTS. 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.

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, MAAA, EA
Principal Consulting Actuary

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

Appendix – Proposed Assumption Changes



- Economic Assumptions
 - Discount Rate reduced from 6.75% to 6.00%
 - Price Inflation reduced from 2.75% to 2.50%
 - Wage Inflation reduced from 2.75% to 2.50%

Proposed Assumption Changes



Base Mortality Tables

Morality Analysis by Group								
Group	Exposures	Actual Deaths	Weighted Exposures	Weighted Deaths			Actual/Expected Ratios	
				Actual	Current	Proposed	Current	Proposed
All Annuitants	8,555	181	162,197,304	2,909,379	3,528,778	3,503,694	82%	83%
Healthy Annuitants and Beneficiaries								
ATU/IBEW Male	4,270	88	85,733,495	1,661,344	2,118,833	2,149,568	78%	77%
ATU/IBEW Female	1,713	29	20,539,725	256,756	309,915	377,805	83%	68%
Clerical/Non-Contract Male	883	16	30,816,097	476,993	555,775	416,205	86%	115%
Clerical/Non-Contract Female	789	19	16,442,101	218,272	254,574	213,397	86%	102%
Disabled Annuitants								
ATU/IBEW Male	523	22	5,727,318	259,629	246,442	259,758	105%	100%
ATU/IBEW Female	377	7	2,938,567	36,385	43,239	86,962	84%	42%
Active Members								
ATU/IBEW Male	4,218	3	213,674,920	196,347	892,425	374,684	22%	52%
ATU/IBEW Female	994	3	47,681,480	136,302	166,801	97,194	82%	140%
Clerical/Non-Contract Male	593	1	41,288,435	53,373	163,118	85,377	33%	63%
Clerical/Non-Contract Female	343	3	17,567,907	151,432	65,399	19,333	232%	783%

In aggregate, the proposed mortality tables slightly decrease the expected mortality rates.

Healthy Annuitant Male Mortality Rates

Mortality Rates at Sample Ages for Male Healthy Annuitants			
Age	Current	Proposed	
		ATU & IBEW	Clerical & Non-Contract
50	0.23%	0.68%	0.30%
60	0.72%	1.12%	0.62%
70	2.07%	1.98%	1.53%
80	5.71%	5.60%	4.77%
90	16.08%	15.71%	14.67%
100	33.08%	31.86%	32.61%

- Proposed mortality rates for younger male annuitants are higher than the current assumptions.
- Proposed mortality rates for older male annuitants are lower than the current assumptions.

Proposed Assumption Changes



Healthy Annuitant Female Mortality Rates

Mortality Rates at Sample Ages for Female Healthy Annuitants			
Age	Current	Proposed	
		ATU & IBEW	Clerical & Non-Contract
50	0.17%	0.34%	0.22%
60	0.42%	0.76%	0.38%
70	1.38%	1.63%	1.06%
80	4.00%	4.43%	3.36%
90	12.04%	13.41%	11.49%
100	22.85%	29.51%	28.16%

- Proposed mortality rates for female ATU Driver & IBEW annuitants are higher than the current assumptions.
- Proposed mortality rates for female Clerical & Non-Contract annuitants are generally lower than the current assumptions.

Proposed Assumption Changes



Disabled Annuitant Mortality Rates

**Mortality Rates at Sample Ages
for Male Disabled Annuitants**

Age	Current	Proposed
50	2.04%	2.12%
60	2.66%	2.80%
70	4.03%	4.20%
80	7.66%	8.16%
90	17.30%	18.62%
100	32.67%	33.90%

**Mortality Rates at Sample Ages
for Female Disabled Annuitants**

Age	Current	Proposed
50	0.17%	1.48%
60	0.42%	2.06%
70	1.38%	2.72%
80	4.00%	5.90%
90	12.04%	13.58%
100	22.85%	28.15%

Proposed mortality rates for male and female disabled annuitants are higher than the current assumptions.

Proposed Assumption Changes



Retirement Rates

Retirement Rates for ATU Drivers		
Age	Current	Proposed
55	10.0%	10.0%
56-59	10.0%	7.5%
60-61	15.0%	10.0%
62-63	25.0%	15.0%
64	25.0%	20.0%
65	40.0%	40.0%
66	30.0%	40.0%
67-69	30.0%	25.0%
70+	100.0%	100.0%

Retirement Rates for IBEW Mechanics		
Age	Current	Proposed
55-59	5.0%	5.0%
60-61	10.0%	10.0%
62-63	20.0%	10.0%
64	20.0%	15.0%
65	40.0%	45.0%
66	30.0%	45.0%
67-69	30.0%	20.0%
70+	100.0%	100.0%

Retirement Rates for Clerical/Non-Contract		
Age	Current	Proposed
53-56	10.0%	7.5%
57-58	15.0%	7.5%
59-61	15.0%	10.0%
62	40.0%	30.0%
63-69	30.0%	25.0%
70+	100.0%	100.0%

Proposed retirement rates are overall lower than current expected rates of retirement.

Proposed Assumption Changes



Termination Rates

Termination Rates for IBEW Mechanics & ATU Drivers		
Service	Current	Proposed
0	25.0%	10.0%
1	25.0%	4.0%
2	12.0%	4.0%
3	12.0%	4.0%
4-6	5.0%	4.0%
7-9	5.0%	3.0%
10+	2.0%	3.0%

Termination Rates for Non Contract Employees		
Service	Current	Proposed
0-9	10.0%	5.0%
10+	3.0%	5.0%

Termination Rates for Clerical Employees		
Service	Current	Proposed
20-24	25.0%	25.0%
25-29	11.0%	15.0%
30-34	13.0%	13.0%
35-39	17.0%	11.0%
40-44	12.0%	10.0%
45-49	8.0%	9.0%
50+	5.0%	9.0%

Proposed termination rates are adjusted up or down depending on years of service to reflect termination experience.

Proposed Assumption Changes



Disability Rates

Disability Rates for IBEW Mechanics & ATU Drivers		
Age	Current	Proposed
25	0.500%	0.015%
30	0.500%	0.020%
35	0.500%	0.057%
40	0.500%	0.130%
45	0.500%	0.198%
50	0.500%	0.217%
55	0.500%	0.211%
60	0.500%	0.200%
65	0.500%	0.187%
70	0.500%	0.164%
75+	0.500%	0.136%

- Proposed disability rates for IBEW Mechanics & ATU Drivers are lower than the current assumption.
- Zero disability is assumed for Clerical and Non-Contract members.

Proposed Assumption Changes



Merit Pay Increases

Longevity and Promotion Salary Increases				
Service	ATU Drivers	IBEW Mechanics	Clerical	Non-Contract
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%

- No changes to merit pay increase assumption proposed for any group.
- Proposed wage inflation component is 2.50%, reduced from 2.75%.



Agenda Item No. 33

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

TRANSNET OPERATING FUND SHORTFALL (SHARON COONEY, KAREN LANDERS and LARRY MARINESI)

RECOMMENDATION:

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

- 1) Instruct the Chief Executive Officer (CEO) to prepare a report on *TransNet* Extension Ordinance revenues and report back to the Board of Directors with MTS-proposed solutions;
- 2) Direct the CEO to register MTS's opposition to the proposed *TransNet* Extension Ordinance Amendments - Draft Concepts currently under consideration by the San Diego Association of Governments (SANDAG); and
- 3) Authorize commencement of Mid-Coast trolley operations on November 21, 2021 pending a formal memorandum of understanding (MOU) with SANDAG regarding *TransNet* operating funding for the net operating costs.

Budget Impact

The current operating subsidy provided by *TransNet* for *TransNet* capital projects (e.g., South Bay Rapid, Mid City Rapid, Super Loop, and I-15 Rapid) is approximately \$19 million each year. Once Mid-Coast begins operations on November 21, 2021, the *TransNet* operating subsidy is estimated to increase by approximately \$10 million to total an estimated \$30 million annually. This represents nearly 10% of MTS's annual operating budget. The most recent analysis provided by SANDAG estimates that the *TransNet* 8.1% operating subsidy account will be exhausted by 2029. SANDAG proposes ending its Mid-Coast operating support obligation effective November 22, 2026.



DISCUSSION:

On November 2, 2004, San Diego County voters approved the SANDAG *TransNet* Extension Ordinance, which authorized the continuation of a one-half of one percent retail transactions and use tax for a period of forty years beginning on April 1, 2008 and expiring on March 31, 2048. *TransNet* revenues are to be deposited in a special fund and used solely for the projects and programs identified in the *TransNet* Extension Expenditure Plan Analysis. With limited exceptions, the SANDAG Board of Directors can modify the *TransNet* Extension Ordinance, including the list of projects and allocation of revenues, by a two-thirds vote.

In general, the *TransNet* Extension Ordinance provides funding for the following categories of projects and programs:

Off the top deductions from *TransNet* revenue:

- 2%: Bicycle, Pedestrian, and Neighborhood Safety Program
- Up to 2%: Administrative Expenses
- Up to \$250,000 annually: Independent Taxpayer Oversight Committee (ITOC) Expenses

THEN, remaining *TransNet* revenues are allocated as follows:

- 38%: Highway and Bus Rapid Transit/Rail Capital Projects
- 8.1%: Operating Support for Bus Rapid Transit/Rail Capital Projects constructed under *TransNet*
- 4.4%: Capital Project Environmental Mitigation
- 16.5%: Congestion Relief Program – Transit System Improvements and Related Programs
- 33%: Congestion Relief Program – Local System Improvements and Related Programs (Local Streets, Environmental Mitigation, Smart Growth Incentive)

Historically, MTS and SANDAG staff have consulted regarding the 8.1% Operating Support fund, with the understanding that it may ultimately be overextended and funding solutions would need to be identified in advance of the shortfall. Estimates tied the shortfall to the 2038 time period.

Recently, in finalizing an MOU with SANDAG regarding the commencement of Mid-Coast trolley operations, SANDAG informed MTS that the 8.1% Operating Support fund is now estimated to be exhausted in the 2027-2029 timeframe, and that, consequently, SANDAG is only willing to commit to fund the Mid-Coast net operating expenses for the five-year period required by the Federal Transit Administration (FTA) Full Funding Grant Agreement (FFGA) for the Mid-Coast Project. Effective November 22, 2026, SANDAG would cease providing operating support and this would become MTS's sole responsibility. As to other *TransNet*-funded BRT and Rail Capital Projects, SANDAG proposes lowering the *TransNet* Operating Support amount, which would result in a more immediate budget impact to MTS while extending the time period that SANDAG would provide support.

MTS staff has requested that SANDAG staff meet to discuss potential alternatives to the SANDAG proposals, and to develop a clear plan and strategy for how best to allocate resources under *TransNet*. NCTD is engaging in similar discussions with SANDAG.

Notwithstanding the fact that the above MTS-NCTD-SANDAG discussions had not yet taken place, on November 12, 2021, SANDAG gave a presentation to the Transportation Committee regarding “Potential *TransNet* Extension Ordinance Amendments” and stated the same “draft concepts” would be presented to the SANDAG Board of Directors for discussion at its regular meeting scheduled for November 19, 2021. The proposed “Draft Concepts” include proposals to:

- A. Expand the definition of eligible Highway and Bus Rapid Transit/Rail Capital Projects in the Expenditure Plan to include bike, pedestrian, flexible fleets, and necessary ITS infrastructure technologies.
- B. Revise the Local Street and Road program requirements to eliminate the 70/30 congestion relief/maintenance split requirement, develop a new list of eligible capital, operations, and maintenance projects, and require performance reporting.
- C. Update references to Smart Growth Incentive Program in Ordinance.
- D. Amend Expenditure Plan to add bicycle, pedestrian, flexible fleets, and ITS/communication technologies to eligible project list, while also increasing the separate off-the-top 2% *TransNet* funding allocated to the Bicycle, Pedestrian and Neighborhood Safety Program.
- E. Revise 8.1% Bus Rapid Transit/Rail Capital Project Operating Support commitment to state that the *TransNet* Operating Support funds “do not cover 100% of operations”
- F. Update transit operator eligibility requirements.
- G. Add a requirement that *TransNet* funded capital projects “integrate digital communication infrastructure, where needed”.
- H. Require *TransNet* funding recipients to provide performance reporting to measure against *TransNet* goals.
- I. Revise ITOC rules
- J. Update funding estimates for all subprograms included in the *TransNet* Extension Ordinance.

Some of the proposals represent fundamental policy changes that could significantly impact MTS's ability to operate and maintain the *TransNet*-funded capital infrastructure that has been constructed and in operation, providing vital transit services for tens of thousands of riders who depend on transit every day. MTS has not been provided with any of the details underlying each of the above proposals, nor has it been given the opportunity to provide feedback to SANDAG and present an alternate proposal that would preserve these *TransNet*-funded assets and prevent the major service cuts that may be required at MTS when SANDAG ceases its *TransNet* operating support much earlier than anticipated.

The proposed schedule that SANDAG presented at the November 12, 2021 Transportation Committee meeting included a presentation of the Draft Concepts at the November 18, 2021

Cities/County Transportation Advisory Committee meeting and the November 19, 2021 SANDAG Board of Directors meeting. These presentations will be followed by presentations to the Board/Policy Advisory/Working Groups between November 2021 and January 2022. A recommendation for action is targeted at the February 9, 2021 ITOC meeting, a first reading of the ordinance amendment at the February 11, 2022 SANDAG Board of Directors meeting, and second reading/adoption of the ordinance amendment at the February 25, 2022 SANDAG Board of Directors meeting.

MTS is concerned that these Draft Concepts have been prepared without any substantive consultation with MTS or NCTD. Since the amendments, if approved, would have substantial, long-term budget impacts on MTS and NCTD, and could impact the viability of *TransNet* projects that have already been constructed, MTS staff believes it is premature to be taking the action proposed by SANDAG.

Additionally, as these proposals have significant impact on disadvantaged communities and others who depend on public transit, MTS believes an extensive public outreach campaign should be conducted by SANDAG to inform, engage and receive valuable input.

Therefore, MTS proposes that the Board instruct the CEO to register MTS's opposition as follows:

Because the proposed amendments to the *TransNet* Extension Ordinance, as currently drafted, are likely to have a significant, adverse impact on MTS, more time is needed to allow MTS, NCTD, SANDAG and other impacted parties to study the *TransNet* revenue shortfall and analyze the options that are available to best meet the *TransNet* goals while having the least negative impact on public transit service in the San Diego County region (“Comprehensive *TransNet* Analysis”). Therefore, MTS requests that SANDAG delay further action on the proposed amendments to the *TransNet* Extension Ordinance until the Comprehensive *TransNet* Analysis can be conducted, including the opportunity for MTS to substantially participate in the analysis.

In addition, staff recommends that a more detailed report on *TransNet* Extension Ordinance revenues, including the potential budget impact on MTS operations related to the projected *TransNet* 8.1% Operating Fund Shortfall and potential solutions, be prepared by MTS staff for review by the Board at a later meeting.

Finally, because of staff's concerns about the significant budget impact that a 5-year time limit of SANDAG's obligation to provide *TransNet* operating support to the Mid-Coast project, staff requests that the Board authorize commencement of Mid-Coast trolley operations on November 21, 2021 pending a formal MOU with SANDAG regarding *TransNet* operating support funding for Mid-Coast's net operating costs. This will provide MTS and SANDAG staff the time to review and discuss potential alternative paths to address the *TransNet* Operating Support shortfall.

Analysis of the proposed five-year limit on *TransNet* operating support must also be conducted in relation to the other agreements that MTS and SANDAG executed as part of the Mid-Coast project's grants and loans.

/S/ Sharon Cooney
Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

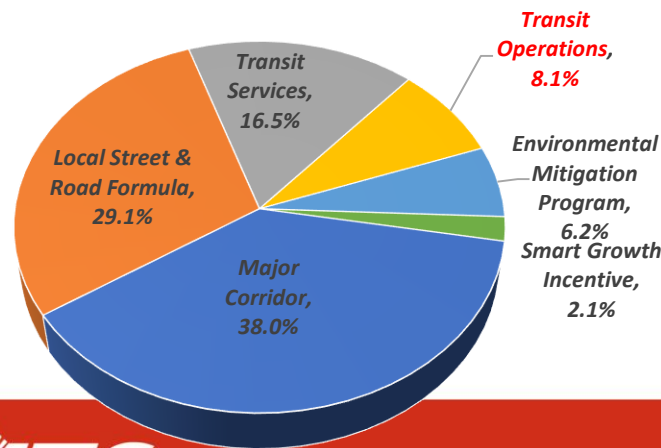
TRANSNET OPERATING FUND SHORTFALL

Agenda Item No. 33

November 18, 2021

SANDAG *TransNet* Extension Ordinance

- Approved by voters November 2, 2004
- Extended 0.5% retail transactions and use tax (originally adopted in 1987)
- 40-yr Extension Period: April 1, 2008 to March 31, 2048
- Updated list of eligible projects (*TransNet* Expenditure Plan)
- SANDAG Board can make most modifications with a 2/3 vote



- Funding for the following categories of projects & programs:

Off-the-top deductions from <i>TransNet</i> revenue:	THEN, remaining <i>TransNet</i> revenues are allocated as follows:
<ul style="list-style-type: none"> • 2%: Bicycle, Pedestrian, and Neighborhood Safety Program • Up to 2%: Administrative Expenses • Up to \$250,000 annually: Independent Taxpayer Oversight Committee (ITOC) Expenses 	<ul style="list-style-type: none"> • 38%: Highway and Bus Rapid Transit/Rail Capital Projects • 8.1%: Operating Support for Bus Rapid Transit/Rail Capital Projects constructed under <i>TransNet</i> • 4.4%: Capital Project Environmental Mitigation • 16.5%: Congestion Relief Program – Transit System Improvements and Related Programs • 33%: Congestion Relief Program – Local System Improvements and Related Programs (Local Streets, Environmental Mitigation, Smart Growth Incentive)

8.1% *TransNet* Operating Support Fund

- Current *TransNet* Operating Support to MTS:
 - NET operating costs (after fare revenue and other subsidies)
 - Approximately \$19 million/year:
 - South Bay Rapid
 - Mid City Rapid
 - Super Loop
 - I-15 Rapid
 - Mid-Coast LRT – beginning November 21, 2021: ~\$10 million/year
 - = \$30 million/yr or 10% of MTS operating budget
- Shortfalls Projected in Fund:
 - Prior estimates: 2038
 - New estimate: 2027-2029 (what this means for funding available after 2029 is unclear)

8.1% *TransNet* Operating Support Fund – SHORTFALL IMPACTS

- Updated Shortfall Impact Estimates – deficit projected starting in next 6-8 years (versus the remaining 27 year term of *TransNet*):
 - Mid-Coast MOU negotiations
 - Limit Operating Support Commitment to 5-year minimum service level commitment by SANDAG in FFGA
 - SANDAG Clarification: did not intend to fully cut off funding in 2026; but Operating Fund Shortfall Issue must be addressed
 - NCTD Coaster/Sprinter service increases
 - Coaster increases implemented October 25, 2021
 - SANDAG limited Operating Fund commitment to 6 months pending Operating Fund Shortfall discussion

SANDAG Pursuing *TransNet* Extension Ordinance Changes

- **November 12, 2021** – SANDAG presented Proposed “Draft Concepts” of *TransNet* Extension Ordinance Changes to Transportation Committee
- **November 18, 2021** – Draft Concepts to be presented to the Cities/County Transportation Advisory Committee
- **November 19, 2021** – Draft Concepts to be presented to the SANDAG Board
- **November 20, 2021 thru January 2022**: presentations to the Board/Policy Advisory/Working Groups
- **February 9, 2022** – recommended action at ITOC
- **February 11, 2022** – first reading of Ordinance Amendment at SANDAG Board
- **February 25, 2022** – second reading/adoption of Ordinance Amendment at SANDAG Board

Proposed Ordinance Amendments Could Impact MTS Annual Operating Budget

1) Expenditure Plan

Draft Concept:

- 1) Update the Ordinance Expenditure Plan consistent with Ordinance requirement that all projects to be funded with revenues made available under the Expenditure Plan must be consistent with the Regional Plan
- 2) Expand to include bike, pedestrian, flexible fleets, and necessary ITS infrastructure technologies

Source: Ordinance requires consistency with Regional Plan and Ten-Year Review recommended reevaluating whether remaining Ordinance projects are best mix for achieving *TransNet* goals

4) Bicycle, Pedestrian and Neighborhood Safety (BPNS) Program and Expenditure Plan

Draft Concept:

- 1) Expand Major Corridor definition by amending Expenditure Plan to include bike, pedestrian, flexible fleets, and necessary ITS and communications technologies
- 2) Increase BPNS funding off-the-top percentage

Source: Ordinance requires consistency with Regional Plan which emphasizes safety and mobility, includes Complete Corridors which are a requirement for state funding programs, and accommodates bike, pedestrian, flexible fleet projects, and integrate technology so they can be managed.

5) Transit Operations (8.1%)

Draft Concept:

- 1) Add language that 8.1% funds do not cover 100% of operations
- 2) Clarify that SANDAG, MTS, and NCTD are to work together to match funding

Source: FY 2018 *TransNet* Triennial Performance Audit discusses potential long-term funding shortfalls for transit operations subprogram

10) Funding Estimates

Draft Concept:

- 1) Update funding estimates for all subprograms included in Ordinance

Source: Ordinance requires consistency with Regional Plan

Comprehensive *TransNet* Analysis Needed

- MTS and NCTD are essential parties to any analysis of proposed *TransNet* amendments
- Any reallocation of *TransNet* priorities will impact funding available to support *TransNet* transit projects
 - Expanding list of eligible projects (which projects will be supplanted since funding is limited?)
 - Increasing the “off-the-top” funding allocations will reduce the pool of funds available to fund *TransNet* Operating Support
 - Revising the 8.1% Operating Support funding requirements – as proposed – would simply shift the obligation of filling the funding gap to MTS and NCTD
 - Funding estimates should be consistent and independently reviewed
- All “buckets / pie slices” of *TransNet* should be analyzed against the goals of *TransNet*, the impact on the viability of *TransNet* investments that have already been made, and the return on investment for taxpayers

PROPOSED ACTION:

1. Instruct CEO to prepare a report on *TransNet* revenues and projected shortfalls and report back to the Board with MTS-proposed solutions;
2. Direct CEO to register MTS position regarding the proposed *TransNet* Extension Ordinance Amendments – Draft Concepts currently under consideration by SANDAG:
 - That the 8.1% Transit Operating Support funds be prioritized for services that are being operated now (as of November 21, 2021), and that *TransNet* Ordinance changes should be reviewed in a comprehensive way.
 - Request that SANDAG delay further action until a Comprehensive *TransNet* Analysis can be conducted, including the opportunity for MTS to substantially participate in the analysis
3. Authorize commencement of Mid-Coast trolley operations on November 21, 2021 pending a formal MOU with SANDAG regarding *TransNet* operating funding for the net operating costs.
4. Do not sign a MidCoast MOU with SANDAG that has a limit of 5 year or less for operating support.
5. Encourage SANDAG and MTS staff to work together in a collaborative spirit on *TransNet* Ordinance changes that may impact MTS operations.



Agenda Item No. 45

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

November 18, 2021

SUBJECT:

FISCAL YEAR (FY) 2021 PERFORMANCE MONITORING REPORT (DENIS DESMOND,
MIKE WYGANT, WAYNE TERRY)

INFORMATIONAL ONLY

Budget Impact

None.

DISCUSSION:

MTS Board Policy No. 42, "Transit Service Evaluation and Adjustment", establishes a process for evaluating existing transit services to achieve the objective of developing a customer-focused, competitive, integrated, and sustainable system. Additionally, federal Title VI guidance requires that certain performance measures be evaluated and reported to the Board periodically.

Staff from the Planning and Scheduling Department will provide a summary of fiscal year 2021 service performance, including impacts from the COVID-19 pandemic. Staff from the Rail and Bus Operating Divisions will also provide a summary of significant operational events and highlights from fiscal year 2021.

/S/ Sharon Cooney

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Julia Tuer, 619.557.4515, Julia.Tuer@sdmts.com

Attachment: A. FY 2021 Performance Monitoring Report



OBJECTIVE | Develop a Customer-Focused and Competitive System

The following measures of productivity and service quality are used to ensure that services are focused on providing competitive and attractive transportation that meets our customers' needs.

Total Passengers

Route Categories	FY 2019	FY 2020	FY 2021	# Change		% Change	
				FY19 - FY20	FY20 - FY21	FY19 - FY20	FY20 - FY21
Urban Frequent	30,415,325	24,452,815	13,100,977	(5,962,510)	(11,351,838)	-19.6%	-46.4%
Urban Standard	7,454,910	6,129,760	3,324,699	(1,325,150)	(2,805,061)	-17.8%	-45.8%
Rapid	6,504,970	5,772,834	2,122,799	(732,136)	(3,650,035)	-11.3%	-63.2%
Express	2,008,630	1,590,269	689,067	(418,361)	(901,202)	-20.8%	-56.7%
Circulator	821,636	669,608	285,430	(152,028)	(384,178)	-18.5%	-57.4%
Premium/Rapid Express	281,240	207,372	34,017	(73,868)	(173,355)	-26.3%	-83.6%
Rural	84,552	54,435	34,329	(30,117)	(20,106)	-35.6%	-36.9%
Fixed-Bus Subtotal	47,571,263	38,877,093	19,591,318	(8,694,170)	(19,285,775)	-18.3%	-49.6%
Light Rail (Blue, Orange, Green)	37,274,030	31,991,303	19,516,255	(5,282,727)	(12,475,048)	-14.2%	-39.0%
Light Rail (Silver)	19,727	11,724	82	(8,003)	(11,642)	-40.6%	-99.3%
Light Rail Subtotal	37,293,757	32,003,027	19,516,337	(5,290,730)	(12,486,690)	-14.2%	-39.0%
ALL Fixed Route	84,865,020	70,880,120	39,107,655	(13,984,900)	(31,772,465)	-16.5%	-44.8%
Demand-Resp. (MTS Access)	423,212	282,578	92,386	(140,634)	(190,192)	-33.2%	-67.3%
Demand-Resp. (Access Taxi)	69,263	61,382	14,807	(7,881)	(46,575)	-11.4%	-75.9%
Demand-Resp. Subtotal	492,475	343,960	107,193	(148,515)	(236,767)	-30.2%	-68.8%
System	85,357,495	71,224,080	39,214,848	(14,133,415)	(32,009,232)	-16.6%	-44.9%

NOTES: Ridership figures were poised for a 3% increase in FY 2020 over the year before, but the onset of the Covid-19 pandemic in March 2020 has impacted ridership since then. Although ridership decreased by over half from FY 2019 to FY 2021, by Fall 2021 passenger levels are back to nearly 70% of pre-pandemic baseline and climbing.

Average Weekday Passengers

Route Categories	FY 2019	FY 2020	FY 2021	# Change		% Change	
				FY19 - FY20	FY20 - FY21	FY19 - FY20	FY20 - FY21
Urban Frequent	99,521	78,864	40,886	(20,657)	(37,978)	-20.8%	-48.2%
Urban Standard	25,567	20,771	10,928	(4,796)	(9,843)	-18.8%	-47.4%
Rapid	21,678	19,026	6,486	(2,652)	(12,540)	-12.2%	-65.9%
Express	7,247	5,671	2,387	(1,576)	(3,284)	-21.7%	-57.9%
Circulator	2,947	2,393	1,053	(554)	(1,340)	-18.8%	-56.0%
Premium/Rapid Express	1,112	813	134	(298)	(679)	-26.8%	-83.5%
Rural	334	213	135	(121)	(78)	-36.1%	-36.7%
Fixed-Bus Subtotal	158,406	127,752	62,009	(30,654)	(65,744)	-19.4%	-51.5%
Light Rail (Blue, Orange, Green)	114,624	98,190	59,367	(16,433)	(38,824)	-14.3%	-39.5%
Light Rail (Silver)	83	79	0	(4)	(79)	-4.6%	-100.0%
Light Rail Subtotal	114,706	98,269	59,367	(16,437)	(38,902)	-14.3%	-39.6%
ALL Fixed Route	273,112	226,021	121,375	(47,091)	(104,646)	-17.2%	-46.3%
Demand-Resp. (MTS Access)	1,523	1,004	303	(520)	(700)	-34.1%	-69.8%
Demand-Resp. (Access Taxi)	231	202	51	(29)	(151)	-12.7%	-74.7%
Demand-Resp. Subtotal	1,754	1,205	354	(549)	(851)	-31.3%	-70.6%
System	274,866	227,226	121,729	(47,640)	(105,497)	-17.3%	-46.4%

NOTES: The average weekday ridership figure tracks closely with the overall passenger trends. After a low point in mid-April 2020 of under 65 thousand daily riders, by the October 2021 the average weekday ridership had risen back up to over 180 thousand passengers.

Passengers per Revenue Hour

The 'passengers per revenue hour' metric shows how any added or removed **revenue hours** (in-service hours plus layover hours) relate to ridership increases or decreases. Increasing riders per revenue hour would indicate that the system is more efficient, for example, carrying more passengers with the same number of buses.

Route Categories	FY 2019	FY 2020	FY 2021	% Change	
				FY19 - FY20	FY20 - FY21
Urban Frequent	26.8	22.6	11.6	-15.5%	-48.8%
Urban Standard	18.8	15.4	8.2	-18.0%	-46.5%
Rapid	31.4	26.3	9.4	-16.1%	-64.4%
Express	25.4	20.9	8.6	-17.6%	-58.6%
Circulator	13.3	11.2	5.0	-15.3%	-55.2%
Premium/Rapid Express	24.0	21.1	5.8	-12.0%	-72.5%
Rural	15.8	10.6	6.6	-32.6%	-38.4%
Fixed-Bus Subtotal	25.1	21.0	10.3	-16.1%	-51.2%
Light Rail (Blue, Orange, Green)	216.7	180.9	105.4	-16.5%	-41.8%
Light Rail (Silver)	21.6	19.5	6.9	-9.8%	-64.4%
Light Rail Subtotal	215.7	180.4	105.3	-16.4%	-41.6%
ALL Fixed Route	41.0	35.0	18.7	-14.6%	-46.6%
Demand-Resp. (MTS Access)	2.0	1.8	1.3	-8.3%	-27.9%
Demand-Resp. (Access Taxi)	n/a	3.3	3.4	100.0%	3.3%
Demand-Resp. Subtotal	2.1	2.0	1.5	-6.0%	-27.5%
System	37.1	32.4	18.1	-12.6%	-44.2%

NOTES: This figure dropped during the Covid-19 pandemic because MTS maintained most regular service levels throughout FY 2021, while ridership remained below normal.

Weekday Passengers per In-Service Hour

The 'passengers per in-service hour' measure is related to the above 'passengers per revenue hour,' but shows how many passengers are carried while the vehicle is in-service picking up passengers, excluding layover time. Analyzing this figure helps MTS to understand how effective it is at providing the right level of service (instead of how efficiently MTS is grouping trips and breaks together for a vehicle to operate [revenue hours]).

Route Categories	FY 2019	FY 2020	FY 2021	% Change	
				FY19 - FY20	FY20 - FY21
Urban Frequent	33.8	28.8	14.0	-14.7%	-51.4%
Urban Standard	26.1	21.2	10.9	-18.7%	-48.5%
Rapid	41.3	35.0	11.5	-15.2%	-67.3%
Express	33.4	27.4	10.8	-18.1%	-60.4%
Circulator	17.4	14.8	6.8	-15.0%	-54.0%
Premium/Rapid Express	26.6	23.5	6.6	-11.9%	-71.7%
Rural	15.8	10.6	9.5	-32.6%	-11.1%
Fixed-Bus Subtotal	32.3	27.3	12.7	-15.6%	-53.6%
Light Rail (Blue, Orange, Green)	260.9	216.4	122.5	-17.1%	-43.4%
Light Rail (Silver)	23.6	23.2	-	-1.8%	-100.0%
Light Rail Subtotal	260.6	216.2	122.5	-17.0%	-43.4%
ALL Fixed Route	51.1	44.0	22.6	-14.0%	-48.7%
Demand-Resp. (MTS Access)	2.0	1.9	1.3	-8.2%	-29.0%
Demand-Resp. (Access Taxi)	-	3.2	3.4	100.0%	6.3%
Demand-Resp. Subtotal	2.1	2.0	1.5	-6.2%	-27.5%
System	44.6	39.6	21.6	-11.3%	-45.4%

NOTES: The Weekday Passengers per In-Service Hour metric followed the same trends as Passengers per Revenue Hour.

On-Time Performance

On-time performance (OTP) is measured at each bus timepoint for every trip; buses departing timepoints within 0-5 minutes of the scheduled time are considered to be "on-time." Trolley trips arriving at their end terminal within 0-5 minutes of the scheduled time are considered to be "on-time." OTP is measured by service change period in order to show the results of scheduling changes. MTS' goal for on-time performance is 85% for Urban Frequent and Rapid bus routes, and 90% for Trolley and all other bus route categories. Each route is continually evaluated to determine if performance below the target is a result of issues that MTS controls, such as driver performance or scheduling, or situations outside MTS' direct control, such as construction, traffic congestion, and passenger issues. **Performance of fixed bus routes is heavily impacted by construction, stop signs and stop lights, and traffic when they travel through high density corridors.**

Route Categories	Service Change Period					GOAL
	Sept. 2019	Jan. 2020	June 2020	Sept. 2020	Jan. 2021	
Urban Frequent	82.1%	86.7%	91.7%	91.9%	90.5%	85.0%
Urban Standard	86.2%	89.3%	92.8%	92.3%	91.9%	90.0%
Rapid	85.1%	88.1%	94.2%	94.0%	93.2%	85.0%
Express	82.3%	88.6%	95.1%	94.5%	94.5%	90.0%
Circulator	85.8%	88.1%	92.7%	93.1%	91.9%	90.0%
Premium/Rapid Express	82.0%	86.8%	91.3%	91.2%	97.6%	90.0%
Rural	N/A	N/A	N/A	N/A	N/A	
Demand-Resp. (Access & Taxi)	N/A	N/A	N/A	N/A	N/A	
Light Rail (Blue, Orange, Green)	93.3%	96.3%	98.0%	97.6%	98.9%	90.0%
Light Rail (Silver)	98.8%	99.6%	N/A	N/A	N/A	90.0%
System	84.1%	88.4%	92.8%	92.9%	91.3%	

NOTES: Reduced traffic congestion and ridership levels due to COVID-19 resulted in substantial improvements to MTS' on-time performance in every route category. Every category exceeded its Policy 42 goal by June 2021, though these can be expected to normalize as traffic and ridership return.

Preventable Accidents per 100,000 Miles

Preventable accidents are defined as those in which MTS safety staff determined that the bus or train operator did not do everything possible to avoid an accident. It does not necessarily indicate that the MTS operator was at-fault or cited.

Operator	FY 2019	FY 2020	FY 2021
MTS Directly-Operated Bus	1.09	0.91	0.92
MTS Contracted Fixed-Route Bus	1.24	1.36	0.95
Demand-Resp. (Access & Taxi)	0.76	0.51	0.33
MTS Rail	0.03	0.03	0.09

NOTES: In FY 2021, contracted services improved on their FY 2020 preventable accident rate, while directly-operated services showed slight increases.

Mean Distance Between Failures (MDBF)

In this metric, a higher number is better: it means the fleet is traveling farther between breakdowns. Consistent with the National Transit Database definition, a "failure" is a mechanical failure of a vehicle that prevents the start or completion of a trip due to safety, because vehicle movement is limited, or because policy requires removal from service. The average age of each mode's fleet from year to year impacts the annual change in MDBF.

Operator	FY 2019	FY 2020	FY 2021	% Change	
				FY19 - FY20	FY20 - FY21
MTS Directly-Operated Bus	3,937	4,816	5,680	22.3%	18.0%
MTS Contracted Fixed-Route Bus	7,221	6,530	7,685	-9.6%	17.7%
Demand-Resp. (Access & Taxi)	46,086	45,373	46,684	-1.5%	2.9%
MTS Rail	10,392	12,874	13,567	23.9%	5.4%

NOTES: MDBF improved for all modes from FY 2020 to FY 2021.

Complaints per 100,000 Passengers

This metric utilizes data from MTS' Customer Resource Management system, which tracks our customer service contacts.

Operator	FY 2019	FY 2020	FY 2021	% Change	
				FY19 - FY20	FY20 - FY21
MTS Directly-Operated Bus	5.3	5.5	8.0	4.2%	44.8%
MTS Contracted Fixed-Route Bus	7.3	9.5	10.5	30.4%	10.7%
Demand-Resp. (Access & Taxi)	112.1	145.4	119.4	29.7%	-17.9%
MTS Rail	1.5	1.4	1.3	-7.8%	-7.1%
System	4.8	5.5	5.6	13.5%	1.8%

NOTES: The pandemic caused complaint rates to spike in late FY 2020 and FY 2021 on bus modes, with many complaints related to crowding, face covering requirement, and passenger behavior.

OBJECTIVE | Develop a Sustainable System

The following measures are used to ensure that transit resources are deployed efficiently and do not exceed budgetary constraints. These resources may be increased over the budgeted amounts in order to respond to heavy passenger loads, special events, or unplanned detours due to construction or route changes. They may be lower than budgeted if underperforming services are reduced, or if not all of the planned capacity is required to meet the ridership demand.

Revenue Hours

Operator	FY21 Budget	FY21 Actual	# Diff	% Diff
MTS Directly-Operated Bus	852,310	814,134	(38,176)	-4.5%
MTS Contracted Fixed-Route Bus	1,146,717	1,093,930	(52,787)	-4.6%
Demand-Resp (Access & Taxi)	226,221	73,654	(152,567)	-67.4%
MTS Rail	545,083	555,064	9,981	1.8%
System	2,770,331	2,536,782	(233,549)	-8.4%

NOTES: Some less bus services was operated than budgeted, mostly school-related tripper services that weren't operated due to school campuses being closed. MTS also operated reduced levels of commuter-oriented bus services. The demand-response MTS Access service had the largest drop in hours and miles compared to budget, as its service level is directly tied to [lower] ridership.

MTS Rail shows 'car' (not 'train') revenue hours and miles for budget and actual.

Revenue Miles

Operator	FY21 Budget	FY21 Actual	# Diff	% Diff
MTS Directly-Operated Bus	10,138,232	9,631,608	(506,624)	-5.0%
MTS Contracted Fixed-Route Bus	12,056,309	11,407,068	(649,241)	-5.4%
Demand-Resp (Access & Taxi)	4,535,766	1,558,475	(2,977,291)	-65.6%
MTS Rail	9,901,787	10,077,479	175,692	1.8%
System	36,632,094	32,674,630	(3,957,464)	-10.8%

NOTES: See notes above for Revenue Hours.

OBJECTIVE | Develop a Sustainable System

The following measures are used to ensure that transit resources are deployed efficiently and do not exceed budgetary constraints. These

Scheduled In-Service Hours (Weekly Total)

Operator	June 2020	June 2021	# Diff	% Diff
MTS Directly-Operated Bus	12,543	12,921	377	3.0%
MTS Contracted Fixed-Route Bus	15,903	16,107	204	1.3%
MTS Rail	3,064	3,101	37	1.2%
System	31,511	32,129	618	2.0%

NOTES: Scheduled hours of bus service were largely flat from the June 2020 shake-up to the June 2021 shake-up.

Scheduled In-Service Miles (Weekly Total)

Operator	June 2020	June 2021	# Diff	% Diff
MTS Directly-Operated Bus	185,102	188,416	3,313	1.8%
MTS Contracted Fixed-Route Bus	213,700	215,878	2,178	1.0%
MTS Rail	64,679	65,456	777	1.2%
System	463,482	469,750	6,268	1.4%

NOTES: Scheduled in-service miles of bus service were largely flat from the June 2020 shake-up to the June 2021 shake-up.

Scheduled Weekday Peak-Vehicle Requirement

This measure shows the maximum number of vehicles that are on the road at any one time (a weekday peak period) in order to provide the levels

Operator	June 2020	June 2021	# Change FY20 - FY21
MTS Directly-Operated Bus	209	218	9
MTS Contracted Fixed-Route Bus	290	296	6
MTS Rail	96	96	0

NOTES: Peak bus counts increased as seasonal service that did not operate in 2020 due to the pandemic was restored for 2021.

Scheduled In-Service Speed (MPH) (Weekday)

Operator	June 2020	June 2021	% Change FY20 - FY21
MTS Directly-Operated Bus	14.7	14.6	-1.1%
MTS Contracted Fixed-Route Bus	13.6	13.7	0.1%
MTS Rail	21.1	21.1	0.0%

NOTES: Scheduled service speeds remained relatively flat year-over-year.

Scheduled In-Service Miles/Total Miles (Weekday)

The 'in-service miles per total miles' ratio is only calculated for MTS in-house operations, as contractors are responsible for bus and driver assignments (runcutting) for MTS Contract Services.

Operator	June 2020	June 2021	% Change FY20 - FY21
MTS Directly-Operated Bus	87.6%	87.0%	-0.6%
MTS Contracted Fixed-Route Bus	N/A	N/A	N/A
MTS Rail	98.5%	98.5%	0.0%

NOTES: Efficiency of scheduling has kept the ratio generally consistent over time.

Scheduled In-Service Hours/Total Hours (Weekday)

As with the mileage statistic, 'in-service hours' per total hours are only calculated for MTS in-house operations.

Operator	June 2020	June 2021	% Change FY20 - FY21
MTS Directly-Operated Bus	76.5%	76.1%	-0.5%
MTS Contracted Fixed-Route Bus	N/A	N/A	N/A
MTS Rail (Layover Included)	85.4%	85.6%	0.2%

NOTES: Efficiency of scheduling has kept the ratio generally consistent over time.

Farebox Recovery

This metric measures the percent of total operating cost recovered through fare revenue. The Transportation Development Act (TDA) has a requirement of 31.9 percent system-wide for fixed-route services (excluding regional routes which have a 20% requirement).

Operator	FY 2019	FY 2020	FY 2021	% Change	
				FY19 - FY20	FY20 - FY21
MTS Directly-Operated Bus	22.5%	19.3%	12.5%	-14.2%	-35.4%
MTS Contracted Fixed-Route Bus	36.0%	28.4%	17.7%	-21.1%	-37.9%
MTS Rail	51.6%	41.1%	20.7%	-2.7%	-49.6%
ALL Fixed Route	35.8%	29.1%	16.6%	-18.6%	-43.2%
Demand-Resp (Access & Taxi)	14.8%	14.9%	4.4%	-7.9%	-70.6%
System	34.3%	28.3%	16.1%	-17.4%	-43.1%

NOTES: While MTS has always been far ahead of the TDA requirement on farebox recovery rate, the Covid-19 pandemic has reduced this down to 16.1% in FY 2021. The state provided pandemic-related relief from this requirement, so MTS' TDA funds are still secure. State lawmakers are considering reforms to the TDA legislation that would remove or replace these requirements, in recognition of the changing role of public transportation since the requirement was added in 1978 (such as improving social equity and reducing greenhouse gas emissions).

Subsidy Per Passenger

This metric is the amount of public subsidy required to provide service for each unlinked passengers boarding (measured as total operating cost minus fare revenue, divided by total passengers). MTS' goal is to improve route-category average year-over-year.

Route Categories	FY 2019	FY 2020	FY 2021	% Change	
				FY19 - FY20	FY20 - FY21
Urban Frequent	\$ 2.34	\$ 3.18	\$ 7.29	36.0%	129.0%
Urban Standard	\$ 2.60	\$ 3.60	\$ 7.88	38.6%	118.8%
Rapid	\$ 2.82	\$ 3.86	\$ 13.25	36.8%	243.4%
Express	\$ 3.72	\$ 5.13	\$ 14.63	37.9%	185.3%
Circulator	\$ 3.05	\$ 3.89	\$ 11.53	27.5%	196.6%
Premium/Rapid Express	\$ 4.83	\$ 7.21	\$ 31.16	49.3%	332.0%
Rural	\$ 8.43	\$ 14.55	\$ 23.47	72.6%	61.3%
Fixed-Bus Subtotal	\$ 2.54	\$ 3.48	\$ 8.43	37.0%	142.2%
Light Rail (Blue, Orange, Green)	\$ 1.05	\$ 1.63	\$ 3.79	55.0%	133.1%
Light Rail (Silver)	\$ 20.67	\$ 24.54	\$ 78.19	18.7%	218.6%
Light Rail Subtotal	\$ 1.06	\$ 1.64	\$ 3.79	54.3%	131.9%
ALL Fixed Route	\$ 1.89	\$ 2.65	\$ 6.11	40.0%	131.0%
Demand-Resp. (MTS Access)	\$ 36.26	\$ 43.32	\$ 102.80	19.5%	137.3%
Demand-Resp. (Access Taxi)	\$ 19.94	\$ 21.86	\$ 36.57	100.0%	67.3%
Demand Response Subtotal	\$ 33.97	\$ 39.49	\$ 93.65	16.2%	137.2%
System	\$ 2.07	\$ 2.82	\$ 6.35	36.5%	124.9%

NOTES: In FY 2021, MTS' subsidy per passenger spiked the three times the pre-pandemic level, due to increased costs for supplies and commodities couple with reduced ridership. MTS will continue seeing pressure on this figure from inflation.

BASE STATISTICS													TITLE VI MONITORING ~									
Route	Cat	Jurisdiction (#SD Dist.)	Annual Passengers	FY20-21 % Change	Avg. Wkdy. Psgs.	Psgs./ Rev. Hr.	Cost/ Psg.	Average Fare	Subsidy/ Psg.	Farebox Recovery	Budgeted Rev.Svc.		Route	Minority Route	On-Time Perf.		Weekday Headway			Vehicle Load Factor ~		
											Hours	Miles			Goal	Actual	Goal	Peak	Base	Goal	% trips over YLE	> 20%?
Blue	LRT	3,8,NC,CV	10,468,636	(33.4%)	32,947	140.8	\$ 3.58	\$ 0.99	\$ 2.59	27.7%	78,566	1,410,030	Blue	✓	90%	93%	15 min.	7.5	15	3.00	0%	No
Orange	LRT	3,4,8,9,LG,LM,EC	4,047,094	(42.6%)	12,003	82.2	\$ 6.14	\$ 0.99	\$ 5.15	16.1%	49,547	875,661	Orange	✓	90%	96%	15 min.	15	15	3.00	0%	No
Green	LRT	2,3,7,9,LM,EC,ST	5,000,525	(45.7%)	14,416	81.1	\$ 6.21	\$ 0.99	\$ 5.22	15.9%	62,763	1,182,840	Green		90%	90%	15 min.	15	15	3.00	0%	No
Silver	LRT	3	82	(99.3%)	-	6.9	\$ 79.18	\$ 0.99	\$ 78.19	1.3%	737	5,456	Silver		90%	100%	15 min.	30	30	3.00	0%	No
1	Frq	3,7,9,LM	592,573	(38.9%)	1,903	11.9	\$ 5.19	\$ 1.19	\$ 3.99	23.0%	49,610	443,847	1		85%	92%	15 min.	15	15	1.50	0%	No
2	Frq	3	314,212	(52.9%)	969	9.1	\$ 15.66	\$ 1.69	\$ 13.97	10.8%	34,651	268,471	2		85%	93%	15 min.	12	15	1.50	0%	No
3	Frq	3,4,8,9	734,507	(41.6%)	2,364	13.5	\$ 3.98	\$ 1.21	\$ 2.77	30.4%	57,611	449,456	3	✓	85%	89%	15 min.	12	12	1.50	0%	No
4	Std	3,4,8,9	311,098	(42.3%)	970	12.3	\$ 11.54	\$ 1.64	\$ 9.90	14.2%	24,564	259,954	4	✓	85%	90%	30 min.	30	30	1.50	0%	No
5	Frq	3,4,8,9	307,131	(46.9%)	1,003	12.2	\$ 4.46	\$ 1.20	\$ 3.26	26.9%	25,099	198,011	5	✓	85%	94%	15 min.	12	12	1.50	0%	No
6	Frq	3,7	174,692	(37.8%)	545	9.5	\$ 14.99	\$ 1.70	\$ 13.30	11.3%	18,423	159,783	6		85%	92%	15 min.	15	15	1.50	0%	No
7	Frq	3,4,9	1,052,889	(42.7%)	3,072	14.2	\$ 10.02	\$ 1.64	\$ 8.38	16.4%	74,665	574,164	7	✓	85%	92%	15 min.	10	10	1.50	0%	No
8	Frq	2,3	210,982	(38.8%)	553	12.1	\$ 11.72	\$ 1.64	\$ 10.08	14.0%	19,329	199,178	8		85%	88%	15 min.	20	20	1.50	0%	No
9	Frq	2,3	142,740	(52.6%)	426	10.0	\$ 14.28	\$ 1.65	\$ 12.63	11.6%	17,001	177,896	9		85%	85%	15 min.	20	20	1.50	0%	No
10	Frq	2,3,4,9	569,520	(39.7%)	1,809	14.1	\$ 10.06	\$ 1.71	\$ 8.35	17.0%	43,968	403,863	10		85%	90%	15 min.	12	15	1.50	0%	No
11	Frq	3,9	306,108	(46.3%)	971	8.2	\$ 17.31	\$ 1.70	\$ 15.61	9.8%	37,273	365,667	11		85%	92%	15 min.	15	15	1.50	0%	No
12	Frq	3,4,8,9	494,247	(48.9%)	1,559	11.3	\$ 12.58	\$ 1.63	\$ 10.96	12.9%	44,762	436,289	12	✓	85%	92%	15 min.	7.5/15	15	1.50	0%	No
13	Frq	4,7,9,NC	860,594	(44.0%)	2,719	14.4	\$ 9.87	\$ 1.63	\$ 8.25	16.5%	63,814	631,431	13	✓	85%	91%	15 min.	12	12	1.50	0%	No
14	Circ	7,9,LM	20,031	(52.6%)	79	3.1	\$ 20.60	\$ 1.10	\$ 19.50	5.4%	6,452	63,482	14		90%	97%	60 min.	60	60	1.00	0%	No
18	Circ	3,7	9,461	(56.6%)	37	3.6	\$ 17.79	\$ 1.12	\$ 16.68	6.3%	2,634	39,769	18		90%	97%	60 min.	30	30	1.00	0%	No
20	Exp	3,5,6,7	216,872	(47.0%)	692	6.2	\$ 22.78	\$ 1.67	\$ 21.11	7.3%	34,805	649,861	20		90%	95%	30 min.	15/30	30	1.50	0%	No
25	Circ	6,7	19,402	(61.4%)	76	3.1	\$ 20.69	\$ 1.10	\$ 19.59	5.3%	6,266	78,778	25		90%	96%	60 min.	60	60	1.00	0%	No
27	Std	2,6	85,734	(47.7%)	298	5.7	\$ 11.39	\$ 1.30	\$ 10.09	11.4%	15,182	137,555	27		85%	86%	30 min.	30	30	1.50	0%	No
28	Std	2,3	132,149	(52.6%)	410	10.5	\$ 4.52	\$ 1.20	\$ 3.32	26.4%	13,678	93,619	28		85%	94%	30 min.	15/30	30	1.50	0%	No
30	Frq	1,2,3	567,529	(53.8%)	1,653	8.1	\$ 17.49	\$ 1.68	\$ 15.81	9.6%	70,037	879,981	30		85%	91%	15 min.	15	15	1.50	0%	No
31	Std	1,6	50,119	(45.3%)	197	10.2	\$ 13.91	\$ 1.70	\$ 12.21	12.2%	8,315	100,282	31	✓	85%	93%	30 min.	30	-	1.50	0%	No
35	Std	2,3	253,544	(44.1%)	767	11.2	\$ 3.81	\$ 1.20	\$ 2.61	31.5%	22,591	140,119	35		85%	91%	15 min.	15	15	1.50	0%	No
41	Frq	1,6,7	321,841	(64.7%)	968	9.1	\$ 15.62	\$ 1.70	\$ 13.92	10.9%	36,694	465,197	41		85%	96%	15 min.	7.5/15	15	1.50	0%	No
44	Frq	2,3,6,7	407,711	(48.8%)	1,252	11.4	\$ 12.52	\$ 1.64	\$ 10.87	13.1%	37,512	416,660	44	✓	85%	92%	15 min.	7.5/15	15	1.50	0%	No
50	Exp	1,2,3,6	40,765	(61.6%)	160	5.4	\$ 26.22	\$ 1.69	\$ 24.53	6.5%	7,625	115,458	50		90%	93%	30 min.	30	-	1.50	0%	No
60	Exp	1,3,4,6,9	35,419	(50.3%)	139	10.7	\$ 13.30	\$ 1.70	\$ 11.60	12.8%	3,226	59,187	60		90%	96%	30 min.	20/30	-	1.50	0%	No
83	Circ	3	8,465	(62.6%)	33	2.6	\$ 24.32	\$ 1.10	\$ 23.22	4.5%	3,226	25,949	83		90%	96%	60 min.	60	60	1.00	0%	No
84	Circ	2	9,398	(56.9%)	37	3.1	\$ 20.44	\$ 1.11	\$ 19.33	5.4%	3,010	35,575	84		90%	95%	60 min.	60	60	1.00	0%	No
88	Circ	3,7	53,222	(23.3%)	176	10.9	\$ 5.70	\$ 1.10	\$ 4.60	19.3%	5,771	64,020	88		90%	86%	60 min.	30	30	1.00	0%	No
105	Std	1,2,3,6	119,491	(54.4%)	398	8.6	\$ 16.54	\$ 1.67	\$ 14.88	10.1%	13,933	175,439	105		85%	95%	30 min.	30	30	1.50	0%	No
110	Exp	3,6	22,375	(18.4%)	88	12.3	\$ 11.60	\$ 1.73	\$ 9.87	14.9%	2,592	56,564	110		90%	99%	30 min.	20/30	-	1.50	0%	No
115	Std	7,9,LM,EC	64,350	(69.1%)	212	3.9	\$ 17.70	\$ 1.31	\$ 16.39	7.4%	16,891	195,632	115		85%	96%	30 min.	30	30	1.50	0%	No
120	Frq	3,6,7	295,094	(45.8%)	945	8.7	\$ 16.30	\$ 1.66	\$ 14.63	10.2%	34,007	358,191	120		85%	90%	15 min.	15/30	15/30	1.50	0%	No
150	Exp	1,2,3	224,361	(67.0%)	804	9.1	\$ 15.61	\$ 1.73	\$ 13.88	11.1%	29,090	472,736	150		90%	92%	30 min.	7.5/15/30	30	1.50	0%	No
201/202^	Rpd	1	378,666	(82.7%)	1,167	9.1	\$ 15.56	\$ 1.85	\$ 13.71	11.9%	46,061	431,150	201/202^		85%	97%	15 min.	5	10	1.50	0%	No
204^	Rpd	1	9,482	(84.8%)	37	2.3	\$ 61.44	\$ 1.79	\$ 59.65	2.9%	4,082	31,684	204^		85%	81%	15 min.	30	30	1.50	0%	No
215^	Rpd	3,9	749,201	(52.1%)	2,194	12.6	\$ 11.31	\$ 1.70	\$ 9.61	15.1%	63,468	635,378	215^		85%	94%	15 min.	10	15	1.50	0%	No
225^	Rpd	3,8,CV	257,478	(49.5%)	784	6.0	\$ 22.47	\$ 1.71	\$ 20.76	7.6%	43,196	873,149	225^	✓	85%	92%	15 min.	15	30	1.50	0%	No
235^	Rpd	3,5,6,9,Esc	677,834	(46.0%)	2,107	10.3	\$ 13.85	\$ 1.67	\$ 12.18	12.1%	70,589	1,668,290	235^		85%	92%	15 min.	15	15	1.50	0%	No
237^	Rpd	1,6	50,138	(73.6%)	197	4.3	\$ 33.08	\$ 1.77	\$ 31.31	5.4%	11,824	145,479	237^	✓	85%	97%	15 min.	15	-	1.50	0%	No
280	RpEx	3,5,Esc	19,028	(79.3%)	75	6.2	\$ 38.86	\$ 6.79	\$ 32.07	17.5%	5,784	179,172	280		90%	97%	30 min.	15	-	1.00	0%	No
290	RpEx	3,5	14,989	(87.0%)	59	5.3	\$ 36.77	\$ 6.77	\$ 30.01	18.4%	6,002	165,476	290		90%	98%	30 min.	10	-	1.00	0%	No

BASE STATISTICS													TITLE VI MONITORING ~									
Route	Cat	Jurisdiction (#SD Dist.)	Annual Passengers	FY20-21 % Change	Avg. Wkdy. Psgs.	Psgs./ Rev. Hr.	Cost/ Psg.	Average Fare	Subsidy/ Psg.	Farebox Recovery	Budgeted Rev.Svc.		Route	Minority Route	On-Time Perf.		Weekday Headway			Vehicle Load Factor --		
											Hours	Miles			Goal	Actual	Goal	Peak	Base	Goal	% trips over VLF	> 20%?
701	Frq	CV	200,875	(52.9%)	704	7.8	\$ 8.90	\$ 1.18	\$ 7.72	13.3%	25,790	258,411	701	✓	85%	92%	15 min.	15	15	1.50	0%	No
704	Std	CV	189,926	(46.0%)	646	9.0	\$ 8.23	\$ 1.20	\$ 7.04	14.6%	21,081	225,587	704	✓	85%	93%	30 min.	30	30	1.50	0%	No
705	Std	CV,NC,Cty	78,812	(56.3%)	285	6.8	\$ 8.88	\$ 1.19	\$ 7.69	13.4%	12,617	109,345	705	✓	85%	95%	30 min.	30/60	30/60	1.50	0%	No
707	Std	CV	39,155	(57.7%)	154	3.9	\$ 15.83	\$ 1.19	\$ 14.63	7.5%	9,982	89,469	707	✓	85%	92%	30 min.	30	30	1.50	0%	No
709	Frq	CV	269,600	(60.9%)	898	9.2	\$ 8.22	\$ 1.19	\$ 7.03	14.5%	30,991	340,561	709	✓	85%	93%	15 min.	7.5/15	15	1.50	0%	No
712	Frq	CV	231,272	(61.5%)	764	9.6	\$ 7.34	\$ 1.18	\$ 6.16	16.1%	25,070	258,556	712	✓	85%	94%	15 min.	15	15	1.50	0%	No
815	Frq	EC	212,533	(45.4%)	691	12.4	\$ 4.20	\$ 1.31	\$ 2.89	31.3%	17,080	126,688	815		85%	93%	15 min.	15	15	1.50	0%	No
816	Std	EC,Cty	59,611	(53.1%)	235	6.9	\$ 11.28	\$ 1.33	\$ 9.95	11.8%	8,656	95,123	816		85%	95%	30 min.	30	30	1.50	0%	No
832	Std	ST	10,947	(61.2%)	32	4.1	\$ 17.18	\$ 1.25	\$ 15.93	7.3%	2,673	28,014	832		85%	91%	30 min.	60	60	1.50	0%	No
833	Std	EC,ST	45,882	(45.6%)	150	6.2	\$ 10.28	\$ 1.08	\$ 9.19	10.6%	7,378	73,115	833		85%	88%	30 min.	35-45	35-45	1.50	0%	No
834	Std	ST	11,671	(46.1%)	46	4.8	\$ 15.00	\$ 1.34	\$ 13.67	8.9%	2,418	24,801	834		85%	91%	30 min.	60	60	1.50	0%	No
838	Std	Cty	110,377	29.8%	320	8.0	\$ 7.98	\$ 1.09	\$ 6.89	13.7%	10,342	155,447	838		85%	86%	30 min.	60	60	1.50	0%	No
848	Std	EC,Cty	138,362	(45.3%)	416	8.6	\$ 7.84	\$ 1.30	\$ 6.54	16.6%	20,027	196,155	848		85%	93%	30 min.	30	30	1.50	0%	No
851	Circ	LM,Cty	24,504	(54.4%)	96	7.0	\$ 9.10	\$ 1.08	\$ 8.02	11.9%	6,008	69,838	851	✓	90%	95%	60 min.	60	60	1.00	0%	No
852	Std	4,9,LM	132,330	(43.4%)	403	7.1	\$ 8.96	\$ 1.32	\$ 7.64	14.7%	18,578	168,177	852		85%	92%	30 min.	30	30	1.50	0%	No
854	Std	7,LM	18,201	(77.8%)	72	5.1	\$ 14.62	\$ 1.35	\$ 13.27	9.2%	7,207	78,790	854		85%	96%	30 min.	30/60	30/60	1.50	0%	No
855	Std	LM,Cty	87,439	(49.4%)	286	9.6	\$ 6.92	\$ 1.31	\$ 5.61	18.9%	10,433	98,614	855		85%	96%	30 min.	30	30	1.50	0%	No
856	Std	4,9,LG,Cty	231,391	(45.2%)	788	9.7	\$ 7.78	\$ 1.31	\$ 6.47	16.9%	23,816	255,050	856	✓	85%	90%	30 min.	30	30	1.50	0%	No
864	Std	EC,Cty	199,414	(19.3%)	597	12.9	\$ 4.70	\$ 1.32	\$ 3.38	28.0%	15,480	132,633	864		85%	92%	30 min.	30	30	1.50	0%	No
872	Exp	EC	17,754	(50.9%)	70	5.3	\$ 9.10	\$ 1.34	\$ 7.77	14.7%	3,335	22,845	872		85%	94%	30 min.	30	30	1.50	0%	No
874/875	Std	EC	168,887	(44.7%)	563	9.8	\$ 6.93	\$ 1.31	\$ 5.62	18.9%	17,196	165,415	874/875		85%	94%	30 min.	30	30	1.50	0%	No
888	Rural	EC,Cty	1,124	(34.8%)	10	1.9	\$ 102.99	\$ 1.89	\$ 101.10	1.8%	551	17,498	888			0%						
891	Rural	EC,Cty	445	(53.8%)	8	1.5	\$ 130.54	\$ 3.31	\$ 127.22	2.5%	330	9,168	891			0%						
892	Rural	EC,Cty	306	(65.2%)	6	1.1	\$ 177.87	\$ 5.08	\$ 172.80	2.9%	330	8,784	892			0%						
894	Rural	EC,Cty	32,454	(36.2%)	128	7.9	\$ 21.57	\$ 3.62	\$ 17.95	16.8%	5,530	102,154	894			0%						
901	Frq	3,8,IB,Cor	344,811	(43.0%)	1,091	8.2	\$ 11.33	\$ 1.20	\$ 10.13	10.6%	44,385	594,021	901		85%	87%	15 min.	15	30	1.50	0%	No
904*	Circ	Cor	20,955	(83.3%)	59	4.9	\$ 7.08	\$ 0.48	\$ 6.61	6.7%	8,379	42,484	904*		90%	92%	60 min.	60	60	1.50	0%	No
905	Std	8	244,648	(35.4%)	825	15.8	\$ 6.23	\$ 1.18	\$ 5.05	19.0%	15,371	215,357	905	✓	85%	87%	30 min.	15/30	30	1.50	0%	No
906/907	Frq	8	762,255	(42.1%)	2,382	17.4	\$ 2.80	\$ 1.19	\$ 1.61	42.3%	43,739	305,291	906/907	✓	85%	91%	15 min.	15	15	1.50	0%	No
909	Circ	8	27,671	(38.7%)	109	7.4	\$ 11.00	\$ 1.19	\$ 9.81	10.8%	3,670	46,573	909	✓	90%	96%	60 min.	60+	60+	1.5	0%	No
916/917	Std	4,LG	73,815	(46.2%)	251	6.4	\$ 12.17	\$ 1.18	\$ 10.99	9.7%	11,587	133,259	916/917	✓	85%	89%	30 min.	30/60	30/60	1.50	0%	No
921	Std	1,6	94,620	(52.9%)	288	6.0	\$ 11.05	\$ 1.30	\$ 9.76	11.7%	15,880	154,805	921	✓	85%	94%	30 min.	30	30	1.50	0%	No
923	Std	2,3	75,587	(54.7%)	298	5.6	\$ 11.30	\$ 1.19	\$ 10.11	10.6%	13,520	123,444	923		85%	91%	30 min.	30	30	1.50	0%	No
928	Std	6,7	122,414	(47.4%)	434	7.9	\$ 9.38	\$ 1.34	\$ 8.04	14.3%	16,933	182,255	928		85%	93%	30 min.	30	30	1.50	0%	No
929	Frq	3,8,CV,NC	966,685	(43.0%)	2,998	15.4	\$ 4.50	\$ 1.21	\$ 3.28	27.0%	67,178	669,605	929	✓	85%	84%	15 min.	12	15	1.00	0%	No
932	Frq	8,CV,NC	497,736	(44.8%)	1,624	12.3	\$ 5.49	\$ 1.19	\$ 4.30	21.6%	40,302	394,275	932	✓	85%	90%	15 min.	15	15	1.50	0%	No
933/934	Frq	8,IB	691,652	(46.1%)	2,205	12.1	\$ 6.80	\$ 1.19	\$ 5.61	17.5%	57,385	681,597	933/934	✓	85%	89%	15 min.	12	15	1.50	0%	No
936	Std	4,9,LG,Cty	218,139	(42.6%)	621	10.4	\$ 5.91	\$ 1.31	\$ 4.60	22.2%	20,937	182,692	936	✓	85%	90%	30 min.	30	30	1.50	0%	No
944	Std	5,PW	26,972	(47.3%)	96	3.5	\$ 18.39	\$ 1.09	\$ 17.30	5.9%	7,765	83,588	944		85%	96%	30 min.	30	30	1.00	0%	No
945	Std	5,PW	54,151	(44.4%)	190	4.5	\$ 14.25	\$ 1.08	\$ 13.16	7.6%	12,623	175,766	945		85%	94%	30 min.	30	30	1.50	0%	No
945A	Std	PW	673	(89.8%)	10	-	\$ -	\$ -	\$ -	0.0%	1,008	14,120	945A		85%	96%	30 min.	30	30	1.50	0%	No
950	Exp	8	149,275	(49.5%)	504	19.4	\$ 6.32	\$ 1.20	\$ 5.12	19.0%	7,713	132,135	950	✓	90%	98%	30 min.	12/20	20	1.50	0%	No
955	Frq	4,8,9,NC	615,821	(43.9%)	1,934	12.5	\$ 5.10	\$ 1.19	\$ 3.91	23.3%	49,053	453,487	955	✓	85%	91%	15 min.	12	12	1.50	0%	No
961	Frq	4,NC	234,493	(47.6%)	727	10.0	\$ 7.11	\$ 1.20	\$ 5.91	16.8%	27,406	280,929	961	✓	85%	94%	15 min.	15/30	15/30	1.50	0%	No
962	Frq	4,NC,Cty	301,406	(34.6%)	923	11.6	\$ 6.02	\$ 1.20	\$ 4.82	19.9%	25,915	261,952	962	✓	85%	91%	15 min.	15	15	1.50	0%	No
963	Std	4,NC	73,152	(48.3%)	227	7.7	\$ 7.36	\$ 1.18	\$ 6.18	16.0%	10,234	83,817	963	✓	85%	93%	30 min.	30	30	1.50	0%	No

BASE STATISTICS													TITLE VI MONITORING ~									
Route	Cat	Jurisdiction (#=SD Dist.)	Annual Passengers	FY20-21 % Change	Avg. Wkdy. Psgs.	Psgrs./ Rev. Hr.	Cost/ Psgr.	Average Fare	Subsidy/ Psgr.	Farebox Recovery	Budgeted Rev.Svc.		Route	Minority Route	On-Time Perf.		Weekday Headway			Vehicle Load Factor ~~		
											Hours	Miles			Goal	Actual	Goal	Peak	Base	Goal	% trips over VLF	> 20%?
964	Circ	5,6	54,355	(48.8%)	214	5.3	\$ 12.10	\$ 1.08	\$ 11.02	8.9%	10,305	98,549	964	✓	90%	93%	60 min.	30	30	1.00	0%	No
965	Circ	9	28,005	(39.1%)	96	5.9	\$ 10.76	\$ 1.07	\$ 9.69	9.9%	5,156	52,480	965	✓	90%	87%	60 min.	35-45	35-45	1.00	0%	No
967	Std	4,NC	17,612	(39.8%)	69	4.9	\$ 13.06	\$ 1.10	\$ 11.96	8.4%	3,607	32,106	967	✓	85%	95%	30 min.	60	60	1.50	0%	No
968	Std	NC	19,816	(51.6%)	78	4.7	\$ 14.73	\$ 1.19	\$ 13.54	8.1%	9,720	97,893	968	✓	85%	92%	30 min.	60+	60+	1.50	0%	No
972**	Circ	1,6	2,573	(88.3%)	10	3.4	\$ 22.50	\$ 0.88	\$ 21.62	3.9%	1,313	15,953	972**			0%				1.00	0%	No
973**	Circ	1,6	2,374	(80.6%)	9	3.1	\$ 25.22	\$ 0.88	\$ 24.34	3.5%	1,334	19,592	973**	✓		0%				1.00	0%	No
974 ***	Circ	1	1,188	100.0%	5	1.8	\$ 44.18	\$ 0.88	\$ 43.30	2.0%	1,232	12,954	974 ***			0%				1.00	0%	No
978**	Circ	1	1,707	(86.0%)	7	2.4	\$ 32.77	\$ 0.88	\$ 31.88	2.7%	1,306	15,456	978**			0%				1.00	0%	No
979**	Circ	1	2,119	(85.2%)	8	3.1	\$ 25.25	\$ 0.88	\$ 24.37	3.5%	1,255	11,743	979**			0%				1.00	0%	No
992	Frq	2,3	165,924	(52.1%)	465	7.2	\$ 7.62	\$ 1.15	\$ 6.47	15.1%	24,606	194,285	992		85%	78%	15 min.	15	15	1.50	0%	No
Access	D.R.	ALL	92,386	(67.3%)	303	1.3	\$ 107.06	\$ 4.27	\$ 102.80	4.0%			FTA defines Minority persons to include the following: (1) American Indian and Alaska Native, (2) Asian, (3) Black or African American, (4) Hispanic or Latino, (5) Native Hawaiian or Other Pacific Islander. FTA defines Minority Route as one with at least 1/3 of its total mileage in a census block(s) with a percentage of minority population that exceeds the percentage of minority population in the entire MTS service area. Source: https://www.transit.dot.gov/sites/fta.dot.gov/files/dovs/FTA_Title_VI_FINAL.pdf									
Taxi	D.R.	ALL	14,807	(75.9%)	51	3.4	\$ 41.13	\$ 4.56	\$ 36.57	11.1%												
TOTAL			39,214,848	(44.9%)	121,729	18.1	\$ 7.58	\$ 1.22	\$ 6.35	16.1%	2,190,639	25,668,529										

Route Category	Annual Passengers	FY19-20 % Change	Avg. Wkday. Psgs.	Psgs./ Rev. Hr.	Cost/ Psg.	Average Fare	Subsidy/ Psg.	Farebox Recovery
Urban Frequent	13,100,977	-46.4%	40,886	11.6	\$ 8.69	\$ 1.40	\$ 7.29	16.1%
Urban Standard	3,324,699	-45.8%	10,928	8.2	\$ 9.19	\$ 1.31	\$ 7.88	14.3%
Rapid ^	2,122,799	-63.2%	6,486	9.4	\$ 14.97	\$ 1.72	\$ 13.25	11.5%
Express	689,067	-56.7%	2,387	8.6	\$ 16.23	\$ 1.59	\$ 14.64	9.8%
Circulator	285,430	-57.4%	1,053	5.0	\$ 12.61	\$ 1.05	\$ 11.56	8.3%
Premium/Rapid Express	34,017	-83.6%	134	5.8	\$ 37.94	\$ 6.78	\$ 31.16	17.9%
Rural ^^	34,329	-36.9%	135	6.6	\$ 27.04	\$ 3.57	\$ 23.47	13.2%
Fixed Bus Subtotal	19,591,318	-49.6%	62,009	10.3	\$ 9.86	\$ 1.44	\$ 8.43	14.6%
Light Rail (B,O,G)	19,516,255	-39.0%	59,367	105.4	\$ 4.78	\$ 0.99	\$ 3.79	20.7%
Light Rail (Silver)	82	-99.3%	-	6.9	\$ 79.18	\$ 0.99	\$ 78.19	1.3%
Light Rail Subtotal	19,516,337	-39.0%	59,367	105.3	\$ 4.79	\$ 0.99	\$ 3.79	20.7%
ALL Fixed-Route	39,107,655	-44.8%	121,375	18.7	\$ 7.33	\$ 1.21	\$ 6.11	16.6%
MTS Access	92,386	-67.3%	303	1.3	\$ 107.06	\$ 4.27	\$ 102.80	4.0%
Access Taxi	14,807	-75.9%	51	3.4	\$ 41.13	\$ 4.56	\$ 36.57	11.1%
Demand-Resp Subtotal	107,193	-68.8%	354	1.5	\$ 97.95	\$ 4.31	\$ 93.65	4.4%
System Total	39,214,848	-44.9%	121,729	18.1	\$ 7.58	\$ 1.22	\$ 6.35	16.1%

* City of Coronado subsidized fares for summer service on Route 904.

** SVCC Fares and one-half of the subsidy are paid for by NCTD.

*** Route 974 SVCC connection to UCSD service starts January 2020

^ SANDAG reimburses MTS for net operating costs for Routes 201-237 (TransNet funds).

^^ Routes 888, 891, 892, and 894 receive federal rural operating subsidy.

& Rural and Demand Response services have no specific Policy 42 goals for on-time performance, headway, or vehicle load.

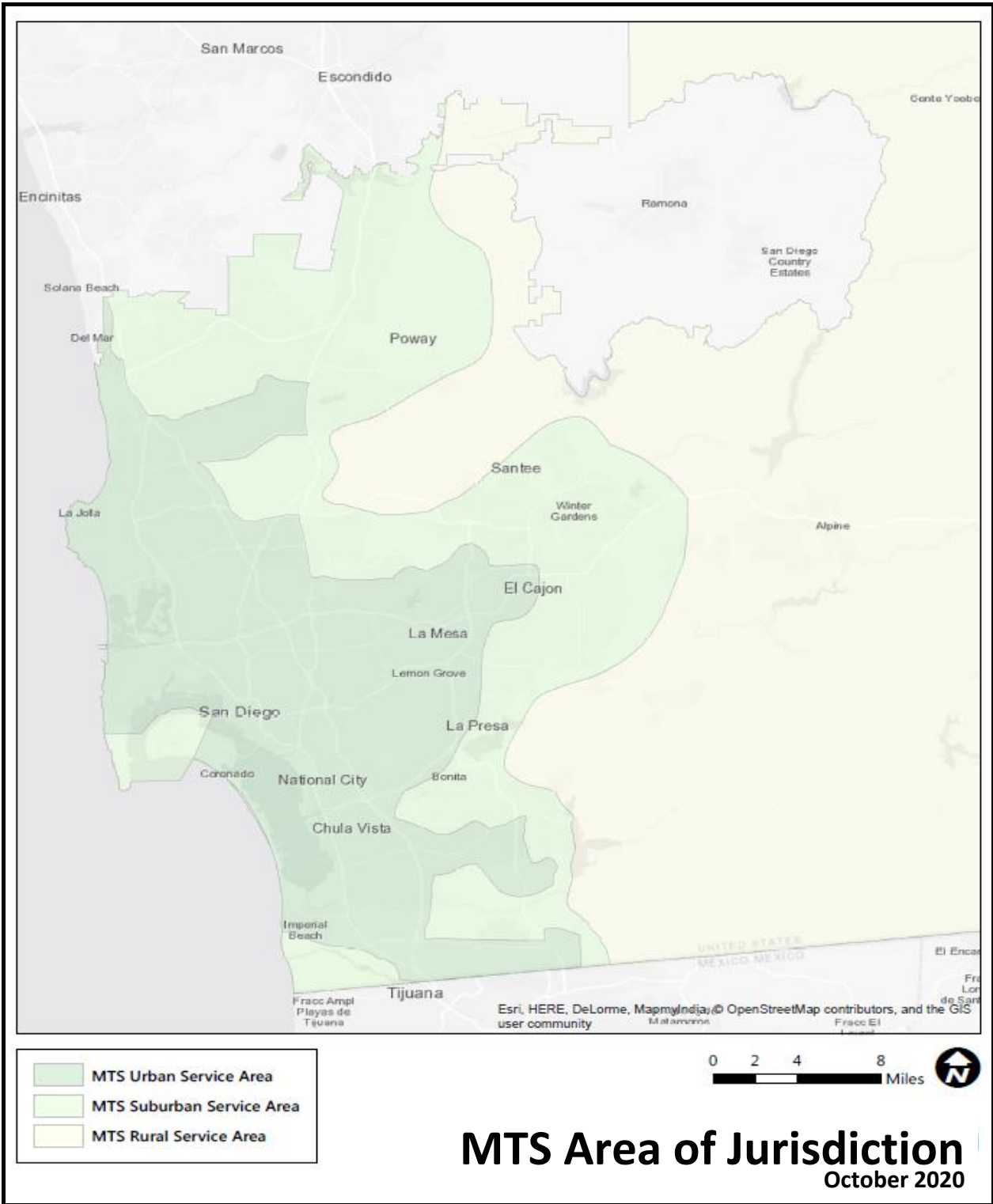
NC=National City, CV=Chula Vista
 IB=Imperial Beach, LG=Lemon Grove, LM=La Mesa
 EC=El Cajon, ST=Santee, PW=Poway
 Cor=Coronado, Cty=County Uninc., Esc=Escondido
 SD Dist.=City of San Diego Council District

SERVICE AVAILABILITY	
Goal	Actual
80% of residents or jobs within 1/4 mile of a bus stop or rail station in urban area	% of residents within 1/2 mile of a bus stop or rail station in urban areas: 99.0%
	% of jobs within 1/2 mile of a bus stop or rail station in urban areas: 99.2%
100% of suburban residences within 5 miles of a bus stop or rail station.	% of suburban residents within 5 miles of a bus stop or rail station: 100.0%
One return trip at least 2 days/week to destinations from rural villages (defined as Lakeside and Alpine).	Available Service: Route 848 serves Lakeside seven days a week and Route 838 serves Alpine seven days a week.

See attached map entitled 'Metropolitan Transit System Area of Jurisdiction.'

~ Title VI Monitoring statistics are updated on an annual basis

~~ No trips averaged above the vehicle load factor target (1.5 for most bus routes, 3.0 for Trolley).





FY 2021 Performance Monitoring Report

MTS Board of Directors
November 18, 2021

Policy 42 Evaluation Criteria

CUSTOMER FOCUSED/COMPETITIVE		INTEGRATED	SUSTAINABLE	
PRODUCTIVITY	QUALITY	CONNECTIVITY	RESOURCES	EFFICIENCY
<ul style="list-style-type: none"> • Total Passengers • Average Weekday Passengers • Passengers/ Revenue Hour • Passengers/ In-Service Hour 	<ul style="list-style-type: none"> • Passenger Load Factor • On-Time Performance • Accidents/ 100,000 Miles • Comments/ 100,000 Passengers • Mean Distance Between Failures 	<ul style="list-style-type: none"> • Route Headway • Span-of- Service Consistency • Service Availability 	<ul style="list-style-type: none"> • In-Service Miles • In-Service Hours • Peak Vehicle Requirement 	<ul style="list-style-type: none"> • In-Service Speed • In-Service/Total Miles • In-Service/Total Hours • Farebox Recovery Ratio • Subsidy/Passenger

Total Passengers

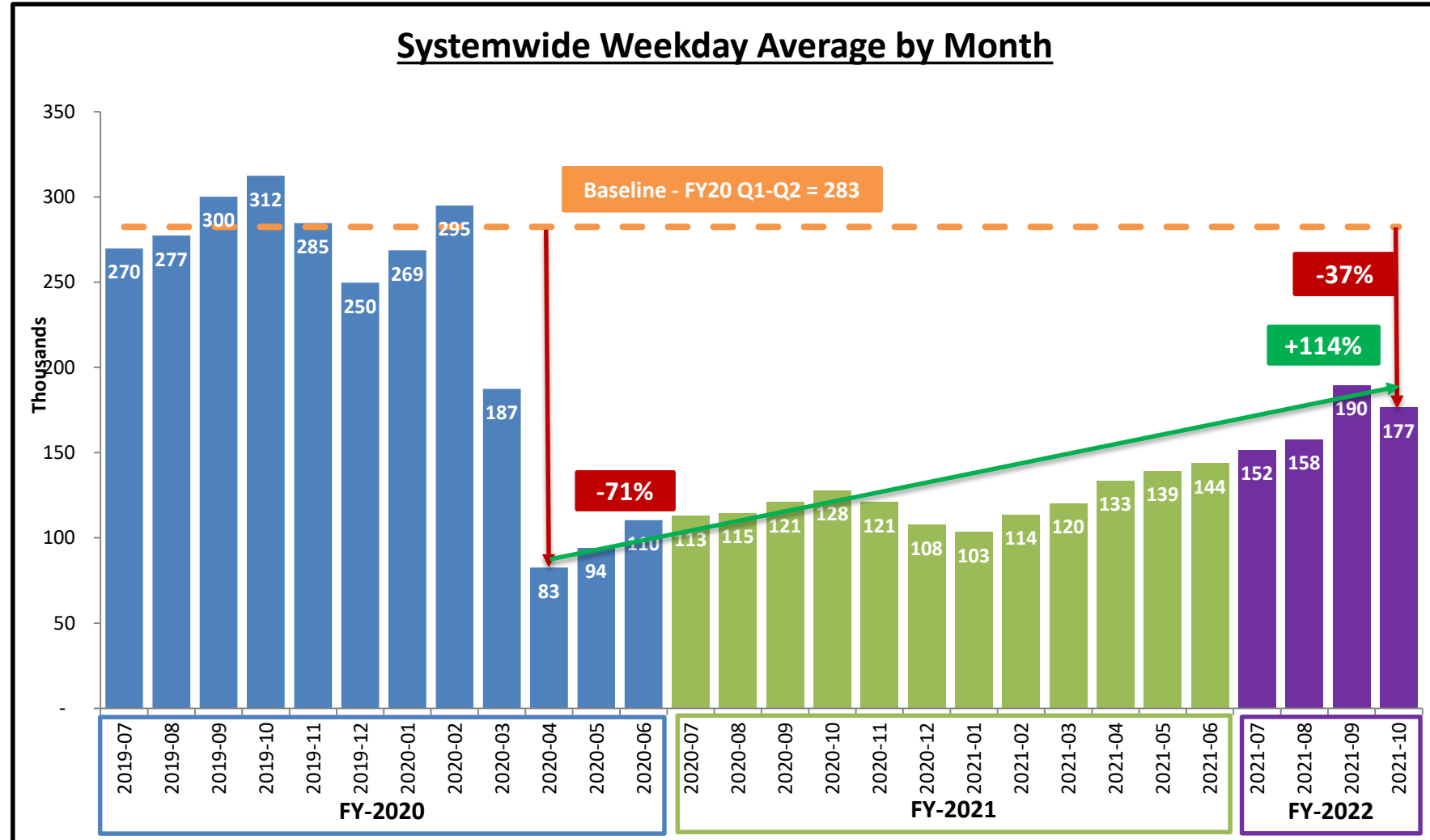
- Policy 42 GOAL is a year-over-year improvement by Route, Category, and System
- FY 2021 ridership fluctuated with pandemic-related closures and restrictions.
- Current forecast of 50-55 million riders in FY 2022. Average weekday ridership over 177 thousand in October 2021.

Route Categories	FY 2019	FY 2020	FY 2021	% Change FY20-FY21
Urban Frequent	30,415,325	24,452,815	13,100,977	-46.4%
Urban Standard	7,454,910	6,129,760	3,324,699	-45.8%
Rapid	6,504,970	5,772,834	2,122,799	-63.2%
Express	2,008,630	1,590,269	689,067	-56.7%
Circulator	821,636	669,608	285,430	-57.4%
Rapid Express	281,240	207,372	34,017	-83.6%
Rural	84,552	54,435	34,329	-36.9%
Fixed-Route Bus	47,571,263	38,877,093	19,591,318	-49.6%
Light Rail	37,293,757	32,003,027	19,516,337	-39.0%
All Fixed-Route	84,865,020	70,880,120	39,107,655	-44.8%
MTS Access	492,475	343,960	107,193	-68.8%
System	85,357,495	71,224,080	39,214,848	-44.9%
<i>Average Weekday</i>	<i>274,866</i>	<i>227,226</i>	<i>121,729</i>	<i>-46.4%</i>

Weekday Average

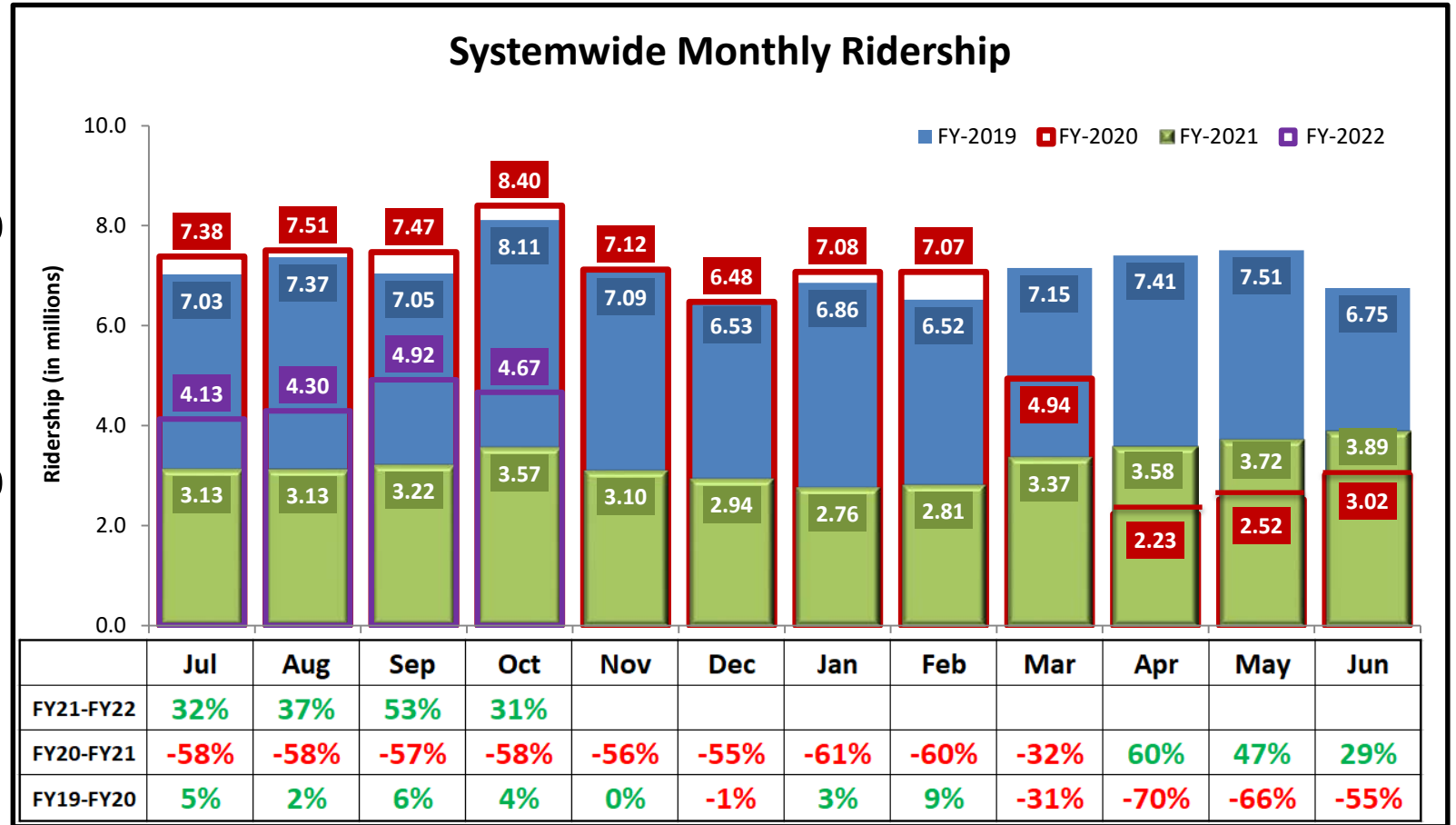
Compared to pandemic low-point of 83k in April 2020 (29% of baseline):

- June 2021 = 74% higher (144k)
- Sept 2021 = 129% higher (190k)
- Oct 2021 = 114% higher (177k)
(63% of Fall 2019 baseline)



Monthly Passengers

- Ridership for last quarter of FY 2021 increased 44% compared to last quarter of FY 2020
- Ridership for first quarter of FY 2022 increased 41% compared to first quarter of FY 2021



Passengers Per Revenue Hour

- Policy 42 GOAL is to improve the route category average
- Trend follows ridership because capacity (scheduled service) maintained at normal levels.

Route Categories	FY 2019	FY 2020	FY 2021	% Change FY20-FY21
Urban Frequent	26.8	22.6	11.6	-48.8%
Urban Standard	18.8	15.4	8.2	-46.5%
Rapid	31.4	26.3	9.4	-64.4%
Express	25.4	20.9	8.6	-58.6%
Circulator	13.3	11.2	5.0	-55.2%
Premium/Rapid Express	24.0	21.1	5.8	-72.5%
Rural	15.8	10.6	6.6	-38.4%
Fixed-Route Bus	25.1	21.0	10.3	-51.2%
Light Rail	215.7	180.9	105.3	-41.6%
All Fixed-Route	41.0	35.0	18.7	-46.6%
MTS Access	2.1	2.0	1.5	-27.5%
System	37.1	32.4	18.1	-44.2%

On-Time Performance

- Policy 42 GOAL is 85% for Urban Frequent & Rapid, 90% for all other categories
- All categories exceed their targets due to fewer passengers and less traffic
 - Figures expected to come down as pandemic recedes
 - Traffic and ridership both returning

Route Categories	Service Change Period					GOAL
	Sept. 2019	Jan. 2020	June 2020	Sept. 2020	Jan. 2021	
Urban Frequent	82.1%	86.7%	91.7%	91.9%	90.5%	85.0%
Urban Standard	86.2%	89.3%	92.8%	92.3%	91.9%	90.0%
Rapid	85.1%	88.1%	94.2%	94.0%	93.2%	85.0%
Express	82.3%	88.6%	95.1%	94.5%	94.5%	90.0%
Circulator	85.8%	88.1%	92.7%	93.1%	91.9%	90.0%
Premium/Rapid Express	82.0%	86.8%	91.3%	91.2%	97.6%	90.0%
Light Rail (Blue, Orange, Green)	93.3%	96.3%	98.0%	97.6%	98.9%	90.0%
Light Rail (Silver)	98.8%	99.6%	N/A	N/A	N/A	90.0%
System	84.1%	88.4%	92.8%	92.9%	91.3%	

Other Metrics

- Policy 42 GOAL is to improve operator averages

Mode	Miles Between Failures* (MDBF)			Complaints/ 100,000 Passengers			Preventable Accidents**/ 100,000 Miles	
	FY20	FY21	Change	FY20	FY21	Change	FY20	FY21
Bus (Directly-Oper.)	4,816	5,680	18.0%	5.5	8.0	44.8%	0.91	0.92
Bus (Contract Svcs.)	6,530	7,685	17.7%	9.5	10.5	10.7%	1.36	0.95
MTS Access	45,373	46,684	2.9%	145.4	119.4	-17.9%	0.51	0.33
Trolley	12,874	13,567	5.4%	1.4	1.3	-7.1%	0.03	0.09
General System				5.5	5.6	1.8%		

** A mechanical failure of a vehicle that prevents the start or completion of a trip due to safety, vehicle movement is limited, or policy requires removal from service.*

***An accident in which the operator failed to do everything reasonable to avoid the accident. This includes some accidents in which MTS isn't at fault and/or the MTS employee wasn't cited.*

Farebox Recovery

- Policy 42 GOAL is to meet TDA requirement of 31.9% system-wide for fixed route

Mode	FY 2019	FY 2020	FY 2021	% Change FY20-FY21
Fixed-Route Bus (<i>excl. Rapid Express</i>)	27.8%	23.0%	14.5%	-37.0%
Rapid Express	46.3%	31.9%	17.9%	-43.9%
Demand-Responsive	14.8%	14.9%	4.4%	-70.5%
Light Rail	51.6%	41.1%	20.7%	-49.6%
System	34.3%	28.3%	16.1%	-43.1%

- MTS faced Covid-related revenue drop and increasing costs on all fronts
- TDA requirement suspended by State due to pandemic



FY 2021 Annual Bus Operations Report

MTS Board of Directors

Michael Wygant, Chief Operating Officer (Transit Services)

November 18, 2021

Transit Services Safety



The safety of our employees and passengers has remained a top priority this past year throughout the ongoing COVID-19 pandemic

- Continued protocols implemented in early 2020 to protect MTS employees and passengers
- Implemented free onsite testing for employees in January 2021
 - 5,724 Tests collected as of October 2021, 0.73% positivity rate
- Hosted free COVID-19 vaccination clinics for employees onsite at both Kearny Mesa and Imperial Avenue bus divisions

Transit Services Safety (continued)

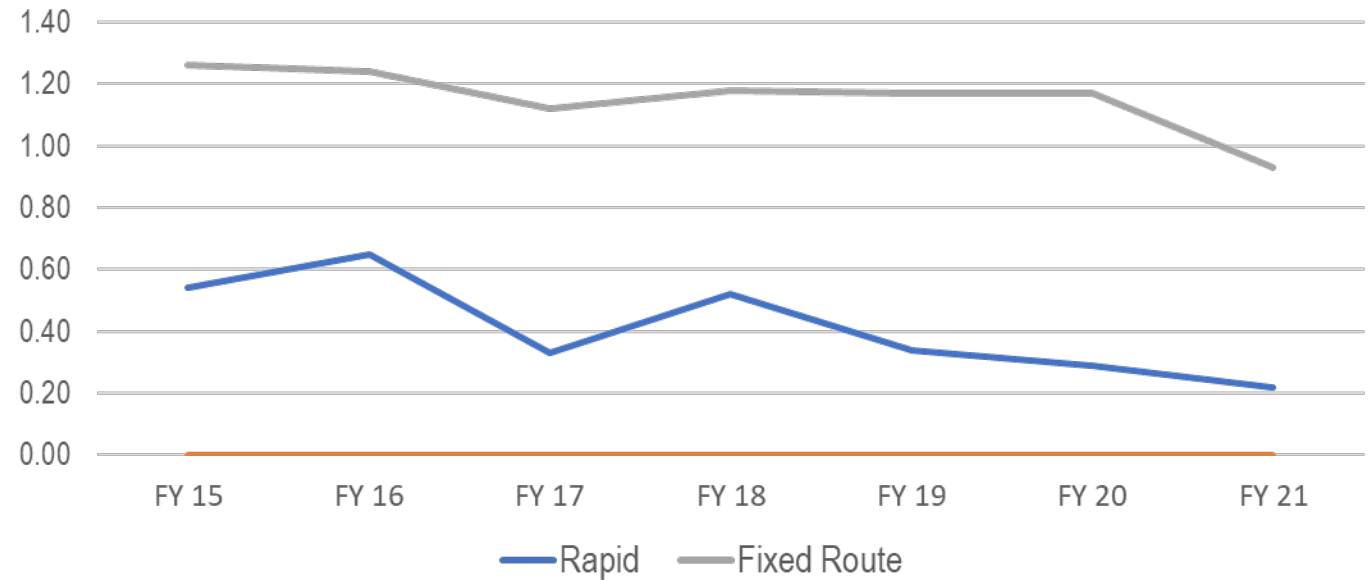


- Provided a safe and adaptable work environment for all four business areas to safely sustain all business operations during COVID-19
 - No office closures/outbreaks, kept critical passenger resources available for in-person Transit Store support and over the phone support
- Procured and installed bus operator protective barriers for the fixed route bus fleet
- Completed CHP Inspections at Imperial Avenue, Kearny Mesa, South Bay, and El Cajon bus divisions with zero findings
 - No out-of-service buses
 - 8th consecutive perfect audit

Safety Highlights

- Lowest preventable accident rate for Rapid and Fixed-Route in the past seven years
 - 21% reduction year over year for Fixed-Route
 - 24% reduction year over year for Rapid
- Began testing and evaluating air purification systems for buses
- Added accident prevention training on the intranet for all routes operated in-house
 - Provides drivers with prior accident information for each route, giving them the knowledge to identify hazards and avoid accidents

Rapid and Fixed Route Preventable Accidents Per 100K



ZEB Pilot Project

- Battery Electric Bus (BEB)
 - Took delivery of two Gillig green and white BEB's and five Gillig BEB's with new red, white, and green paint scheme
 - Transitioned two BEB's to South Bay facility
 - MTS has a total of thirteen BEB's (New Flyer and Gillig)
 - Nearly 250,000 miles driven to date
- IRIS Rapid Project
 - Procured twelve 60' Articulated BEB's to service South Bay's future all electric IRIS Rapid route
- Charging Infrastructure Plan
 - Funded by SDG&E's Power Your Drive fleets agreement (SB350 funding)
 - SDG&E starting construction this month to provide the additional power that is necessary for the implementation of the overhead charging infrastructure
 - MTS planning to start charger construction in March 2022



Fleet Highlights



- Finished upgrade of RTMS, installed mobile routers, and enabled single-sign-on between PRONTO and RTMS on all fixed-route buses
- Mean Distance Between Failures improved by 18% compared to FY20 (MTS Bus)
- Bus Deliveries
 - Took delivery of twenty-four MCI CNG commuter buses for Contract Services
 - Replaced last 2007 Bluebird diesel bus
- Ninety-four buses put into service in the past eighteen months ensures state of good repair
- Installed PRONTO DCUs and farebox systems for the entire fleet
- Started transition to red vinyl seating for cleanliness and durability

MTS Access Services



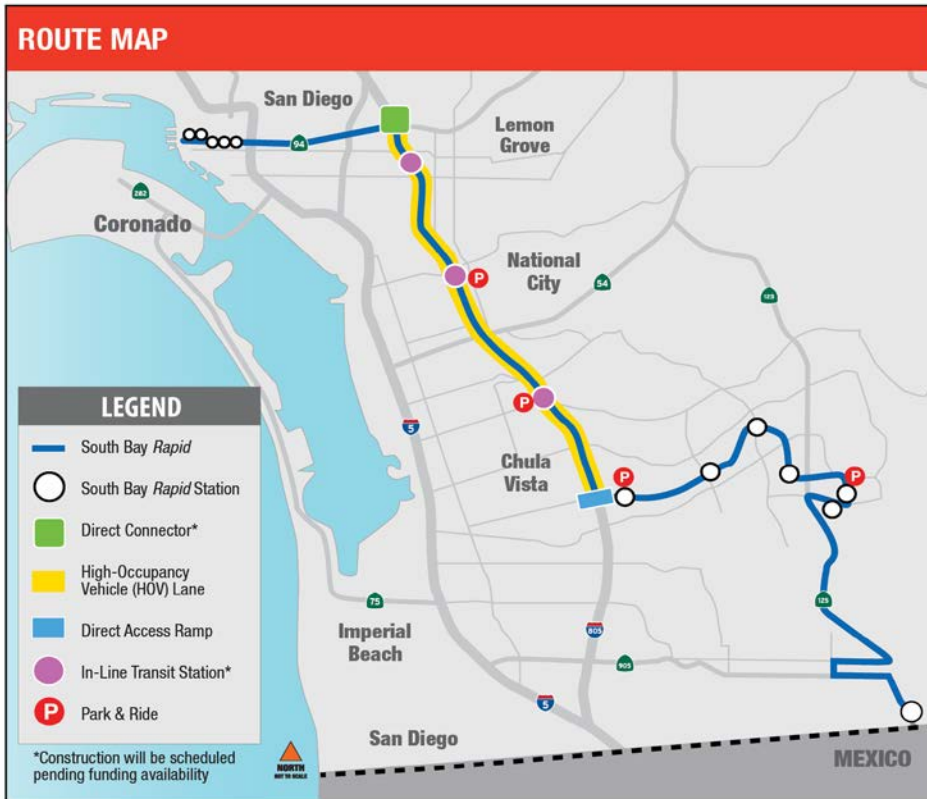
- Implemented a virtual in-person assessment pilot program to support the Access Eligibility process during the height of the pandemic
 - Over 700 assessments were completed
- Implemented back up cameras on the paratransit buses
 - Reduced preventable accidents by 24% compared to FY20
- Fourteen new minivans added to paratransit fleet- 80% funded by SANDAG.
 - More efficient mode of transportation when unable to multi-load passengers
 - Significantly reduced purchase and operating cost
 - Improved location accessibility

Support Services Highlights



- Played key role in design review and testing for PRONTO system to prepare for FY22 launch
 - Developed customer and PRONTO Support team systems to provide for smooth service experience from Compass system
 - Created new customer accounts with existing photos and data
 - Tested functionality to ensure that products and values worked as designed
- Took on a leadership role for the Agency's efforts to address the issues of individuals experiencing homelessness
 - Integrated data from multiple MTS departments and conducted research from industry best practices
 - Established relationships among the San Diego community services/advocacy groups (ex. VVSD, McAllister Institute, La Mesa PATH, etc.)
 - Collected data to track areas where resources are needed the most
- Maintained efficient call center metrics for Information and Trip Planning, Customer Service and PRONTO Support Center
 - Assisted more than 208,000 callers with wait times averaging less than ten seconds and call abandonment under 3%

Bus On Shoulder Project (BOS)



- Freeway shoulders for buses only (I-805 and SR-94)
 - Transit only lane operation
 - Monday through Friday, 5:00 am to 9:00 am, and 3:00 pm to 7:00 pm
 - Up to 15 mph faster than adjacent travel lane (max speed= 35 mph)
- Project Milestones
 - Onboard equipment bus technology installed October 2020
 - Ramp Metering (TSP), Lane Departure Warning (LDW), Blind Spot Warning (BSW), and Forward Collision Warning (FCW)
 - Driver technology familiarity training in progress, driver training on shoulder expected to begin December 2021
 - Freeway shoulder infrastructure improvements completed July 2021
 - Seven miles of freeway shoulder upgraded, enhanced, and restriped
 - Shoulder lanes widened to eleven feet
 - Transit only lane signage installed
- Revenue service targeted for early 2022

Congratulations!



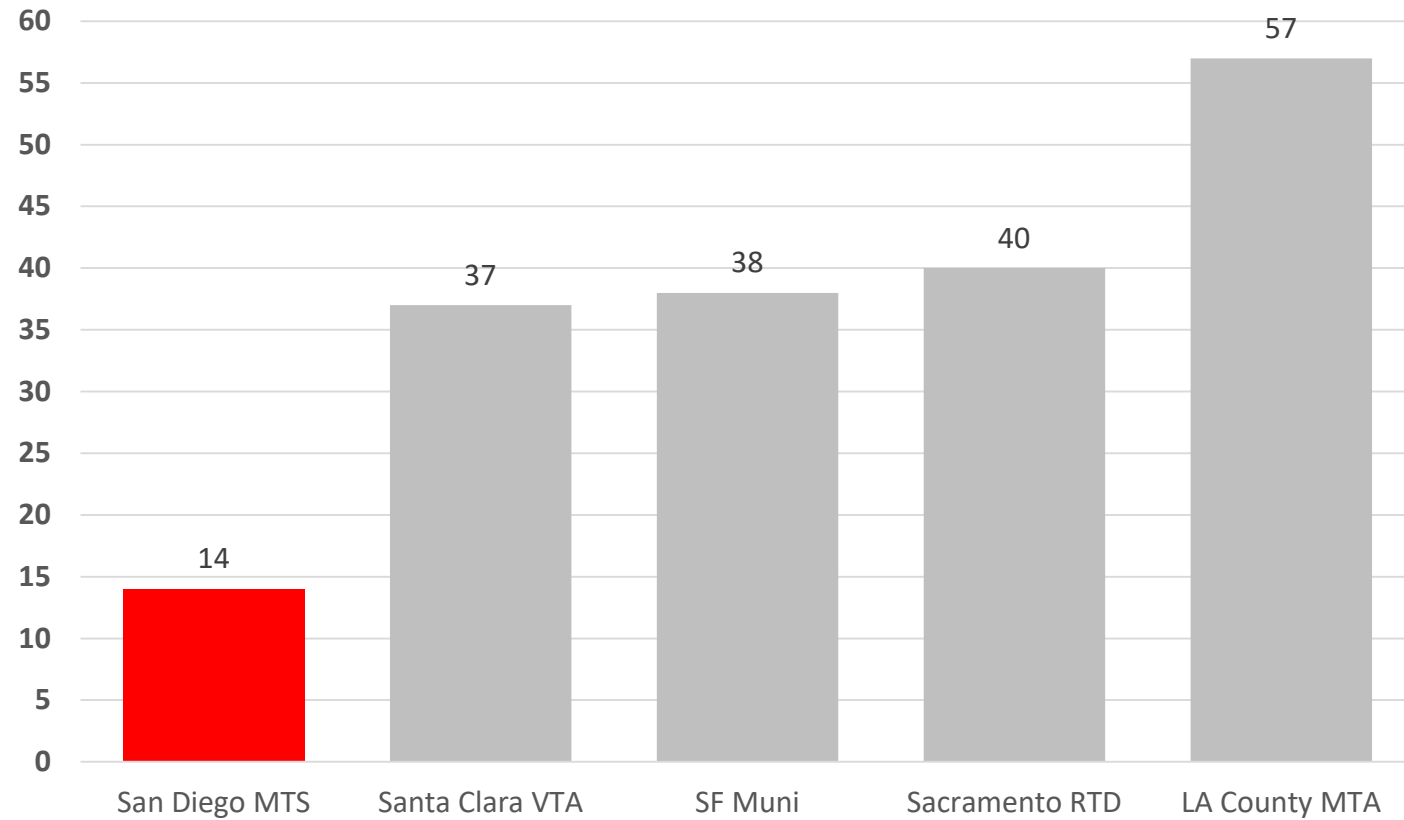
- MTS Transit Services Joint Apprenticeship Program
 - Eight graduates total in FY20 and FY21
- 2021 Safe Driver Awards
 - 255 awards presented

MTS Rail
FY21 Year End Report

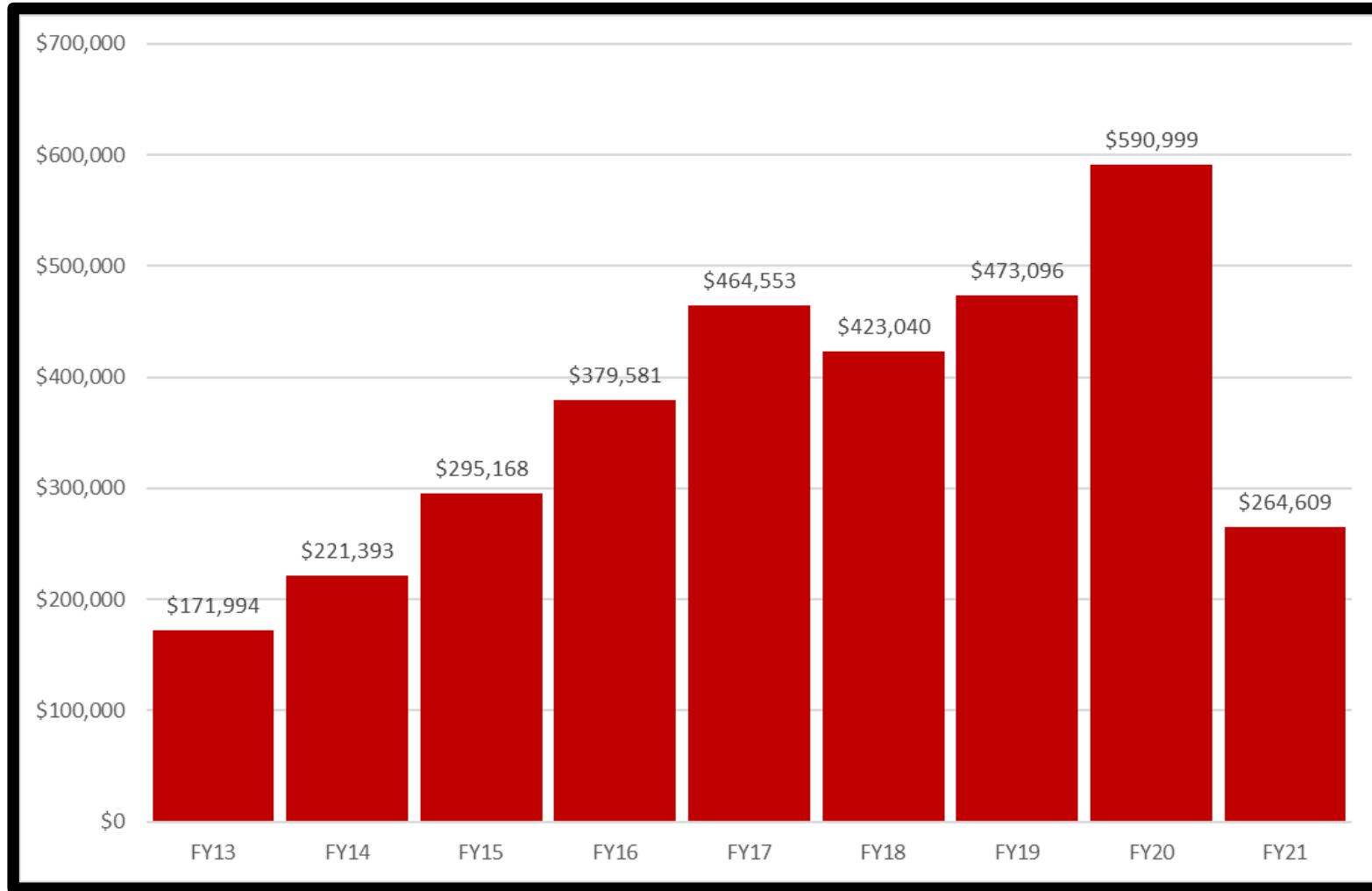


Statewide Rail Accidents

CY20 (CPUC Data Base)



MASTER CONCESSIONNAIRE SERVICES FY 2021



FY21 Event Statistics

EVENT	RIDERSHIP		EVENTS	
	FY20	FY21	FY20	FY21
Comic Con	160,390		5	0
Padres	83,717	43,356	37	45
SDSU Football	19,743		6	0
SDSU Basketball	9,898		14	0
Holiday Bowl	8,674		1	0
July 4 th	6,833		1	0
Stadium Motor Sports	6,486		3	0
Concerts – SDSU Venues	6,142		42	0
Oktoberfest	3,447		3	0
Political Rallies	1,337		1	0
Waterfront Park Events	1,100		5	0
Artwalk	1,100		2	0
Parades	900		1	0
Little Italy Festa	500		1	0
Total	311,439	43,356	122	46

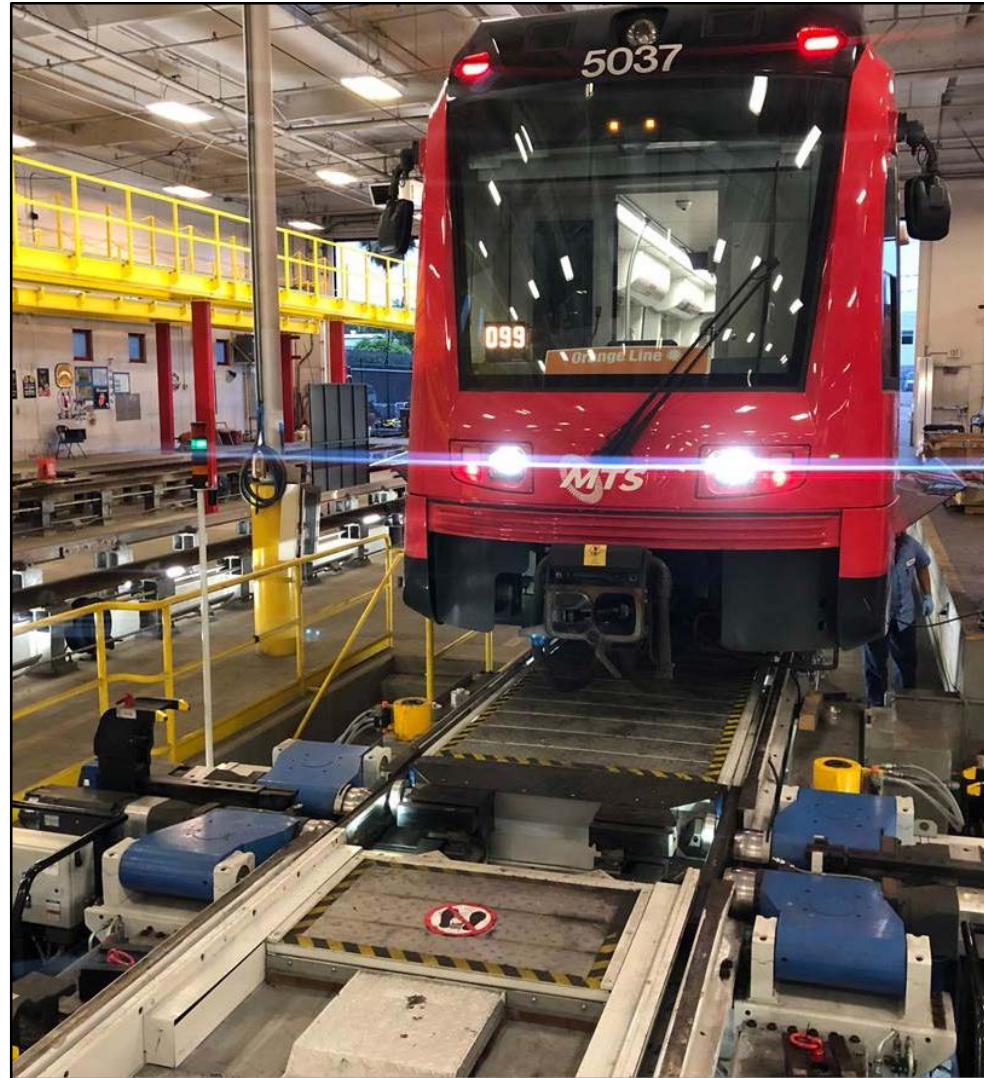
Imperial Transit Center Storm Flooding at High Tide



December/2018 Storm Flooding Destroyed the New \$1.6M Wheel Truing Machine at Facility “C”



New Wheel Truing Machine Procured and Reinstalled 2021



Shop Doors & Flood Protection



SD-10 Procurement - Replacement of the SD-100 High Floor LRV's



SD100 Disposal/Recycle in Mendoza



LRV Catwalks Installed



Taxi Building Retrofit



BEFORE



AFTER

Taxi Building Retrofit



Operations Control Center (OCC) Refresh to Include Mid-Coast Extension



Before



After

Upgraded the centralized train control monitoring screen to state-of-the-art Electrosonic Mitsubishi slim cube technology

Refreshed OCC Controller Consoles, Including a new Mid-Coast Controller Work Station



H Street to F Street Drain Cleanup - Before



H Street to F Street Drain Cleanup - After



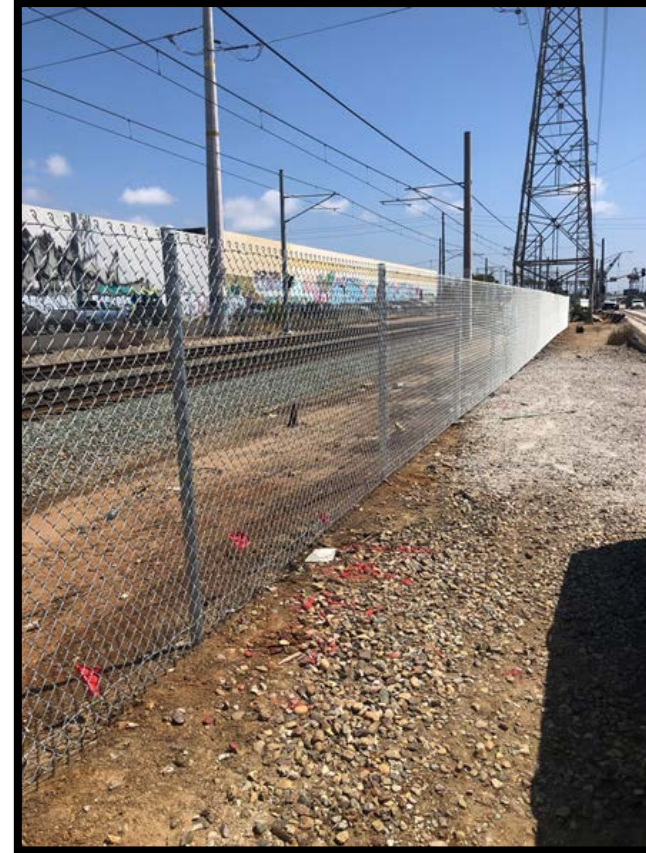
Palomar to Main Fence



Sampson Street Fencing Project



Before



After

Beyer Fence



Palm Avenue Fence



BEFORE

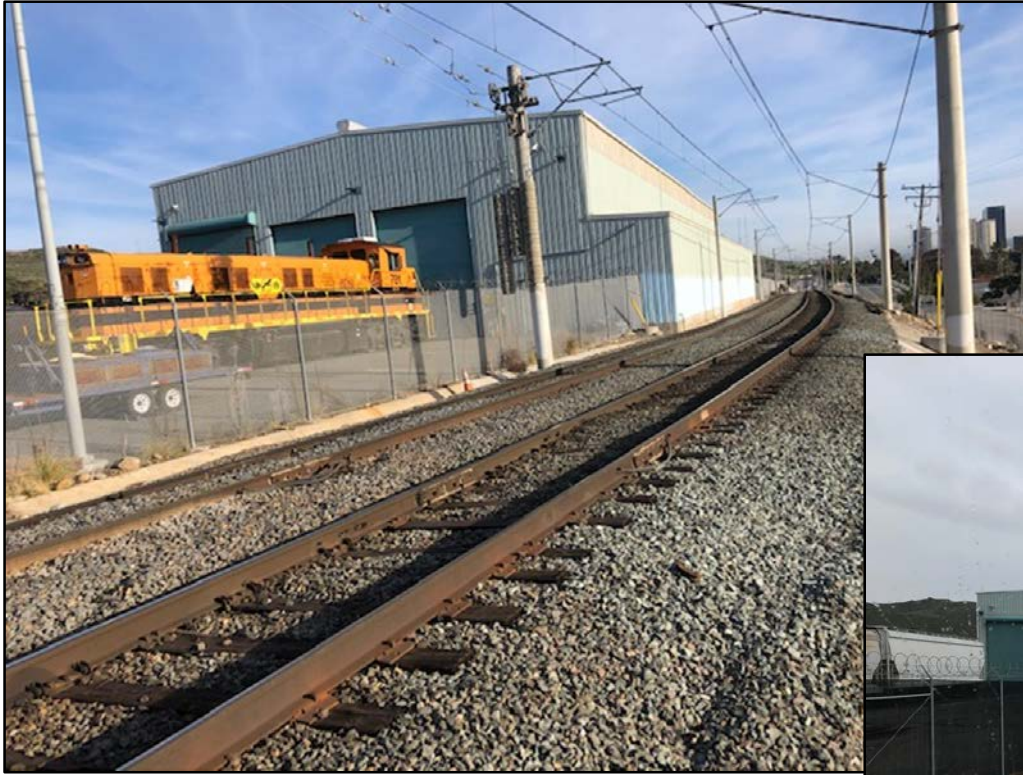


AFTER

San Ysidro/Beyer Track Replacement



San Ysidro/Beyer Trackwork Replaced



Hill Street Retaining Wall - El Cajon



Rail Grinding Program



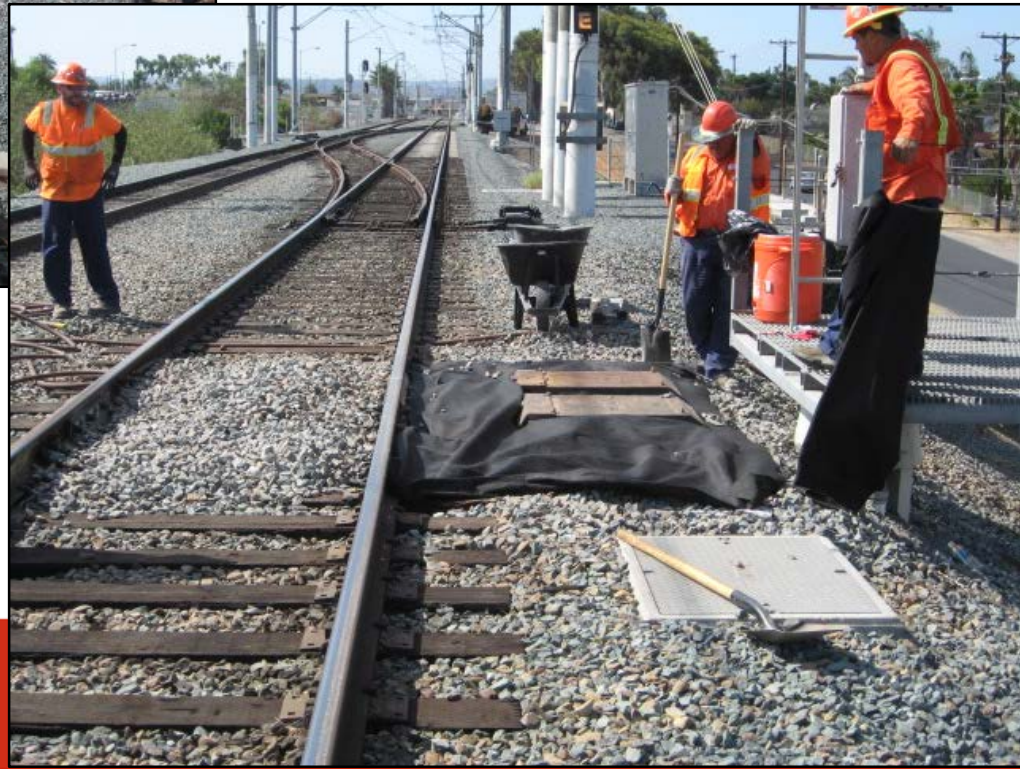
Rail Grinding Program



Snooper



Impedance Bond Protection



New Traction Power Substations

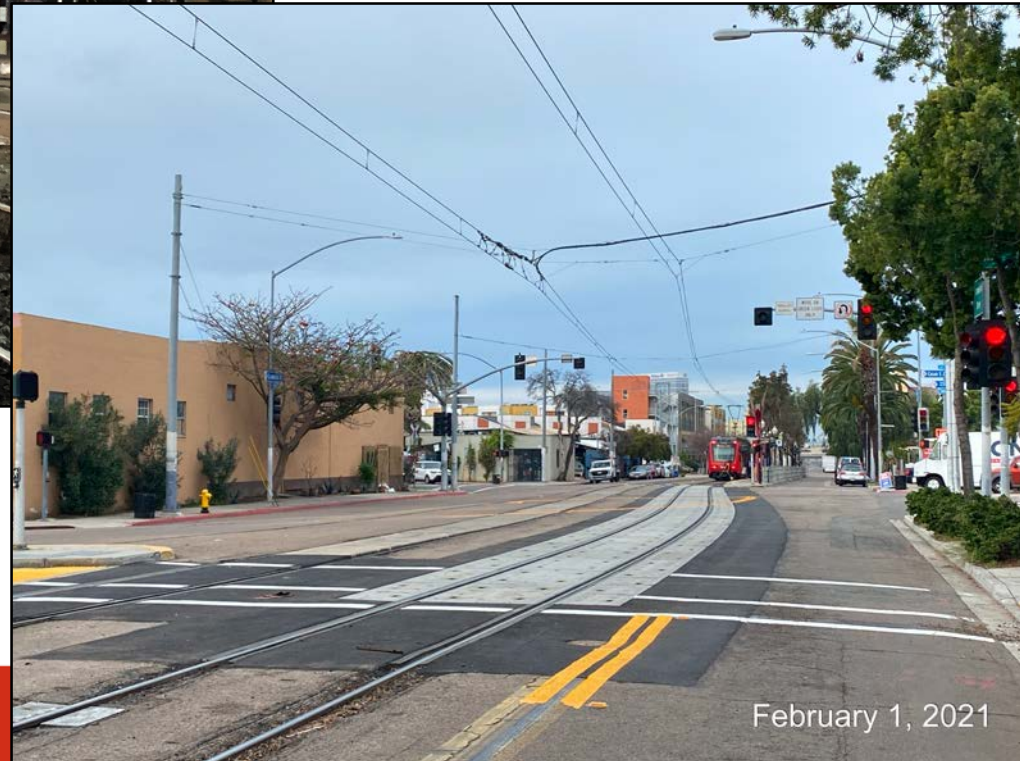


Before

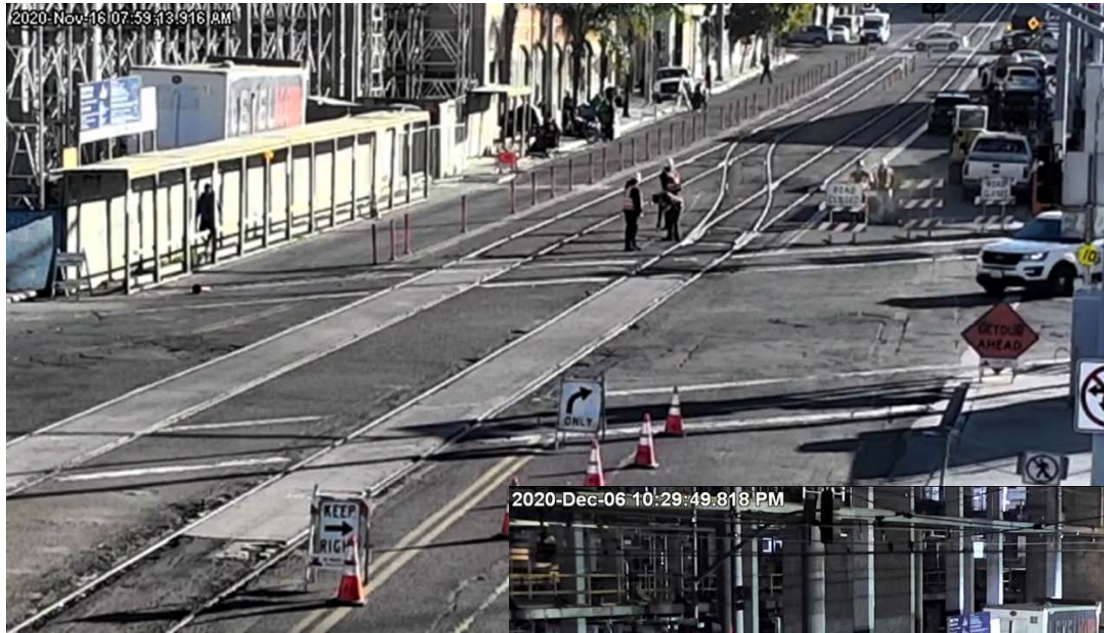


After

25th & Commercial Street Track Switch and Crossing Replacement



Crossover Switch and National Avenue Replacement



BEFORE



AFTER

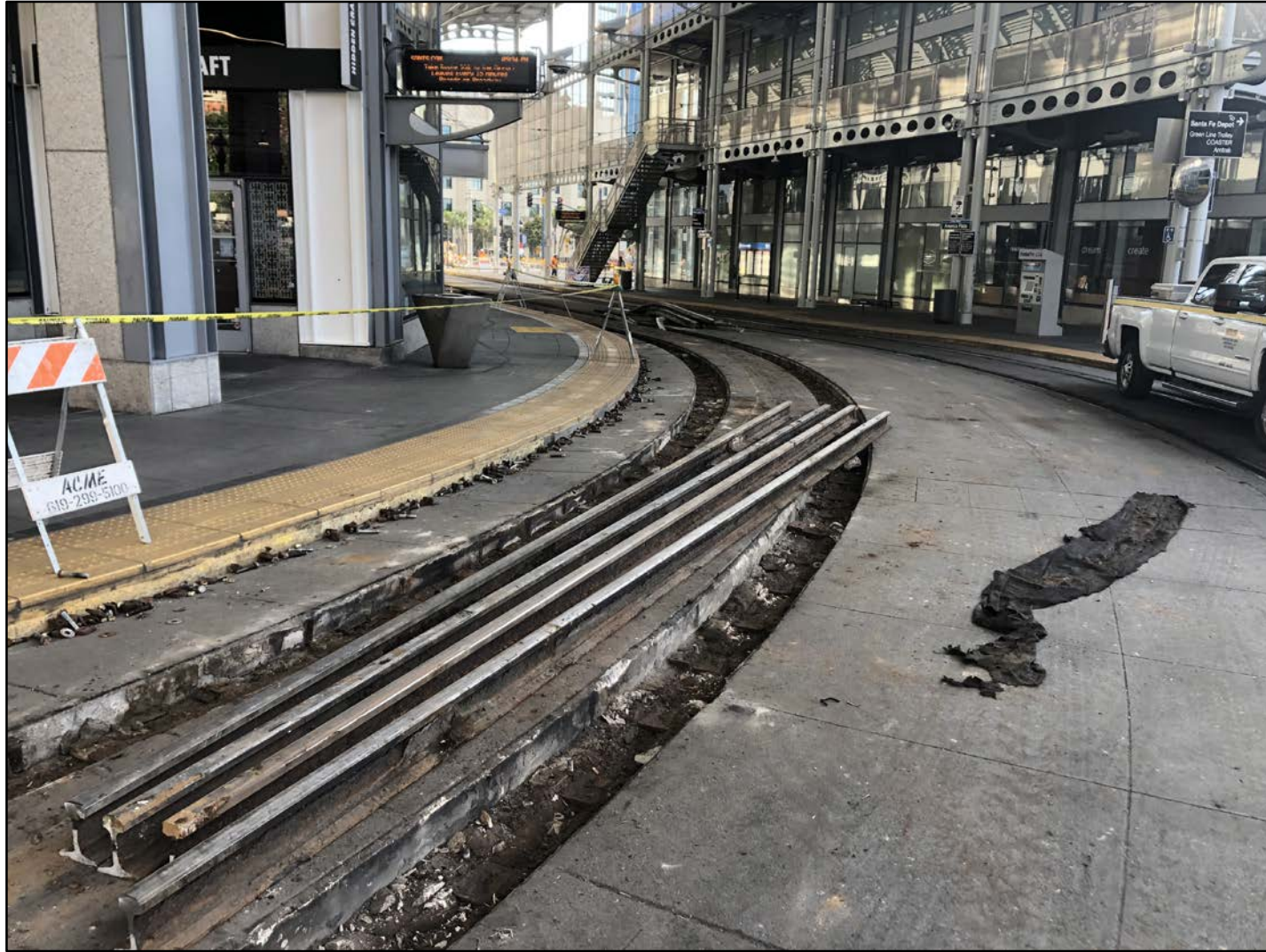
Middletown Crossover Installation



Beech Street Crossover Signaling Enhancement



America Plaza Track Replacement



Kettner Blvd. Crossing Replacement





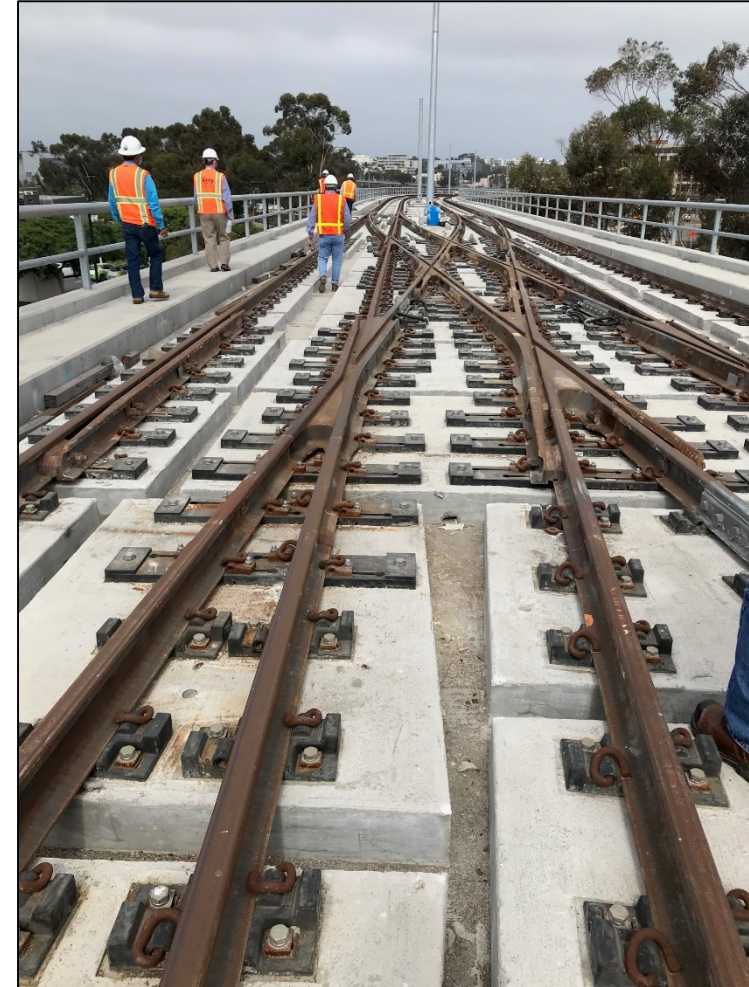
Mid-Coast Corridor

Transit Project



Readiness for Service on November 21st.

Final Rail Activation Requirements

- Operating Schedule Ready to Implement
- All Staff Training Requirements are Complete
- All System Integrated Testing is Complete
- All Stations are Complete and Accepted
- All CPUC Certification Requirements Complete
- Letter from CPUC Authorizing Service Received



THINK FAST CAMPAIGN



Think FAST

Fun And Safe Transit

Safety Reminders for Riders

It's easy to stay safe when riding MTS Buses and Trolleys, just **Think FAST (Fun And Safe Transit)**. Keep yourself, your friends and your family safe with these important tips when waiting, boarding and riding MTS.

Think FAST

Fun And Safe Transit



WHILE AT A STATION OR STOP

**Stay Alert**

Look both ways before crossing the tracks or street. Never move around a vehicle that blocks your visibility.

**Use Crosswalks**

Always use designated crosswalks at transit centers, and designated crossing areas on Trolley tracks.

**Remove Headphones on Platforms**

Please wear headphones while riding, but remove them when on platforms or near buses.

**Stay Behind the Line**

When waiting for the Trolley or bus, be sure to stay to behind the line.

**No Jumping or Climbing between Trolleys**

Crossing between Trolley cars may cause serious injury.

**Walk, Don't Ride**

Walk your bike, scooter or skateboard on platforms or sidewalks for your safety and those around you.

**Keep Off Tracks**

Do not trespass in any area not meant for the public. Stay off the train tracks at all times, except when crossing in designated crosswalks.

**Don't Chase a Moving Vehicle**

Do not run after or touch a moving vehicle. Doing so may cause serious injury.

**Watch the Gates**

Pay attention to crossing gates. If the gate is moving down, wait until all trains clear and the gates return to the up position.

**Use Accessibility Ramp**

Press the blue ADA button on Trolley doors to use the ramp for boarding and exiting. On board Trolley, press button (or ADA seat pull) before arriving at your stop. On buses, please ask the operator to deploy ramp.

WHEN RIDING

**Always Hold On**

Hold on to a hand rail at all times as vehicles start, stop and change directions frequently.

**Remain Seated**

If seated, wait until the vehicle comes to a complete stop before getting up from your seat.

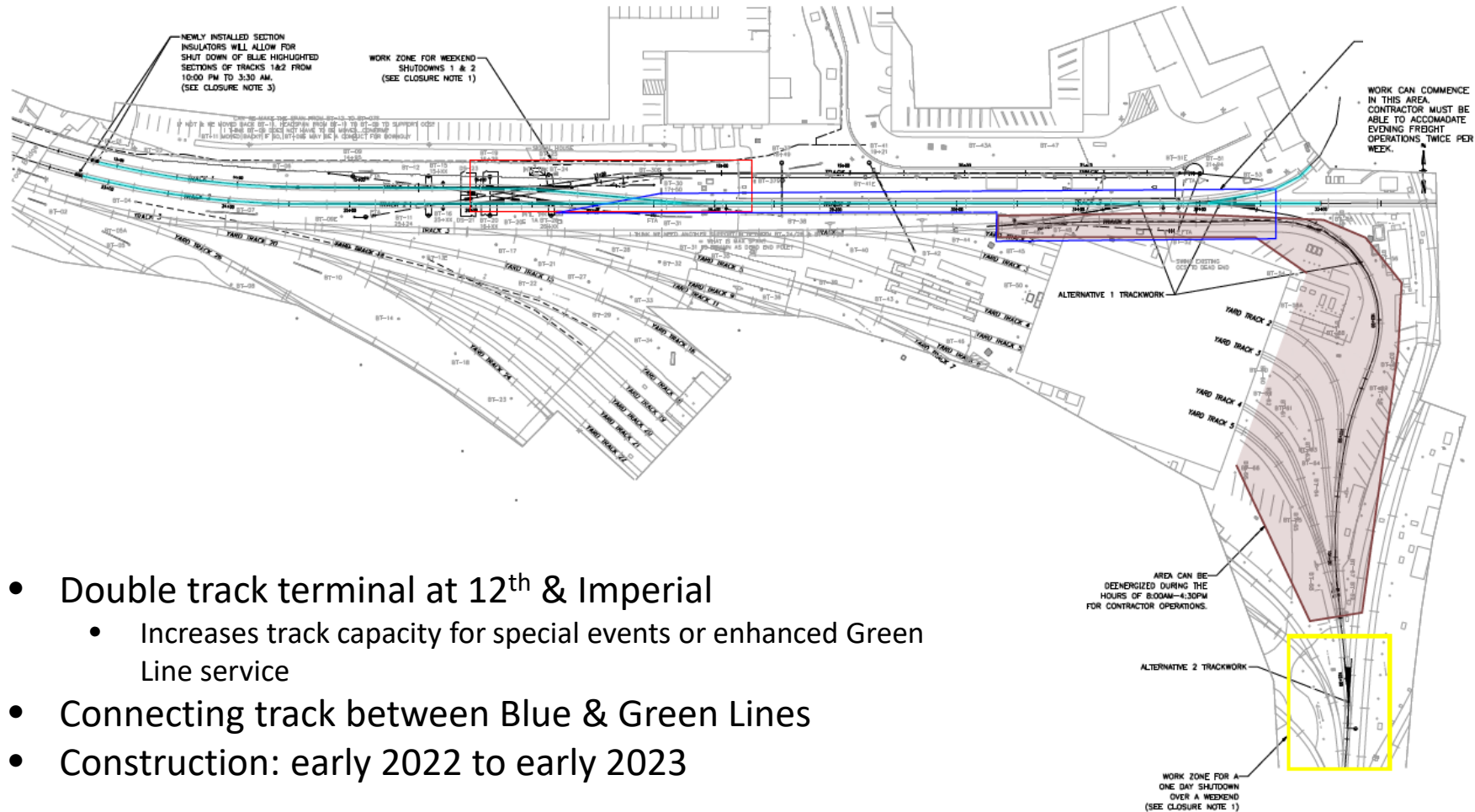
**Keep Aisles Clear and Don't Block Doors**

Keep vehicle aisles clear of personal belongings so other riders can move through the vehicle. Keep doorways clear to allow other passengers to board and exit freely.

**Stay Awake**

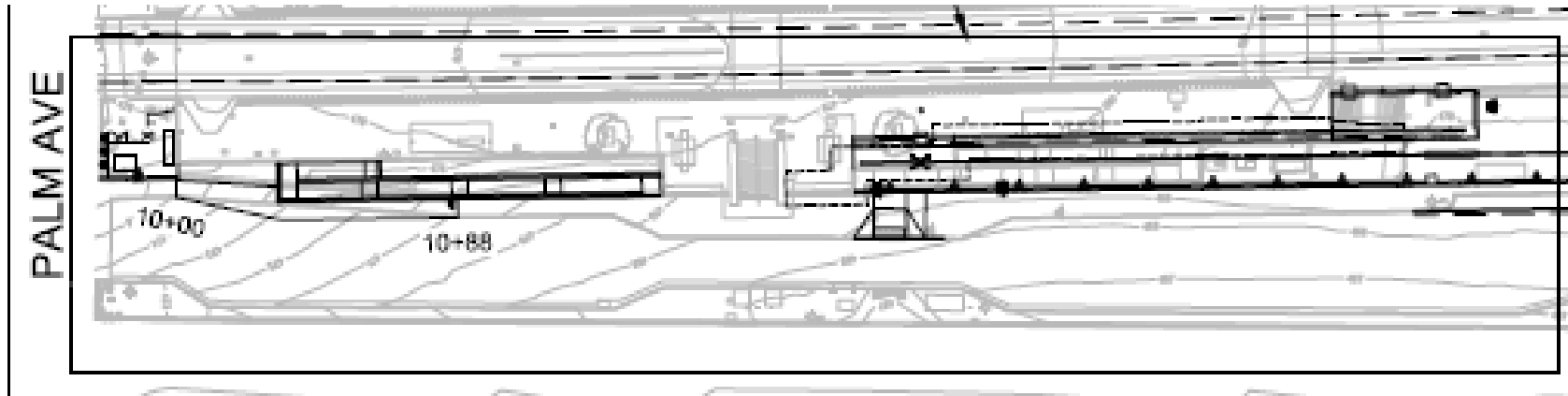
Do not sleep while riding. Falling asleep may cause you to lose your balance while on board.

Imperial Double Track Project



- Double track terminal at 12th & Imperial
 - Increases track capacity for special events or enhanced Green Line service
- Connecting track between Blue & Green Lines
- Construction: early 2022 to early 2023

El Cajon Third Track Project



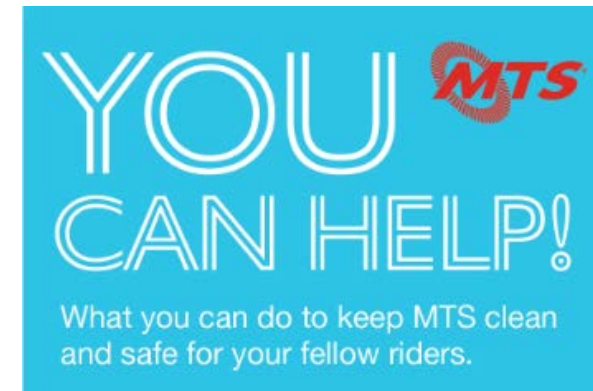
- Third track at El Cajon Transit Center
 - Separate terminal track for future service options
- Construction: early 2022 to early 2023

Maintaining Healthy Operations and Keeping The Public and Transit Workers Safe

Clean Ride Campaign

- Retaining cleaning protocols
- Passenger and employee safety are the utmost importance
- Face coverings on transit
- Germ barriers and sanitizer at reporting locations
- Hand washing stations remain at all Stations
- On-site COVID testing continues

- CEO - employee communications regarding COVID status/concerns published regularly
- Ridership is steadily improving agency wide

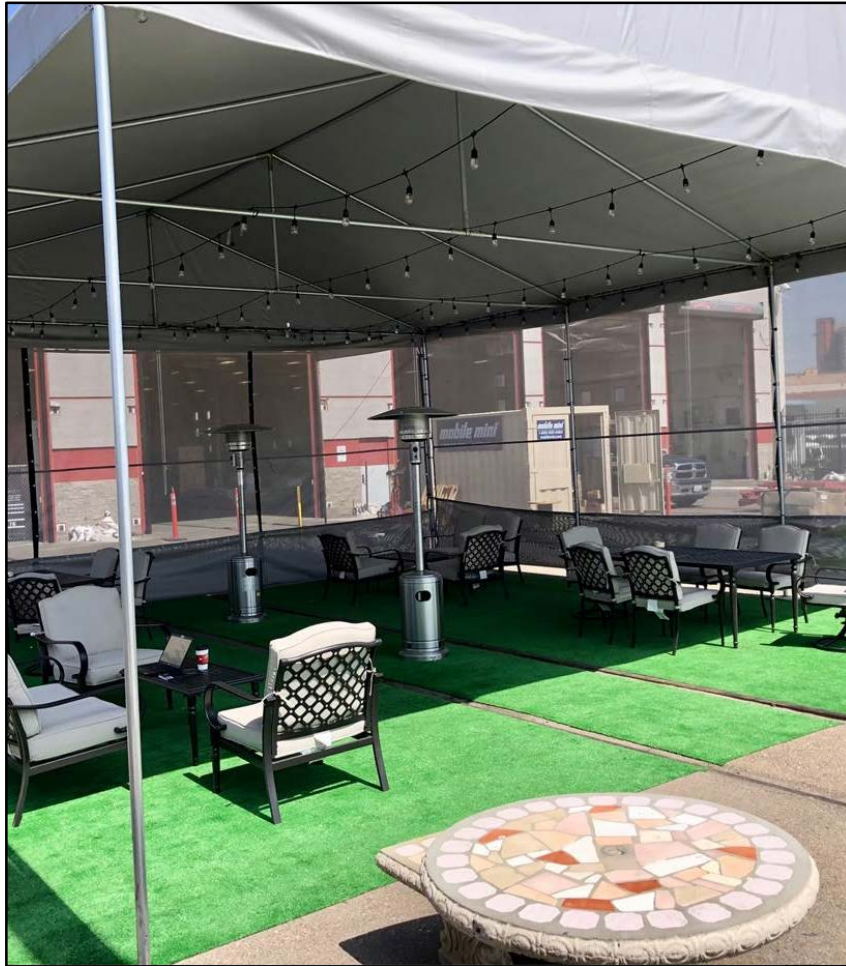


MTS Response to COVID-19



In cooperation with the County of San Diego, 56 handwashing stations have been placed at all Trolley stations and the UTC Transit Center.

Employee Break Area (COVID Response)



MTS is Awarded the APTA Gold Award for our Response to the COVID-19 Pandemic

- Established Cleaning Protocols on Trains/Buses, Stations & Facilities
- Hand Washing Units at all Stations
- Patron & Employee Communications
- Clean Ride Campaign to Sustain and Build Ridership
- Maintaining Safe Work Environment on Vehicles and Facilities
- Only Modest Reductions in Service throughout the Pandemic
- On-Site COVID-19 Testing and Vaccinations for all Employees





Agenda Item No. 61

Chief Executive Officer's Report

November 18, 2021

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 \$100,000) for the period October 7, 2021 – November 8, 2021.

CEO Travel Report (since last Board meeting)

November 1 – 3 California Transit Association Annual Fall Conference, Sacramento, CA
November 7 – 10 American Public Transportation Association Annual Conference, Orlando, FL

Board Member Travel Report (since last Board meeting)

N/A



EXPENSE CONTRACT

Doc #	Organization	Subject	Amount	Revenue/ Expenditure	Day
B0721.2-21	GILLIG, LLC	5 40-FOOT BATTERY ELECTRIC BUSES-PRICE CORRECTION	\$969.75	E	10/12/2021
G1818.5-15	MOOVEL	MOBILE TICKETING SVS - AMD 5	\$17,500.00	E	10/27/2021
G1901.6-16	MEDICAL TRANSPORTATION MANAGEMENT	AMD 6 - ADD MOBILITY ASSESSEMENT EVALUATOR	\$52,415.00	E	10/27/2021
G1931.19-16	NMS MANAGEMENT	AMD 16 - ADD LOCATIONS	\$91,451.67	E	10/27/2021
G1951.0-171951-AE-72	MOTT MACDONALD, LLC	AIRPORT STUDY UPDATE	\$85,487.18	E	10/27/2021
G2053.3-18.32	CIVILIAN	TASK ORDER 32 - ON CALL SVCS	\$38,625.00	E	10/27/2021
G2172.2-19	NFINIT	ADDT'L FUNDS AND NAME CHANGE	\$27,462.36	E	10/27/2021
G2354.1-20	SIGNAL DIGITAL SOLUTIONS	AMD 1 - MAINTENANCE	\$79,730.00	E	10/27/2021
G2508.0-22	VISIOLOGIX CORPORATON	BODY CAMERA SOFTWARE	\$69,450.00	E	10/27/2021
PWG269.019269-11.01	HERZOG	CCO 01	\$51,721.15	E	10/28/2021
PWL285.5-19	TRANSDEV RAIL	CCO10	\$12,392.97	E	10/28/2021
PWL343.0-22	MORRISON	RAIL WELDING SERVICES	\$54,500.00	E	10/28/2021
L1606.0-22	CITYWIDE	SUPPLY WINDOW GLASS	\$95,413.37	E	10/29/2021
PWG321.1-21	PRESENTATION PRDUCTS DBA SPINITBAR	ADDITIONAL AFTER-HOURS MAINTENANCE SUPPORT	\$6,900.00	E	10/30/2021
G2538.0-22	GCAP SERVICES, INC.	DBE PROGRAM CONSULTING SERVICES	\$25,000.00	E	11/1/2021

REVENUE CONTRACT AND MOUS					
Doc #	Organization	Subject	Amount	Revenue/ Expenditure	Day
L0901.0-10.122	BRICEHOUSE STATION	THE SKIN CARE FOUNDATION	\$1,000.00	R	10/6/2021

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4400001619	10/7/21	Office Depot		G200-OFFICE SUPPLIES	\$ 138.77	-	-
4400001620	10/7/21	W.W. Grainger Inc		G150-FASTENERS	\$ 386.14	-	-
4400001621	10/7/21	Office Depot		G200-OFFICE SUPPLIES	\$ 91.72	-	-
4400001622	10/11/21	Office Depot		G200-OFFICE SUPPLIES	\$ 47.76	-	-
4400001623	10/11/21	W.W. Grainger Inc		M110-SUB STATION	\$ 218.00	-	-
4400001624	10/13/21	Office Depot		G200-OFFICE SUPPLIES	\$ 185.05	-	-
4400001625	10/13/21	Office Depot		G200-OFFICE SUPPLIES	\$ 92.33	-	-
4400001626	10/13/21	Office Depot		G200-OFFICE SUPPLIES	\$ 517.35	-	-
4400001627	10/13/21	Office Depot		G200-OFFICE SUPPLIES	\$ 56.64	-	-
4400001628	10/13/21	Office Depot		G200-OFFICE SUPPLIES	\$ 457.19	-	-
4400001629	10/14/21	W.W. Grainger Inc		G180-JANITORIAL SUPPLIES	\$ 69.25	-	-
4400001630	10/15/21	Mcmaster-Carr Supply Co		G130-SHOP TOOLS	\$ 549.71	-	-
4400001631	10/18/21	Office Depot		G200-OFFICE SUPPLIES	\$ 90.84	-	-
4400001632	10/18/21	Office Depot		G200-OFFICE SUPPLIES	\$ 161.61	-	-
4400001633	10/18/21	Office Depot		G200-OFFICE SUPPLIES	\$ 54.26	-	-
4400001634	10/18/21	Office Depot		G200-OFFICE SUPPLIES	\$ 71.88	-	-
4400001635	10/19/21	Office Depot		G200-OFFICE SUPPLIES	\$ 6.31	-	-
4400001636	10/19/21	Mcmaster-Carr Supply Co		G130-SHOP TOOLS	\$ 243.42	-	-
4400001637	10/20/21	W.W. Grainger Inc		G130-SHOP TOOLS	\$ 492.67	-	-
4400001638	10/20/21	Office Depot		G200-OFFICE SUPPLIES	\$ 8.05	-	-
4400001639	10/21/21	Office Depot		G200-OFFICE SUPPLIES	\$ 66.58	-	-
4400001640	10/25/21	Office Depot		G200-OFFICE SUPPLIES	\$ 390.24	-	-
4400001641	10/25/21	Office Depot		G200-OFFICE SUPPLIES	\$ 21.54	-	-
4400001642	10/26/21	W.W. Grainger Inc		M110-SUB STATION	\$ 177.81	-	-
4400001643	10/26/21	W.W. Grainger Inc		G130-SHOP TOOLS	\$ 485.87	-	-
4400001644	10/26/21	Office Depot		G200-OFFICE SUPPLIES	\$ 510.14	-	-
4400001645	10/28/21	Office Depot		G200-OFFICE SUPPLIES	\$ 68.30	-	-
4400001646	10/28/21	Office Depot		G200-OFFICE SUPPLIES	\$ 157.35	-	-
4400001647	10/28/21	Office Depot		G200-OFFICE SUPPLIES	\$ 61.44	-	-
4400001648	10/28/21	Office Depot		G200-OFFICE SUPPLIES	\$ 291.67	-	-
4400001649	10/28/21	Office Depot		G200-OFFICE SUPPLIES	\$ 108.46	-	-
4400001650	10/29/21	Office Depot		G200-OFFICE SUPPLIES	\$ 132.23	-	-
4400001651	10/29/21	Office Depot		G200-OFFICE SUPPLIES	\$ 172.17	-	-
4400001652	10/29/21	Office Depot		G200-OFFICE SUPPLIES	\$ 114.20	-	-
4400001653	11/1/21	Office Depot		G200-OFFICE SUPPLIES	\$ 56.95	-	-
4400001654	11/1/21	Office Depot		G200-OFFICE SUPPLIES	\$ 67.21	-	-
4400001655	11/1/21	W.W. Grainger Inc		G130-SHOP TOOLS	\$ 348.23	-	-
4400001656	11/2/21	W.W. Grainger Inc		M110-SUB STATION	\$ 370.31	-	-
4400001657	11/3/21	Office Depot		G200-OFFICE SUPPLIES	\$ 13.06	-	-
4400001658	11/5/21	Office Depot		G200-OFFICE SUPPLIES	\$ 756.36	-	-
4400001659	11/5/21	Office Depot		G200-OFFICE SUPPLIES	\$ 487.87	-	-
4400001660	11/5/21	Office Depot		G200-OFFICE SUPPLIES	\$ 69.32	-	-
4400001661	11/5/21	Office Depot		G200-OFFICE SUPPLIES	\$ 136.56	-	-
4400001662	11/5/21	W.W. Grainger Inc		G130-SHOP TOOLS	\$ 1,386.22	-	-
4400001663	11/6/21	Office Depot		G200-OFFICE SUPPLIES	\$ 389.86	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500042436	10/6/21	Home Depot USA Inc		F110-SHOP/BLDG MACHINERY	\$ 354.40	-	-
4500042437	10/6/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 118.53	-	-
4500042438	10/6/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 2,188.47	-	-
4500042439	10/6/21	CDW LLC		B150-BUS COMM EQUIP.	\$ 591.33	-	-
4500042440	10/6/21	Industrial Maintenance Supply LLC	DBE	G150-FASTENERS	\$ 25.84	-	-
4500042441	10/6/21	Inland Kenworth (US) Inc		B250-BUS REPAIR PARTS	\$ 220.46	-	-
4500042442	10/6/21	Jeyco Products Inc		G140-SHOP SUPPLIES	\$ 74.42	-	-
4500042443	10/6/21	Kaman Industrial Technologies		B120-BUS MECHANICAL PARTS	\$ 564.49	-	-
4500042444	10/6/21	Transit Holdings Inc		B130-BUS BODY	\$ 394.74	-	-
4500042445	10/6/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 142.23	-	-
4500042446	10/6/21	Mohawk Mfg & Supply Co		B120-BUS MECHANICAL PARTS	\$ 3.77	-	-
4500042447	10/6/21	Muncie Transit Supply		B140-BUS CHASSIS	\$ 763.81	-	-
4500042448	10/6/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 1,070.61	-	-
4500042449	10/6/21	Trolley Support LLC		B250-BUS REPAIR PARTS	\$ 4,509.34	-	-
4500042450	10/6/21	Smart & Final Holdings Corp.		G190-SAFETY/MED SUPPLIES	\$ 242.16	-	-
4500042451	10/6/21	US Mobile Wireless		B150-BUS COMM EQUIP.	\$ 142.23	-	-
4500042452	10/6/21	Transit Holdings Inc		B110-BUS HVAC SYSTEMS	\$ 3,236.08	-	-
4500042453	10/6/21	Transit Holdings Inc		B130-BUS BODY	\$ 991.68	-	-
4500042454	10/6/21	Mohawk Mfg & Supply Co		B160-BUS ELECTRICAL	\$ 164.48	-	-
4500042455	10/6/21	Waxie's Enterprises Inc.		G130-SHOP TOOLS	\$ 105.00	-	-
4500042456	10/6/21	Industrial Maintenance Supply LLC	DBE	G150-FASTENERS	\$ 158.89	-	-
4500042457	10/6/21	CDW LLC		I110-INFORMATION TECH	\$ 166.42	-	-
4500042458	10/6/21	Gillig LLC		B250-BUS REPAIR PARTS	\$ 380.82	-	-
4500042459	10/6/21	CDW LLC		I110-INFORMATION TECH	\$ 1,443.04	-	-
4500042460	10/6/21	R.S. Hughes Co Inc		G190-SAFETY/MED SUPPLIES	\$ 73.63	-	-
4500042461	10/6/21	CASEI		F180-BUILDING MATERIALS	\$ 786.58	-	-
4500042463	10/6/21	Kaman Industrial Technologies		B120-BUS MECHANICAL PARTS	\$ 461.16	-	-
4500042464	10/6/21	California Air Compressor Company		F180-BUILDING MATERIALS	\$ 442.49	-	-
4500042465	10/6/21	San Diego Compressed Air Power LLC		F180-BUILDING MATERIALS	\$ 350.28	-	-
4500042466	10/7/21	Synco Chemical Corporation		G170-LUBRICANTS	\$ 15,784.95	-	-
4500042467	10/7/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 193.95	-	-
4500042468	10/7/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 1,665.07	-	-
4500042469	10/7/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 3.16	-	-
4500042470	10/7/21	Robcar Corporation	Woman Owned Business	G190-SAFETY/MED SUPPLIES	\$ 189.64	-	-
4500042471	10/7/21	Gillig LLC		B110-BUS HVAC SYSTEMS	\$ 1,560.40	-	-
4500042472	10/7/21	Chromate Industrial Corporation		M120-OVRHEAD CATENARY SYS	\$ 760.78	-	-
4500042473	10/7/21	JKL Cleaning Systems	Small Business	P130-EQUIP MAINT REPR SVC	\$ 765.46	-	-
4500042474	10/7/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 185.71	-	-
4500042475	10/7/21	Knorr Brake Holding Corporation		R160-RAIL/LRV ELECTRICAL	\$ 932.22	-	-
4500042476	10/7/21	Waxie's Enterprises Inc.		G180-JANITORIAL SUPPLIES	\$ 431.15	-	-
4500042477	10/7/21	Jeyco Products Inc		G150-FASTENERS	\$ 27.48	-	-
4500042478	10/7/21	Kurt Morgan		G200-OFFICE SUPPLIES	\$ 291.87	-	-
4500042479	10/7/21	Professional Contractors Supplies		G140-SHOP SUPPLIES	\$ 353.51	-	-
4500042480	10/7/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 3,815.89	-	-
4500042481	10/7/21	W.W. Grainger Inc		G140-SHOP SUPPLIES	\$ 264.98	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500042482	10/7/21	Home Depot USA Inc		G140-SHOP SUPPLIES	\$ 180.72	-	-
4500042483	10/7/21	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 226.81	-	-
4500042484	10/7/21	Siemens Mobility, Inc.		R160-RAIL/LRV ELECTRICAL	\$ 254.08	-	-
4500042485	10/7/21	Mohawk Mfg & Supply Co		B110-BUS HVAC SYSTEMS	\$ 195.25	-	-
4500042486	10/7/21	Jeyco Products Inc		G150-FASTENERS	\$ 17.94	-	-
4500042487	10/7/21	San Diego Friction Products, Inc.		G140-SHOP SUPPLIES	\$ 45.63	-	-
4500042488	10/7/21	Kaman Industrial Technologies		B120-BUS MECHANICAL PARTS	\$ 423.36	-	-
4500042489	10/7/21	Sportworks Northwest Inc		B130-BUS BODY	\$ 81.89	-	-
4500042490	10/7/21	Kurt Morgan		G200-OFFICE SUPPLIES	\$ 791.01	-	-
4500042491	10/7/21	Zep Vehicle Care Inc		G160-PAINTS & CHEMICALS	\$ 1,373.70	-	-
4500042492	10/7/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 1,011.78	-	-
4500042493	10/7/21	Gillig LLC		G140-SHOP SUPPLIES	\$ 14.36	-	-
4500042494	10/7/21	Transit Products and Services		B130-BUS BODY	\$ 7,111.50	-	-
4500042495	10/7/21	Industrial Maintenance Supply LLC	DBE	G150-FASTENERS	\$ 37.34	-	-
4500042496	10/7/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 88.38	-	-
4500042497	10/8/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 111.20	-	-
4500042498	10/8/21	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 1,086.74	-	-
4500042499	10/8/21	Casco Equipment Corp	Small Business	P280-GENERAL SVC AGRMNTS	\$ 1,450.60	-	-
4500042500	10/8/21	Louis Sardo Upholstery Inc		B250-BUS REPAIR PARTS	\$ 701.80	-	-
4500042501	10/8/21	Sherwin Williams Company		G140-SHOP SUPPLIES	\$ 8.83	-	-
4500042502	10/8/21	Harbor Diesel & Equipment		B250-BUS REPAIR PARTS	\$ 501.50	-	-
4500042503	10/8/21	W.W. Grainger Inc		F110-SHOP/BLDG MACHINERY	\$ 118.87	-	-
4500042504	10/8/21	Airgas Inc		G140-SHOP SUPPLIES	\$ 162.44	-	-
4500042505	10/8/21	Inland Kenworth (US) Inc		B250-BUS REPAIR PARTS	\$ 191.91	-	-
4500042506	10/8/21	Golden State Supply LLC		P210-NON-REV VEH REPAIRS	\$ 435.29	-	-
4500042507	10/8/21	National Electrical Testing		M110-SUB STATION	\$ 1,200.00	-	-
4500042508	10/8/21	Sacramento Regional		R170-RAIL/LRV HVAC	\$ 2,342.51	-	-
4500042509	10/8/21	Allied Electronics Inc		M110-SUB STATION	\$ 37.17	-	-
4500042510	10/8/21	Waxie's Enterprises Inc.		G180-JANITORIAL SUPPLIES	\$ 966.52	-	-
4500042511	10/8/21	Fastenal Company		G130-SHOP TOOLS	\$ 82.75	-	-
4500042512	10/8/21	Home Depot USA Inc		G140-SHOP SUPPLIES	\$ 65.62	-	-
4500042513	10/8/21	Siemens Mobility, Inc.		M140-WAYSIDE SIGNALS	\$ 1,609.20	-	-
4500042514	10/8/21	Airgas Inc		G140-SHOP SUPPLIES	\$ 66.60	-	-
4500042515	10/11/21	Siemens Mobility, Inc.		R220-RAIL/LRV TRUCKS	\$ 19,863.66	-	-
4500042516	10/11/21	Gillig LLC		B250-BUS REPAIR PARTS	\$ 2,348.01	-	-
4500042517	10/11/21	VisioLogix Corporation		I110-INFORMATION TECH	\$ 69,450.00	-	-
4500042518	10/11/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 3,654.88	-	-
4500042519	10/11/21	Muncie Transit Supply		B200-BUS PWR TRAIN EQUIP	\$ 235.98	-	-
4500042520	10/11/21	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 1,854.18	-	-
4500042521	10/11/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 14,999.92	-	-
4500042522	10/11/21	Muncie Transit Supply		B200-BUS PWR TRAIN EQUIP	\$ 152.48	-	-
4500042523	10/11/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 6,651.32	-	-
4500042524	10/11/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 876.04	-	-
4500042525	10/11/21	Vehicle Maintenance Program, Inc.	Woman Owned Business	B140-BUS CHASSIS	\$ 502.91	-	-
4500042526	10/11/21	Tony Jamison	DBE	G170-LUBRICANTS	\$ 206.24	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500042527	10/11/21	Home Depot USA Inc		G140-SHOP SUPPLIES	\$ 397.80	-	-
4500042528	10/11/21	Staples Contract & Commercial Inc		G200-OFFICE SUPPLIES	\$ 136.47	-	-
4500042529	10/11/21	Airgas Inc		G140-SHOP SUPPLIES	\$ 165.75	-	-
4500042530	10/11/21	Muncie Transit Supply		B160-BUS ELECTRICAL	\$ 10.76	-	-
4500042531	10/11/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 1,131.67	-	-
4500042532	10/11/21	Supreme Oil Company		A120-AUTO/TRUCK GASOLINE	\$ 11,898.45	-	-
4500042533	10/11/21	SC Commercial, LLC		A120-AUTO/TRUCK GASOLINE	\$ 2,761.92	-	-
4500042534	10/11/21	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 2,943.64	-	-
4500042535	10/11/21	Kaman Industrial Technologies		B120-BUS MECHANICAL PARTS	\$ 2,164.89	-	-
4500042536	10/11/21	Mohawk Mfg & Supply Co		B160-BUS ELECTRICAL	\$ 309.52	-	-
4500042537	10/11/21	Inland Kenworth (US) Inc		B130-BUS BODY	\$ 460.96	-	-
4500042538	10/11/21	Jeyco Products Inc		G140-SHOP SUPPLIES	\$ 187.18	-	-
4500042539	10/11/21	Gillig LLC		B130-BUS BODY	\$ 844.87	-	-
4500042540	10/11/21	Louis Sardo Upholstery Inc		B130-BUS BODY	\$ 591.98	-	-
4500042541	10/11/21	Mohawk Mfg & Supply Co		B250-BUS REPAIR PARTS	\$ 168.86	-	-
4500042542	10/11/21	Mohawk Mfg & Supply Co		B250-BUS REPAIR PARTS	\$ 84.43	-	-
4500042543	10/12/21	W.W. Grainger Inc		B130-BUS BODY	\$ 322.55	-	-
4500042544	10/12/21	Kaman Industrial Technologies		R160-RAIL/LRV ELECTRICAL	\$ 66.40	-	-
4500042545	10/12/21	Brady Industries of California, LLC		G180-JANITORIAL SUPPLIES	\$ 153.01	-	-
4500042546	10/12/21	Aymar Industries, LLC.		R140-RAIL/LRV DOORS/RAMP	\$ 2,662.51	-	-
4500042547	10/12/21	Staples Contract & Commercial Inc		B150-BUS COMM EQUIP.	\$ 1,378.99	-	-
4500042548	10/12/21	HI-TEC Enterprises		R160-RAIL/LRV ELECTRICAL	\$ 795.20	-	-
4500042549	10/12/21	Allied Refrigeration Inc		B250-BUS REPAIR PARTS	\$ 55.94	-	-
4500042550	10/12/21	Prochem Specialty Products Inc	Small Business	G180-JANITORIAL SUPPLIES	\$ 828.49	-	-
4500042551	10/12/21	Cart Mart Inc		MPN-MPN Material Group	\$ 21,554.38	-	-
4500042552	10/12/21	Waxie's Enterprises Inc.		G140-SHOP SUPPLIES	\$ 102.04	-	-
4500042553	10/12/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 36.83	-	-
4500042554	10/12/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 257.96	-	-
4500042555	10/12/21	W.W. Grainger Inc		G120-SECURITY	\$ 1,261.21	-	-
4500042556	10/12/21	E&E Industries	Small Business	F110-SHOP/BLDG MACHINERY	\$ 307.75	-	-
4500042557	10/12/21	W.W. Grainger Inc		F110-SHOP/BLDG MACHINERY	\$ 326.18	-	-
4500042558	10/12/21	Waxie's Enterprises Inc.		G140-SHOP SUPPLIES	\$ 749.94	-	-
4500042559	10/12/21	Muncie Transit Supply		B200-BUS PWR TRAIN EQUIP	\$ 172.55	-	-
4500042560	10/12/21	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 2,319.60	-	-
4500042561	10/12/21	Robcar Corporation	Woman Owned Business	G140-SHOP SUPPLIES	\$ 630.34	-	-
4500042562	10/12/21	California Air Compressor Company		F180-BUILDING MATERIALS	\$ 442.49	-	-
4500042563	10/12/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 2,613.58	-	-
4500042564	10/12/21	Professional Contractors Supplies		G140-SHOP SUPPLIES	\$ 244.44	-	-
4500042566	10/12/21	Laird Plastics, Inc		M180-STATION ELECTRICAL	\$ 374.54	-	-
4500042567	10/12/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 2,918.69	-	-
4500042568	10/12/21	Muncie Transit Supply		B200-BUS PWR TRAIN EQUIP	\$ 172.55	-	-
4500042569	10/12/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 1,657.20	-	-
4500042570	10/12/21	Transit Holdings Inc		B120-BUS MECHANICAL PARTS	\$ 23.94	-	-
4500042571	10/12/21	United Fastener Inc		R220-RAIL/LRV TRUCKS	\$ 2,715.30	-	-
4500042572	10/12/21	Chromate Industrial Corporation		G150-FASTENERS	\$ 51.04	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500042573	10/12/21	Airgas Inc		R160-RAIL/LRV ELECTRICAL	\$ 1,180.51	-	-
4500042574	10/12/21	Home Depot USA Inc		P120-BLDG/FACILITY REPRS	\$ 41.60	-	-
4500042575	10/12/21	Robcar Corporation	Woman Owned Business	F180-BUILDING MATERIALS	\$ 334.03	-	-
4500042576	10/12/21	Gillig LLC		B130-BUS BODY	\$ 1,365.67	-	-
4500042577	10/12/21	VCA Animal Hospitals, Inc.		G120-SECURITY	\$ 57.60	-	-
4500042578	10/12/21	Glass & Screens Etc		F180-BUILDING MATERIALS	\$ 1,646.62	-	-
4500042579	10/12/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 613.79	-	-
4500042581	10/12/21	Louis Sardo Upholstery Inc		R200-RAIL/LRV SEATING	\$ 3,658.92	-	-
4500042582	10/12/21	R.S. Hughes Co Inc		G140-SHOP SUPPLIES	\$ 34.52	-	-
4500042583	10/12/21	Siemens Mobility, Inc.		R160-RAIL/LRV ELECTRICAL	\$ 1,000.00	-	-
4500042584	10/12/21	Graybar Electric Co Inc		M180-STATION ELECTRICAL	\$ 690.38	-	-
4500042585	10/12/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 36.83	-	-
4500042586	10/12/21	Transit Products and Services		B120-BUS MECHANICAL PARTS	\$ 9,482.00	-	-
4500042587	10/12/21	Mohawk Mfg & Supply Co		B160-BUS ELECTRICAL	\$ 88.89	-	-
4500042588	10/12/21	Romaine Electric Corporation	Small Business	B160-BUS ELECTRICAL	\$ 2,546.89	-	-
4500042589	10/12/21	Industrial Maintenance Supply LLC	DBE	G150-FASTENERS	\$ 37.61	-	-
4500042590	10/12/21	APD Incorporated		B130-BUS BODY	\$ 890.02	-	-
4500042591	10/13/21	Siemens Mobility, Inc.		R120-RAIL/LRV CAR BODY	\$ 3,151.91	-	-
4500042593	10/13/21	Alliant Insurance Services, Inc.		P370-RISK MANAGEMENT	\$ 8,075.23	-	-
4500042594	10/13/21	Staples Contract & Commercial Inc		G200-OFFICE SUPPLIES	\$ 1,422.30	-	-
4500042595	10/13/21	Genuine Parts Co		B120-BUS MECHANICAL PARTS	\$ 244.48	-	-
4500042596	10/13/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 949.60	-	-
4500042597	10/13/21	Transit Holdings Inc		B120-BUS MECHANICAL PARTS	\$ 4,012.31	-	-
4500042598	10/13/21	Zen Industrial Services LLC	DBE	B160-BUS ELECTRICAL	\$ 34.75	-	-
4500042599	10/13/21	Ace Parking Management Inc		P280-GENERAL SVC AGRMNTS	\$ 2,775.00	-	-
4500042600	10/13/21	Mouser Electronics Inc		R170-RAIL/LRV HVAC	\$ 493.09	-	-
4500042601	10/13/21	W.W. Grainger Inc		G140-SHOP SUPPLIES	\$ 706.08	-	-
4500042602	10/13/21	Sid Tool Co		G180-JANITORIAL SUPPLIES	\$ 254.98	-	-
4500042603	10/13/21	Gillig LLC		B110-BUS HVAC SYSTEMS	\$ 2,918.55	-	-
4500042604	10/13/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 229.51	-	-
4500042605	10/13/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 594.91	-	-
4500042606	10/13/21	TK Services Inc		B110-BUS HVAC SYSTEMS	\$ 60.31	-	-
4500042607	10/13/21	Gillig LLC		B140-BUS CHASSIS	\$ 1,400.06	-	-
4500042608	10/13/21	SC Commercial, LLC		G170-LUBRICANTS	\$ 1,732.62	-	-
4500042609	10/13/21	W.W. Grainger Inc		G140-SHOP SUPPLIES	\$ 580.95	-	-
4500042610	10/13/21	Jeyco Products Inc		G130-SHOP TOOLS	\$ 20.60	-	-
4500042611	10/13/21	Abacor, Inc.	Small Business	A140-AUTO/TRUCK REPAIR	\$ 1,939.50	-	-
4500042612	10/13/21	Vinyard Doors	Woman Owned Business	P120-BLDG/FACILITY REPRS	\$ 790.59	-	-
4500042613	10/13/21	Robcar Corporation	Woman Owned Business	F180-BUILDING MATERIALS	\$ 310.32	-	-
4500042614	10/13/21	Cummins Pacific LLC		B120-BUS MECHANICAL PARTS	\$ 1,755.60	-	-
4500042615	10/13/21	Shilpark Paint Corp.		F180-BUILDING MATERIALS	\$ 774.83	-	-
4500042616	10/13/21	Charter Industrial Supply Inc	Small Business	G150-FASTENERS	\$ 215.50	-	-
4500042617	10/13/21	Prochem Specialty Products Inc	Small Business	G180-JANITORIAL SUPPLIES	\$ 828.49	-	-
4500042618	10/13/21	Mohawk Mfg & Supply Co		B110-BUS HVAC SYSTEMS	\$ 79.84	-	-
4500042619	10/13/21	Knorr Brake Holding Corporation		R220-RAIL/LRV TRUCKS	\$ 13,234.88	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500042620	10/13/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 1,046.67	-	-
4500042621	10/13/21	Western-Cullen-Hayes Inc		M130-CROSSING MECHANISM	\$ 10,779.31	-	-
4500042622	10/13/21	Industrial Maintenance Supply LLC	DBE	G150-FASTENERS	\$ 129.82	-	-
4500042623	10/13/21	Waxie's Enterprises Inc.		G180-JANITORIAL SUPPLIES	\$ 806.18	-	-
4500042624	10/13/21	Culligan of San Diego		G140-SHOP SUPPLIES	\$ 2,040.00	-	-
4500042625	10/13/21	Fastenal Company		G190-SAFETY/MED SUPPLIES	\$ 130.97	-	-
4500042626	10/13/21	San Diego Seal Inc	Small Business	R220-RAIL/LRV TRUCKS	\$ 1,144.71	-	-
4500042627	10/14/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 81.89	-	-
4500042628	10/14/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 30.58	-	-
4500042629	10/14/21	Cummins Pacific LLC		B160-BUS ELECTRICAL	\$ 2,562.30	-	-
4500042630	10/14/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 728.89	-	-
4500042631	10/14/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 345.55	-	-
4500042632	10/14/21	Siemens Mobility, Inc.		R220-RAIL/LRV TRUCKS	\$ 19,593.63	-	-
4500042633	10/14/21	San Diego Friction Products, Inc.		G140-SHOP SUPPLIES	\$ 45.63	-	-
4500042634	10/14/21	Transit Holdings Inc		B120-BUS MECHANICAL PARTS	\$ 184.32	-	-
4500042635	10/14/21	TK Services Inc		B250-BUS REPAIR PARTS	\$ 1,184.03	-	-
4500042636	10/14/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 481.39	-	-
4500042637	10/14/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 2,998.73	-	-
4500042638	10/14/21	Gillig LLC		B160-BUS ELECTRICAL	\$ 2,770.52	-	-
4500042639	10/14/21	Officevibe Inc.		I110-INFORMATION TECH	\$ 1,400.00	-	-
4500042640	10/14/21	Transit Holdings Inc		B130-BUS BODY	\$ 2,710.58	-	-
4500042641	10/14/21	Kurt Morgan		G200-OFFICE SUPPLIES	\$ 458.96	-	-
4500042642	10/14/21	G & A Auto Air Conditioning		A140-AUTO/TRUCK REPAIR	\$ 303.50	-	-
4500042643	10/14/21	Gillig LLC		B250-BUS REPAIR PARTS	\$ 461.75	-	-
4500042645	10/14/21	Gillig LLC		B250-BUS REPAIR PARTS	\$ 183.86	-	-
4500042646	10/14/21	Autolift Services Inc	Small Business	F130-VEH HOISTS, JACKS	\$ 1,750.00	-	-
4500042647	10/14/21	Gillig LLC		F170-MATL HANDLING EQUIP	\$ 3,205.57	-	-
4500042648	10/14/21	Kaman Industrial Technologies		B120-BUS MECHANICAL PARTS	\$ 118.54	-	-
4500042649	10/14/21	Genuine Parts Co		G170-LUBRICANTS	\$ 581.79	-	-
4500042650	10/14/21	Flyers Energy LLC		G170-LUBRICANTS	\$ 3,915.14	-	-
4500042651	10/14/21	Airgas Inc		G190-SAFETY/MED SUPPLIES	\$ 347.30	-	-
4500042652	10/14/21	Waxie's Enterprises Inc.		G180-JANITORIAL SUPPLIES	\$ 7,219.25	-	-
4500042653	10/14/21	No-Spill Systems Inc		B120-BUS MECHANICAL PARTS	\$ 83.78	-	-
4500042654	10/14/21	Jeyco Products Inc		G150-FASTENERS	\$ 24.24	-	-
4500042655	10/14/21	Brady Industries of California, LLC		G190-SAFETY/MED SUPPLIES	\$ 314.97	-	-
4500042656	10/14/21	Thompson Building Materials		R230-RAIL/LRV MECHANICAL	\$ 3,150.07	-	-
4500042657	10/14/21	Waxie's Enterprises Inc.		G180-JANITORIAL SUPPLIES	\$ 815.02	-	-
4500042658	10/14/21	R.S. Hughes Co Inc		G140-SHOP SUPPLIES	\$ 34.52	-	-
4500042659	10/14/21	Don Oleson Inc	Small Business	G140-SHOP SUPPLIES	\$ 181.02	-	-
4500042660	10/14/21	Gillig LLC		B110-BUS HVAC SYSTEMS	\$ 2,201.88	-	-
4500042661	10/14/21	CDW LLC		I110-INFORMATION TECH	\$ 332.84	-	-
4500042662	10/14/21	Aztec Global Solutions, Inc.	Small Business	M140-WAYSIDE SIGNALS	\$ 435.04	-	-
4500042663	10/14/21	Allied Electronics Inc		M140-WAYSIDE SIGNALS	\$ 59.37	-	-
4500042664	10/15/21	Siemens Mobility, Inc.		R230-RAIL/LRV MECHANICAL	\$ 1,578.35	-	-
4500042665	10/15/21	Industrial Maintenance Supply LLC	DBE	G150-FASTENERS	\$ 50.16	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500042666	10/15/21	Gregory James Olson		G120-SECURITY	\$ 1,128.00	-	-
4500042667	10/15/21	Ace Uniforms & Accessories	Small Business	G120-SECURITY	\$ 151.91	-	-
4500042668	10/15/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 16.96	-	-
4500042669	10/15/21	Transit Holdings Inc		B120-BUS MECHANICAL PARTS	\$ 6,787.16	-	-
4500042670	10/15/21	Neyenesch Printers Inc	Small Business	G230-PRINTED MATERIALS	\$ 28,424.55	-	-
4500042671	10/15/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 492.62	-	-
4500042672	10/15/21	Siemens Industry Inc		M140-WAYSIDE SIGNALS	\$ 6,743.64	-	-
4500042673	10/15/21	Hitachi Rail STS USA, Inc.		M150-PWR SWITCHES/LOCKS	\$ 3,411.97	-	-
4500042674	10/15/21	D's Kustom Sales & Services, LLC		T110-TRACK, RAIL	\$ 565.69	-	-
4500042675	10/15/21	Fastenal Company		R160-RAIL/LRV ELECTRICAL	\$ 207.31	-	-
4500042676	10/15/21	Western-Cullen-Hayes Inc		M130-CROSSING MECHANISM	\$ 10,481.92	-	-
4500042677	10/15/21	Annex Automotive and		F120-BUS/LRV PAINT BOOTHS	\$ 1,478.64	-	-
4500042678	10/15/21	GMT International Corporation		R230-RAIL/LRV MECHANICAL	\$ 12,951.56	-	-
4500042679	10/15/21	Ace Uniforms & Accessories	Small Business	G240-UNIFORM PROCUREMENT	\$ 514.15	-	-
4500042680	10/15/21	Transit Holdings Inc		B130-BUS BODY	\$ 475.59	-	-
4500042681	10/15/21	R.S. Hughes Co Inc		G190-SAFETY/MED SUPPLIES	\$ 319.27	-	-
4500042682	10/15/21	Waxie's Enterprises Inc.		G180-JANITORIAL SUPPLIES	\$ 150.05	-	-
4500042683	10/15/21	Professional Contractors Supplies		G140-SHOP SUPPLIES	\$ 541.50	-	-
4500042684	10/15/21	Siemens Mobility, Inc.		R160-RAIL/LRV ELECTRICAL	\$ 1,000.00	-	-
4500042685	10/15/21	Knorr Brake Holding Corporation		R220-RAIL/LRV TRUCKS	\$ 1,270.92	-	-
4500042686	10/15/21	Dimensional Silk Screen Inc		G230-PRINTED MATERIALS	\$ 4,568.60	-	-
4500042687	10/15/21	Louis Sardo Upholstery Inc		R200-RAIL/LRV SEATING	\$ 3,263.53	-	-
4500042688	10/15/21	Dimensional Silk Screen Inc		G230-PRINTED MATERIALS	\$ 1,971.83	-	-
4500042689	10/15/21	Golden State Supply LLC		F180-BUILDING MATERIALS	\$ 29.07	-	-
4500042690	10/15/21	Steven Timme		G230-PRINTED MATERIALS	\$ 335.17	-	-
4500042691	10/15/21	Kaman Industrial Technologies		G140-SHOP SUPPLIES	\$ 36.30	-	-
4500042692	10/15/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 341.88	-	-
4500042693	10/15/21	Harbor Diesel & Equipment		B200-BUS PWR TRAIN EQUIP	\$ 16,408.12	-	-
4500042694	10/15/21	W.W. Grainger Inc		G140-SHOP SUPPLIES	\$ 264.55	-	-
4500042695	10/15/21	Gillig LLC		B120-BUS MECHANICAL PARTS	\$ 91.92	-	-
4500042696	10/15/21	Jeyco Products Inc		G130-SHOP TOOLS	\$ 10.88	-	-
4500042697	10/15/21	Genuine Parts Co		B250-BUS REPAIR PARTS	\$ 111.63	-	-
4500042698	10/15/21	Sherwin Williams Company		B130-BUS BODY	\$ 231.49	-	-
4500042699	10/18/21	Siemens Mobility, Inc.		R120-RAIL/LRV CAR BODY	\$ 849.02	-	-
4500042700	10/18/21	JKL Cleaning Systems	Small Business	G130-SHOP TOOLS	\$ 1,982.60	-	-
4500042701	10/18/21	W.W. Grainger Inc		F110-SHOP/BLDG MACHINERY	\$ 161.81	-	-
4500042703	10/18/21	Tony Jamison	DBE	G170-LUBRICANTS	\$ 1,993.59	-	-
4500042704	10/18/21	Genuine Parts Co		F110-SHOP/BLDG MACHINERY	\$ 58.14	-	-
4500042705	10/18/21	Cummins Pacific LLC		B250-BUS REPAIR PARTS	\$ 270.00	-	-
4500042706	10/18/21	Cummins Pacific LLC		B250-BUS REPAIR PARTS	\$ 270.00	-	-
4500042707	10/18/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 2,332.79	-	-
4500042708	10/18/21	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 3,267.89	-	-
4500042709	10/18/21	Southern Counties Lubricants LLC		G170-LUBRICANTS	\$ 8,549.97	-	-
4500042710	10/18/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 2,256.29	-	-
4500042711	10/18/21	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 5,985.14	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500042712	10/18/21	Supreme Oil Company		A120-AUTO/TRUCK GASOLINE	\$ 12,549.98	-	-
4500042713	10/18/21	SC Commercial, LLC		A120-AUTO/TRUCK GASOLINE	\$ 2,755.76	-	-
4500042714	10/18/21	W.W. Grainger Inc		G140-SHOP SUPPLIES	\$ 286.71	-	-
4500042715	10/18/21	Siemens Mobility, Inc.		M110-SUB STATION	\$ 6,120.20	-	-
4500042716	10/18/21	Chromate Industrial Corporation		G130-SHOP TOOLS	\$ 340.77	-	-
4500042717	10/18/21	Home Depot USA Inc		G170-LUBRICANTS	\$ 384.80	-	-
4500042718	10/18/21	Gillig LLC		B130-BUS BODY	\$ 2,532.43	-	-
4500042719	10/18/21	Home Depot USA Inc		F110-SHOP/BLDG MACHINERY	\$ 121.19	-	-
4500042720	10/18/21	California Air Compressor Company		F180-BUILDING MATERIALS	\$ 295.00	-	-
4500042721	10/18/21	Waxie's Enterprises Inc.		G140-SHOP SUPPLIES	\$ 255.09	-	-
4500042722	10/18/21	Staples Contract & Commercial Inc		G200-OFFICE SUPPLIES	\$ 163.78	-	-
4500042723	10/18/21	Jeyco Products Inc		G140-SHOP SUPPLIES	\$ 360.97	-	-
4500042724	10/18/21	R.S. Hughes Co Inc		G160-PAINTS & CHEMICALS	\$ 217.12	-	-
4500042725	10/18/21	Willy's Electronic Supply Co	Small Business	R150-RAIL/LRV COMM EQUIP	\$ 430.46	-	-
4500042726	10/18/21	Fastenal Company		G180-JANITORIAL SUPPLIES	\$ 211.69	-	-
4500042727	10/18/21	W.W. Grainger Inc		F110-SHOP/BLDG MACHINERY	\$ 26.72	-	-
4500042728	10/18/21	Morrison Metalweld Process Corp		P280-GENERAL SVC AGRMNTS	\$ 54,500.00	-	-
4500042731	10/19/21	Siemens Mobility, Inc.		R160-RAIL/LRV ELECTRICAL	\$ 2,000.00	-	-
4500042732	10/19/21	Transit Products and Services		B130-BUS BODY	\$ 4,741.00	-	-
4500042733	10/19/21	Daniels Tire Service		P210-NON-REV VEH REPAIRS	\$ 119.14	-	-
4500042734	10/19/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 549.53	-	-
4500042735	10/19/21	Industrial Maintenance Supply LLC	DBE	G130-SHOP TOOLS	\$ 56.91	-	-
4500042736	10/19/21	Airgas Inc		G190-SAFETY/MED SUPPLIES	\$ 677.08	-	-
4500042737	10/19/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 2,139.92	-	-
4500042738	10/19/21	Transit Holdings Inc		G140-SHOP SUPPLIES	\$ 1,394.50	-	-
4500042739	10/19/21	Asbury Environmental Services		B200-BUS PWR TRAIN EQUIP	\$ 3,685.05	-	-
4500042740	10/19/21	Data Alliance Inc		R150-RAIL/LRV COMM EQUIP	\$ 52.36	-	-
4500042741	10/19/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 4,176.39	-	-
4500042742	10/19/21	Waxie's Enterprises Inc.		G140-SHOP SUPPLIES	\$ 2,201.72	-	-
4500042743	10/19/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 5,735.54	-	-
4500042744	10/19/21	Vehicle Maintenance Program, Inc.	Woman Owned Business	B140-BUS CHASSIS	\$ 873.63	-	-
4500042745	10/19/21	Siemens Mobility, Inc.		R170-RAIL/LRV HVAC	\$ 375.12	-	-
4500042746	10/19/21	Chromate Industrial Corporation		G140-SHOP SUPPLIES	\$ 669.35	-	-
4500042747	10/19/21	Transit Holdings Inc		B130-BUS BODY	\$ 1,504.05	-	-
4500042748	10/19/21	W.W. Grainger Inc		F110-SHOP/BLDG MACHINERY	\$ 92.01	-	-
4500042749	10/19/21	Brady Industries of California, LLC		G190-SAFETY/MED SUPPLIES	\$ 743.76	-	-
4500042750	10/19/21	Waxie's Enterprises Inc.		G180-JANITORIAL SUPPLIES	\$ 473.03	-	-
4500042751	10/19/21	Barry Sandler Enterprises		G180-JANITORIAL SUPPLIES	\$ 1,771.64	-	-
4500042752	10/19/21	Applied Industrial Technologies-CA		R140-RAIL/LRV DOORS/RAMP	\$ 996.06	-	-
4500042753	10/19/21	Golden State Supply LLC		G140-SHOP SUPPLIES	\$ 32.26	-	-
4500042754	10/19/21	Genuine Parts Co		B250-BUS REPAIR PARTS	\$ 87.21	-	-
4500042755	10/19/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 2,456.70	-	-
4500042756	10/19/21	Harbor Diesel & Equipment		B250-BUS REPAIR PARTS	\$ 2,736.42	-	-
4500042757	10/19/21	SC Commercial, LLC		G170-LUBRICANTS	\$ 10,395.72	-	-
4500042758	10/20/21	Kiel NA LLC		B250-BUS REPAIR PARTS	\$ 605.56	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500042759	10/20/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 495.65	-	-
4500042760	10/20/21	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 854.74	-	-
4500042761	10/20/21	Cummins Pacific LLC		B120-BUS MECHANICAL PARTS	\$ 21.55	-	-
4500042762	10/20/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 15.40	-	-
4500042763	10/20/21	Staples Contract & Commercial Inc		G200-OFFICE SUPPLIES	\$ 105.57	-	-
4500042764	10/20/21	Waxie's Enterprises Inc.		G180-JANITORIAL SUPPLIES	\$ 348.34	-	-
4500042765	10/20/21	Romaine Electric Corporation	Small Business	M130-CROSSING MECHANISM	\$ 2,423.31	-	-
4500042766	10/20/21	Gillig LLC		B250-BUS REPAIR PARTS	\$ 2,075.62	-	-
4500042767	10/20/21	Jeyco Products Inc		G150-FASTENERS	\$ 11.59	-	-
4500042768	10/20/21	Transit Holdings Inc		B120-BUS MECHANICAL PARTS	\$ 1,856.82	-	-
4500042769	10/20/21	CDW LLC		G200-OFFICE SUPPLIES	\$ 413.73	-	-
4500042770	10/20/21	Battery Power Inc.		B160-BUS ELECTRICAL	\$ 2,692.98	-	-
4500042771	10/20/21	Prochem Specialty Products Inc	Small Business	G180-JANITORIAL SUPPLIES	\$ 828.49	-	-
4500042772	10/20/21	Kaman Industrial Technologies		G160-PAINTS & CHEMICALS	\$ 47.16	-	-
4500042773	10/20/21	General Signals Inc		M130-CROSSING MECHANISM	\$ 3,059.89	-	-
4500042774	10/20/21	Romaine Electric Corporation	Small Business	B160-BUS ELECTRICAL	\$ 1,273.44	-	-
4500042775	10/20/21	Home Depot USA Inc		G180-JANITORIAL SUPPLIES	\$ 29.35	-	-
4500042776	10/20/21	W.W. Grainger Inc		B130-BUS BODY	\$ 49.62	-	-
4500042777	10/20/21	Gillig LLC		B130-BUS BODY	\$ 934.93	-	-
4500042778	10/20/21	Delphin Computer Supply	Small Business	G200-OFFICE SUPPLIES	\$ 327.56	-	-
4500042779	10/20/21	Siemens Mobility, Inc.		R220-RAIL/LRV TRUCKS	\$ 2,714.61	-	-
4500042780	10/20/21	Vern Rose Inc		G140-SHOP SUPPLIES	\$ 230.93	-	-
4500042781	10/20/21	Sherwin Williams Company		G160-PAINTS & CHEMICALS	\$ 116.98	-	-
4500042782	10/20/21	Harbor Diesel & Equipment		B200-BUS PWR TRAIN EQUIP	\$ 11,584.60	-	-
4500042783	10/20/21	Baker Capital Limited		R160-RAIL/LRV ELECTRICAL	\$ 5,113.82	-	-
4500042784	10/20/21	Professional Contractors Supplies		G160-PAINTS & CHEMICALS	\$ 23.75	-	-
4500042785	10/20/21	SC Commercial, LLC		A120-AUTO/TRUCK GASOLINE	\$ 2,738.90	-	-
4500042786	10/20/21	Harbor Diesel & Equipment		B250-BUS REPAIR PARTS	\$ 13,682.10	-	-
4500042787	10/20/21	W.W. Grainger Inc		P280-GENERAL SVC AGRMNTS	\$ 82.50	-	-
4500042788	10/20/21	W.W. Grainger Inc		P280-GENERAL SVC AGRMNTS	\$ 295.17	-	-
4500042789	10/20/21	TK Services Inc		B110-BUS HVAC SYSTEMS	\$ 91.34	-	-
4500042790	10/20/21	Madden Construction Inc		P280-GENERAL SVC AGRMNTS	\$ 300.33	-	-
4500042791	10/20/21	Norman Industrial Materials		G140-SHOP SUPPLIES	\$ 940.12	-	-
4500042792	10/20/21	Davey Auto Body Inc		G120-SECURITY	\$ 530.52	-	-
4500042793	10/21/21	M Power Truck & Diesel Repair		P210-NON-REV VEH REPAIRS	\$ 422.10	-	-
4500042794	10/21/21	Annex Automotive and		F120-BUS/LRV PAINT BOOTHS	\$ 480.06	-	-
4500042795	10/21/21	Qualitrol Company LLC		M110-SUB STATION	\$ 6,798.85	-	-
4500042796	10/21/21	TK Services Inc		P190-REV VEHICLE REPAIRS	\$ 1,691.89	-	-
4500042797	10/21/21	Cummins Pacific LLC		P190-REV VEHICLE REPAIRS	\$ 270.00	-	-
4500042798	10/21/21	W.W. Grainger Inc		F110-SHOP/BLDG MACHINERY	\$ 39.18	-	-
4500042799	10/21/21	Harbor Diesel & Equipment		B250-BUS REPAIR PARTS	\$ 501.50	-	-
4500042800	10/21/21	Cummins Pacific LLC		P190-REV VEHICLE REPAIRS	\$ 270.00	-	-
4500042801	10/21/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 2,613.48	-	-
4500042802	10/21/21	Jeyco Products Inc		G200-OFFICE SUPPLIES	\$ 60.90	-	-
4500042803	10/21/21	Waxie's Enterprises Inc.		G140-SHOP SUPPLIES	\$ 612.23	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500042804	10/21/21	Charter Industrial Supply Inc	Small Business	G150-FASTENERS	\$ 53.88	-	-
4500042805	10/21/21	Mohawk Mfg & Supply Co		B110-BUS HVAC SYSTEMS	\$ 319.37	-	-
4500042806	10/21/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 727.32	-	-
4500042807	10/21/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 283.39	-	-
4500042808	10/21/21	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 2,364.90	-	-
4500042809	10/21/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 21.50	-	-
4500042810	10/21/21	Vehicle Maintenance Program, Inc.	Woman Owned Business	B140-BUS CHASSIS	\$ 1,135.73	-	-
4500042811	10/21/21	Home Depot USA Inc		G140-SHOP SUPPLIES	\$ 1,038.93	-	-
4500042812	10/21/21	Industrial Maintenance Supply LLC	DBE	G150-FASTENERS	\$ 162.61	-	-
4500042813	10/21/21	Transit Holdings Inc		B110-BUS HVAC SYSTEMS	\$ 6,266.73	-	-
4500042814	10/21/21	Hitachi Rail STS USA, Inc.		M130-CROSSING MECHANISM	\$ 1,007.24	-	-
4500042815	10/21/21	Allied Electronics Inc		R160-RAIL/LRV ELECTRICAL	\$ 665.25	-	-
4500042816	10/21/21	Waxie's Enterprises Inc.		G180-JANITORIAL SUPPLIES	\$ 1,051.65	-	-
4500042817	10/21/21	Mcmaster-Carr Supply Co		B250-BUS REPAIR PARTS	\$ 113.15	-	-
4500042818	10/21/21	Magaldi & Magaldi Inc		B250-BUS REPAIR PARTS	\$ 705.43	-	-
4500042819	10/21/21	Gillig LLC		B130-BUS BODY	\$ 1,593.87	-	-
4500042820	10/21/21	Mohawk Mfg & Supply Co		B120-BUS MECHANICAL PARTS	\$ 178.46	-	-
4500042821	10/21/21	Muncie Transit Supply		B130-BUS BODY	\$ 113.78	-	-
4500042822	10/21/21	Jeyco Products Inc		G200-OFFICE SUPPLIES	\$ 26.72	-	-
4500042823	10/21/21	R.S. Hughes Co Inc		G140-SHOP SUPPLIES	\$ 1,205.59	-	-
4500042824	10/21/21	Robcar Corporation	Woman Owned Business	G110-BUS/TROLLEY SIGNAGE	\$ 732.71	-	-
4500042825	10/21/21	Uline		F110-SHOP/BLDG MACHINERY	\$ 101.29	-	-
4500042826	10/21/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 887.38	-	-
4500042827	10/21/21	R.S. Hughes Co Inc		G160-PAINTS & CHEMICALS	\$ 294.42	-	-
4500042828	10/21/21	Brady Industries of California, LLC		G190-SAFETY/MED SUPPLIES	\$ 559.23	-	-
4500042829	10/21/21	Willy's Electronic Supply Co	Small Business	B160-BUS ELECTRICAL	\$ 273.47	-	-
4500042830	10/21/21	Prochem Specialty Products Inc	Small Business	G180-JANITORIAL SUPPLIES	\$ 828.49	-	-
4500042831	10/21/21	TK Services Inc		B110-BUS HVAC SYSTEMS	\$ 15.51	-	-
4500042832	10/21/21	APD Incorporated		G140-SHOP SUPPLIES	\$ 398.68	-	-
4500042833	10/21/21	Freeby Signs		B250-BUS REPAIR PARTS	\$ 234.47	-	-
4500042834	10/21/21	Transit Holdings Inc		B130-BUS BODY	\$ 59.10	-	-
4500042835	10/21/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 1,245.54	-	-
4500042836	10/22/21	Airgas Inc		G190-SAFETY/MED SUPPLIES	\$ 270.84	-	-
4500042837	10/22/21	San Diego Audio Video		P310-ADVERTISING SERVICES	\$ 3,499.00	-	-
4500042838	10/22/21	Staples Contract & Commercial Inc		G200-OFFICE SUPPLIES	\$ 517.84	-	-
4500042839	10/22/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 32.33	-	-
4500042840	10/22/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 21.55	-	-
4500042841	10/22/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 5,150.45	-	-
4500042842	10/22/21	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 761.25	-	-
4500042843	10/22/21	Tony Jamison	DBE	G170-LUBRICANTS	\$ 1,318.86	-	-
4500042845	10/22/21	Applied Industrial Technologies-CA		G140-SHOP SUPPLIES	\$ 76.07	-	-
4500042846	10/22/21	Transit Holdings Inc		B130-BUS BODY	\$ 1,063.04	-	-
4500042847	10/22/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 1,982.61	-	-
4500042848	10/22/21	Mohawk Mfg & Supply Co		B250-BUS REPAIR PARTS	\$ 168.86	-	-
4500042849	10/22/21	Transit Holdings Inc		B130-BUS BODY	\$ 1,027.86	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500042850	10/22/21	Cummins Pacific LLC		B120-BUS MECHANICAL PARTS	\$ 155.16	-	-
4500042851	10/22/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 30.58	-	-
4500042852	10/22/21	Valvoline Inc.		B120-BUS MECHANICAL PARTS	\$ 13,422.89	-	-
4500042853	10/25/21	Fehr Brothers Industries, Inc.		G140-SHOP SUPPLIES	\$ 69.65	-	-
4500042854	10/25/21	Siemens Mobility, Inc.		R190-RAIL/LRV PANTOGRAPH	\$ 488.35	-	-
4500042855	10/25/21	Shilpark Paint Corp.		G160-PAINTS & CHEMICALS	\$ 693.87	-	-
4500042856	10/25/21	R.S. Hughes Co Inc		G140-SHOP SUPPLIES	\$ 34.52	-	-
4500042857	10/25/21	Kaman Industrial Technologies		G140-SHOP SUPPLIES	\$ 72.59	-	-
4500042858	10/25/21	Gillig LLC		B250-BUS REPAIR PARTS	\$ 305.82	-	-
4500042859	10/25/21	Milliman Inc		P410-CONSULTING	\$ 3,500.00	-	-
4500042860	10/25/21	Dell Marketing L.P.		I110-INFORMATION TECH	\$ 57,215.25	-	-
4500042861	10/25/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 12,602.46	-	-
4500042862	10/25/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 3,522.56	-	-
4500042863	10/25/21	Vehicle Maintenance Program, Inc.	Woman Owned Business	B140-BUS CHASSIS	\$ 419.09	-	-
4500042864	10/25/21	W.W. Grainger Inc		G140-SHOP SUPPLIES	\$ 357.70	-	-
4500042865	10/25/21	Sherwin Williams Company		B130-BUS BODY	\$ 974.76	-	-
4500042866	10/25/21	Reid and Clark Screen Arts Co		G230-PRINTED MATERIALS	\$ 707.38	-	-
4500042867	10/25/21	Muncie Transit Supply		B140-BUS CHASSIS	\$ 859.30	-	-
4500042868	10/25/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 5,263.65	-	-
4500042869	10/25/21	Intelligence Press, Inc.		P280-GENERAL SVC AGRMNTS	\$ 2,812.00	-	-
4500042870	10/25/21	Alpine Fence Inc.		F190-LANDSCAPING MAT'LS	\$ 1,844.48	-	-
4500042871	10/25/21	Gillig LLC		B130-BUS BODY	\$ 1,446.74	-	-
4500042872	10/25/21	Supreme Oil Company		A120-AUTO/TRUCK GASOLINE	\$ 12,545.80	-	-
4500042873	10/25/21	SC Commercial, LLC		A120-AUTO/TRUCK GASOLINE	\$ 2,879.06	-	-
4500042874	10/25/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 257.20	-	-
4500042875	10/25/21	Gillig LLC		B250-BUS REPAIR PARTS	\$ 209.46	-	-
4500042876	10/25/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 62.50	-	-
4500042877	10/25/21	Nth Generation Computing Inc		I110-INFORMATION TECH	\$ 10,570.00	-	-
4500042878	10/25/21	E&E Industries	Small Business	F110-SHOP/BLDG MACHINERY	\$ 1,979.64	-	-
4500042879	10/25/21	Midwest Bus Corporation	Small Business	B130-BUS BODY	\$ 4,827.22	-	-
4500042881	10/25/21	Waxie's Enterprises Inc.		G140-SHOP SUPPLIES	\$ 92.84	-	-
4500042882	10/25/21	TK Services Inc		B110-BUS HVAC SYSTEMS	\$ 438.69	-	-
4500042883	10/25/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 2,074.24	-	-
4500042884	10/25/21	Harbor Diesel & Equipment		G170-LUBRICANTS	\$ 9,908.70	-	-
4500042885	10/25/21	Jeyco Products Inc		G150-FASTENERS	\$ 302.34	-	-
4500042886	10/25/21	Muncie Transit Supply		B130-BUS BODY	\$ 209.06	-	-
4500042887	10/25/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 2,155.80	-	-
4500042888	10/25/21	Genuine Parts Co		A140-AUTO/TRUCK REPAIR	\$ 67.29	-	-
4500042889	10/25/21	Home Depot USA Inc		F110-SHOP/BLDG MACHINERY	\$ 148.70	-	-
4500042890	10/26/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 100.50	-	-
4500042891	10/26/21	Industrial Maintenance Supply LLC	DBE	G150-FASTENERS	\$ 128.87	-	-
4500042892	10/26/21	W.W. Grainger Inc		G140-SHOP SUPPLIES	\$ 298.69	-	-
4500042893	10/26/21	Gillig LLC		B250-BUS REPAIR PARTS	\$ 2,632.22	-	-
4500042894	10/26/21	Gillig LLC		B250-BUS REPAIR PARTS	\$ 2,184.89	-	-
4500042895	10/26/21	R.S. Hughes Co Inc		G160-PAINTS & CHEMICALS	\$ 23.17	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500042896	10/26/21	Kaman Industrial Technologies		G170-LUBRICANTS	\$ 33.57	-	-
4500042897	10/26/21	Mohawk Mfg & Supply Co		B140-BUS CHASSIS	\$ 14.01	-	-
4500042898	10/26/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 565.91	-	-
4500042899	10/26/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 414.66	-	-
4500042900	10/26/21	Vehicle Maintenance Program, Inc.	Woman Owned Business	B140-BUS CHASSIS	\$ 419.09	-	-
4500042901	10/26/21	JKL Cleaning Systems	Small Business	G130-SHOP TOOLS	\$ 862.86	-	-
4500042902	10/26/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 1,517.62	-	-
4500042903	10/26/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 29.79	-	-
4500042904	10/26/21	Midwest Bus Corporation	Small Business	B130-BUS BODY	\$ 1,185.26	-	-
4500042905	10/26/21	GMT International Corporation		R230-RAIL/LRV MECHANICAL	\$ 25,800.75	-	-
4500042906	10/26/21	Chromate Industrial Corporation		R140-RAIL/LRV DOORS/RAMP	\$ 29.00	-	-
4500042907	10/26/21	Neopart Transit LLC		B120-BUS MECHANICAL PARTS	\$ 2,674.59	-	-
4500042908	10/26/21	W.W. Grainger Inc		F110-SHOP/BLDG MACHINERY	\$ 1,475.27	-	-
4500042909	10/26/21	JKL Cleaning Systems	Small Business	F110-SHOP/BLDG MACHINERY	\$ 2,077.22	-	-
4500042910	10/26/21	Reid and Clark Screen Arts Co		A140-AUTO/TRUCK REPAIR	\$ 354.29	-	-
4500042911	10/26/21	Fastenal Company		G140-SHOP SUPPLIES	\$ 2,784.44	-	-
4500042912	10/26/21	Datel Systems Incorporated	Small Business	I110-INFORMATION TECH	\$ 7,068.40	-	-
4500042913	10/26/21	Matthias Moos		M120-OVRHEAD CATENARY SYS	\$ 1,066.73	-	-
4500042914	10/26/21	Sunbelt Rentals, Inc		P160-EQUIPMENT RENTALS	\$ 799.56	-	-
4500042915	10/26/21	Gillig LLC		B250-BUS REPAIR PARTS	\$ 890.10	-	-
4500042916	10/26/21	Cummins Pacific LLC		P190-REV VEHICLE REPAIRS	\$ 1,336.40	-	-
4500042917	10/26/21	W.W. Grainger Inc		F110-SHOP/BLDG MACHINERY	\$ 21.08	-	-
4500042918	10/26/21	Kenneth Place		P130-EQUIP MAINT REPR SVC	\$ 170.11	-	-
4500042919	10/26/21	Dunn-Edwards Corporation		F110-SHOP/BLDG MACHINERY	\$ 142.20	-	-
4500042920	10/26/21	Gillig LLC		B250-BUS REPAIR PARTS	\$ 72.67	-	-
4500042921	10/26/21	S&A Systems Inc		C130-CONSTRUCTION SVCS	\$ 89,797.50	-	4,489.88
4500042922	10/27/21	Mohawk Mfg & Supply Co		B110-BUS HVAC SYSTEMS	\$ 157.53	-	-
4500042923	10/27/21	CASEI		F180-BUILDING MATERIALS	\$ 1,573.15	-	-
4500042924	10/27/21	Staples Contract & Commercial Inc		G200-OFFICE SUPPLIES	\$ 431.00	-	-
4500042925	10/27/21	Siemens Mobility, Inc.		R120-RAIL/LRV CAR BODY	\$ 366.24	-	-
4500042926	10/27/21	R.S. Hughes Co Inc		G140-SHOP SUPPLIES	\$ 170.46	-	-
4500042927	10/27/21	Asbury Environmental Services		B200-BUS PWR TRAIN EQUIP	\$ 3,015.60	-	-
4500042928	10/27/21	Dimensional Silk Screen Inc		G230-PRINTED MATERIALS	\$ 15,362.72	-	-
4500042929	10/27/21	Battery Power Inc.		B160-BUS ELECTRICAL	\$ 10,771.90	-	-
4500042930	10/27/21	Cummins Pacific LLC		B250-BUS REPAIR PARTS	\$ 23.44	-	-
4500042931	10/27/21	Alpine Fence Inc.		F180-BUILDING MATERIALS	\$ 53.53	-	-
4500042932	10/27/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 344.81	-	-
4500042933	10/27/21	Muncie Transit Supply		B120-BUS MECHANICAL PARTS	\$ 64.30	-	-
4500042934	10/27/21	Transit Holdings Inc		B130-BUS BODY	\$ 4,413.96	-	-
4500042935	10/27/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 113.14	-	-
4500042936	10/27/21	Muncie Transit Supply		B200-BUS PWR TRAIN EQUIP	\$ 329.53	-	-
4500042937	10/27/21	Transit Holdings Inc		B130-BUS BODY	\$ 923.98	-	-
4500042938	10/27/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 94.42	-	-
4500042939	10/27/21	Industrial Maintenance Supply LLC	DBE	G150-FASTENERS	\$ 52.05	-	-
4500042940	10/27/21	Gillig LLC		B250-BUS REPAIR PARTS	\$ 540.74	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500042941	10/27/21	Home Depot USA Inc		G140-SHOP SUPPLIES	\$ 50.84	-	-
4500042942	10/27/21	Mcmaster-Carr Supply Co		M140-WAYSIDE SIGNALS	\$ 94.58	\$0.00	-
4500042943	10/27/21	Waxie's Enterprises Inc.		G180-JANITORIAL SUPPLIES	\$ 544.61	-	-
4500042944	10/28/21	Airgas Inc		G190-SAFETY/MED SUPPLIES	\$ 47.97	-	-
4500042945	10/28/21	Professional Contractors Supplies		G160-PAINTS & CHEMICALS	\$ 54.67	-	-
4500042946	10/28/21	Cembre Inc		M170-IMPEDANCE BOND	\$ 2,070.25	-	-
4500042947	10/28/21	ERICO International Corporation		M170-IMPEDANCE BOND	\$ 283.54	-	-
4500042948	10/28/21	Charter Industrial Supply Inc	Small Business	B140-BUS CHASSIS	\$ 67.16	-	-
4500042949	10/28/21	Lemon Grove Car Wash, Inc		G120-SECURITY	\$ 1,400.00	-	-
4500042950	10/28/21	Kaman Industrial Technologies		G140-SHOP SUPPLIES	\$ 105.46	-	-
4500042952	10/28/21	W.W. Grainger Inc		F110-SHOP/BLDG MACHINERY	\$ 36.59	-	-
4500042953	10/28/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 118.53	-	-
4500042954	10/28/21	Transit Holdings Inc		B120-BUS MECHANICAL PARTS	\$ 1,046.39	-	-
4500042955	10/28/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 238.40	-	-
4500042956	10/28/21	Kurt Morgan		G200-OFFICE SUPPLIES	\$ 1,015.20	-	-
4500042957	10/28/21	Kurt Morgan		G200-OFFICE SUPPLIES	\$ 1,214.01	-	-
4500042958	10/28/21	Cummins Pacific LLC		B250-BUS REPAIR PARTS	\$ 102.05	-	-
4500042959	10/28/21	Transit Holdings Inc		B130-BUS BODY	\$ 84.49	-	-
4500042960	10/28/21	R.S. Hughes Co Inc		G140-SHOP SUPPLIES	\$ 557.15	-	-
4500042961	10/28/21	CASEI		F180-BUILDING MATERIALS	\$ 71.12	-	-
4500042962	10/28/21	Kiel NA LLC		B250-BUS REPAIR PARTS	\$ 1,773.91	-	-
4500042963	10/28/21	Muncie Transit Supply		B200-BUS PWR TRAIN EQUIP	\$ 16.55	-	-
4500042964	10/28/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 2,405.52	-	-
4500042965	10/28/21	Interpreters Unlimited, Inc.	Small Business	P350-OTHER LEGAL	\$ 250.00	-	-
4500042966	10/28/21	Industrial Maintenance Supply LLC	DBE	G150-FASTENERS	\$ 335.87	-	-
4500042967	10/28/21	Soapstone Media, Inc.		G230-PRINTED MATERIALS	\$ 1,202.49	-	-
4500042968	10/28/21	M Power Truck & Diesel Repair		P210-NON-REV VEH REPAIRS	\$ 1,719.18	-	-
4500042969	10/28/21	JKL Cleaning Systems	Small Business	G140-SHOP SUPPLIES	\$ 355.52	-	-
4500042970	10/28/21	M Power Truck & Diesel Repair		P210-NON-REV VEH REPAIRS	\$ 110.00	-	-
4500042972	10/29/21	David Glen Bond		G120-SECURITY	\$ 210.00	-	-
4500042973	10/29/21	Siemens Mobility, Inc.		R120-RAIL/LRV CAR BODY	\$ 308.59	-	-
4500042974	10/29/21	Gillig LLC		B250-BUS REPAIR PARTS	\$ 301.60	-	-
4500042975	10/29/21	Gillig LLC		B250-BUS REPAIR PARTS	\$ 287.34	-	-
4500042976	10/29/21	W.W. Grainger Inc		B250-BUS REPAIR PARTS	\$ 36.11	-	-
4500042977	10/29/21	Matthias Moos		M120-OVRHEAD CATENARY SYS	\$ 1,810.21	-	-
4500042978	10/29/21	Hitachi Rail STS USA, Inc.		M130-CROSSING MECHANISM	\$ 1,712.33	-	-
4500042979	10/29/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 433.16	-	-
4500042980	10/29/21	Applied Industrial Technologies-CA		R140-RAIL/LRV DOORS/RAMP	\$ 996.06	-	-
4500042981	10/29/21	The Gordian Group, Inc.		C130-CONSTRUCTION SVCS	\$ 2,098.33	-	-
4500042982	10/29/21	Cummins Pacific LLC		B120-BUS MECHANICAL PARTS	\$ 93.75	-	-
4500042983	10/29/21	Muncie Transit Supply		B140-BUS CHASSIS	\$ 381.91	-	-
4500042984	10/29/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 4,713.17	-	-
4500042985	10/29/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 3,011.38	-	-
4500042986	10/29/21	The Gordian Group, Inc.		C130-CONSTRUCTION SVCS	\$ 3,026.96	-	-
4500042987	10/29/21	The Gordian Group, Inc.		T110-TRACK, RAIL	\$ 14,628.80	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500042988	10/29/21	W.W. Grainger Inc		P280-GENERAL SVC AGRMNTS	\$ 84.45	-	-
4500042989	10/29/21	Mohawk Mfg & Supply Co		B120-BUS MECHANICAL PARTS	\$ 170.36	-	-
4500042990	10/29/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 7,631.78	-	-
4500042991	10/29/21	Dell Marketing L.P.		I110-INFORMATION TECH	\$ 6,626.34	-	-
4500042992	10/29/21	W.W. Grainger Inc		G170-LUBRICANTS	\$ 119.67	-	-
4500042993	10/29/21	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 337.32	-	-
4500042994	10/29/21	Waxie's Enterprises Inc.		G180-JANITORIAL SUPPLIES	\$ 102.16	-	-
4500042995	10/29/21	W.W. Grainger Inc		G140-SHOP SUPPLIES	\$ 22.76	-	-
4500042996	10/29/21	Harbor Diesel & Equipment		B120-BUS MECHANICAL PARTS	\$ 704.77	-	-
4500042997	10/29/21	Muncie Transit Supply		B140-BUS CHASSIS	\$ 329.72	-	-
4500042999	10/29/21	Romaine Electric Corporation	Small Business	B160-BUS ELECTRICAL	\$ 1,804.28	-	-
4500043000	10/29/21	Kaman Industrial Technologies		G140-SHOP SUPPLIES	\$ 589.67	-	-
4500043001	10/29/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 419.95	-	-
4500043003	10/29/21	Vern Rose Inc		G140-SHOP SUPPLIES	\$ 77.04	-	-
4500043004	10/29/21	Southern Counties Oil Co, LP		A120-AUTO/TRUCK GASOLINE	\$ 31,466.16	-	-
4500043005	10/29/21	Singh Group Inc	DBE	P290-LANDSCAPING SERVICES	\$ 29,500.00	-	-
4500043006	10/29/21	JKL Cleaning Systems	Small Business	P130-EQUIP MAINT REPR SVC	\$ 360.89	-	-
4500043007	10/29/21	Western Sierras Inc		G130-SHOP TOOLS	\$ 2,099.59	-	-
4500043008	10/29/21	Reid and Clark Screen Arts Co		A140-AUTO/TRUCK REPAIR	\$ 213.77	-	-
4500043009	10/29/21	JKL Cleaning Systems	Small Business	P130-EQUIP MAINT REPR SVC	\$ 399.83	-	-
4500043010	10/29/21	JKL Cleaning Systems	Small Business	P130-EQUIP MAINT REPR SVC	\$ 587.77	-	-
4500043011	10/30/21	Steven Timme		G230-PRINTED MATERIALS	\$ 19,632.07	-	-
4500043012	11/1/21	TK Services Inc		B110-BUS HVAC SYSTEMS	\$ 180.24	-	-
4500043013	11/1/21	R.S. Hughes Co Inc		G140-SHOP SUPPLIES	\$ 218.12	-	-
4500043014	11/1/21	ColorID LLC	Small Business	G200-OFFICE SUPPLIES	\$ 95.82	-	-
4500043015	11/1/21	Gillig LLC		B150-BUS COMM EQUIP.	\$ 439.34	-	-
4500043016	11/1/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 76.87	-	-
4500043017	11/1/21	Transit Holdings Inc		B130-BUS BODY	\$ 23.47	-	-
4500043018	11/1/21	Sportworks Northwest Inc		B130-BUS BODY	\$ 102.37	-	-
4500043019	11/1/21	Harbor Diesel & Equipment		B200-BUS PWR TRAIN EQUIP	\$ 21,101.06	-	-
4500043020	11/1/21	Abacor, Inc.	Small Business	A140-AUTO/TRUCK REPAIR	\$ 1,939.50	-	-
4500043021	11/1/21	Industrial Maintenance Supply LLC	DBE	B150-BUS COMM EQUIP.	\$ 249.72	-	-
4500043022	11/1/21	Cummins Pacific LLC		B140-BUS CHASSIS	\$ 1,633.49	-	-
4500043023	11/1/21	Muncie Transit Supply		B140-BUS CHASSIS	\$ 6.14	-	-
4500043024	11/1/21	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 23.32	-	-
4500043025	11/1/21	GCAP Services Inc	DBE	P350-OTHER LEGAL	\$ 25,000.00	-	-
4500043026	11/1/21	Supreme Oil Company		A120-AUTO/TRUCK GASOLINE	\$ 12,514.95	-	-
4500043027	11/1/21	SC Commercial, LLC		A120-AUTO/TRUCK GASOLINE	\$ 2,879.06	-	-
4500043028	11/1/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 37.64	-	-
4500043029	11/1/21	Kaman Industrial Technologies		G140-SHOP SUPPLIES	\$ 149.08	-	-
4500043030	11/1/21	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 14,128.45	-	-
4500043031	11/1/21	Tennant Sales & Serv Co		P130-EQUIP MAINT REPR SVC	\$ 2,613.28	-	-
4500043032	11/1/21	Miller Felpax Corporation		G190-SAFETY/MED SUPPLIES	\$ 2,421.70	-	-
4500043034	11/1/21	The Gordian Group, Inc.		M110-SUB STATION	\$ 5,093.13	-	-
4500043035	11/1/21	Tennant Sales & Serv Co		P130-EQUIP MAINT REPR SVC	\$ 745.43	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500043036	11/1/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 3,361.23	-	-
4500043037	11/1/21	Mohawk Mfg & Supply Co		B140-BUS CHASSIS	\$ 177.13	-	-
4500043038	11/1/21	Gillig LLC		B130-BUS BODY	\$ 18.22	-	-
4500043039	11/1/21	TK Services Inc		INSURANCE-Insurance Stock	\$ 14,007.50	-	-
4500043040	11/1/21	Mott MacDonald Group Inc		P410-CONSULTING	\$ 85,487.18	-	-
4500043041	11/1/21	W.W. Grainger Inc		G140-SHOP SUPPLIES	\$ 264.55	-	-
4500043042	11/1/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 158.41	-	-
4500043043	11/1/21	Mcmaster-Carr Supply Co		B250-BUS REPAIR PARTS	\$ 101.27	-	-
4500043044	11/1/21	Prizm Janitorial Services Inc	Small Business	C120-SPECIALTY CONTRACTOR	\$ 275.00	-	-
4500043045	11/1/21	Harbor Diesel & Equipment		B200-BUS PWR TRAIN EQUIP	\$ 129.09	-	-
4500043046	11/1/21	Knorr Brake Holding Corporation		R220-RAIL/LRV TRUCKS	\$ 2,114.39	-	-
4500043047	11/1/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 114.34	-	-
4500043048	11/1/2021	Kaman Industrial Technologies		B120-BUS MECHANICAL PARTS	\$ 479.83	0	0
4500043049	11/1/2021	Battery Power Inc.		B160-BUS ELECTRICAL	\$ 2,962.28	0	0
4500043050	11/1/21	Vern Rose Inc		G140-SHOP SUPPLIES	\$ 72.14	-	-
4500043051	11/1/21	Industrial Maintenance Supply LLC	DBE	G150-FASTENERS	\$ 9.16	-	-
4500043052	11/1/21	CASEI		F110-SHOP/BLDG MACHINERY	\$ 230.59	-	-
4500043053	11/1/21	Reid and Clark Screen Arts Co		P210-NON-REV VEH REPAIRS	\$ 269.85	-	-
4500043055	11/1/21	Madden Construction Inc		P280-GENERAL SVC AGRMNTS	\$ 715.00	-	-
4500043056	11/1/21	Madden Construction Inc		P280-GENERAL SVC AGRMNTS	\$ 253.50	-	-
4500043057	11/2/21	Professional Contractors Supplies		G140-SHOP SUPPLIES	\$ 165.54	-	-
4500043058	11/2/21	Allied Electronics Inc		G170-LUBRICANTS	\$ 742.66	-	-
4500043059	11/2/21	Siemens Mobility, Inc.		R220-RAIL/LRV TRUCKS	\$ 34,333.67	-	-
4500043060	11/2/21	Home Depot USA Inc		G140-SHOP SUPPLIES	\$ 316.55	-	-
4500043061	11/2/21	Fastenal Company		G140-SHOP SUPPLIES	\$ 216.63	-	-
4500043062	11/2/21	Waxie's Enterprises Inc.		G180-JANITORIAL SUPPLIES	\$ 1,457.28	-	-
4500043063	11/2/21	B Hepworth & Company Limited		R120-RAIL/LRV CAR BODY	\$ 697.37	-	-
4500043064	11/2/21	Robcar Corporation	Woman Owned Business	G190-SAFETY/MED SUPPLIES	\$ 142.23	-	-
4500043065	11/2/21	Siemens Mobility, Inc.		R120-RAIL/LRV CAR BODY	\$ 6,079.51	-	-
4500043066	11/2/21	Synco Chemical Corporation		G170-LUBRICANTS	\$ 11,838.71	-	-
4500043067	11/2/21	CDW LLC		I110-INFORMATION TECH	\$ 2,986.68	-	-
4500043068	11/2/21	Kaman Industrial Technologies		G140-SHOP SUPPLIES	\$ 1,598.37	-	-
4500043069	11/2/21	Hitachi Rail STS USA, Inc.		M130-CROSSING MECHANISM	\$ 357.56	-	-
4500043070	11/2/21	Applied Industrial Technologies-CA		G140-SHOP SUPPLIES	\$ 76.07	-	-
4500043071	11/2/21	Reid and Clark Screen Arts Co		R130-RAIL/LRV COUPLER	\$ 2,740.40	-	-
4500043072	11/2/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 129.30	-	-
4500043073	11/2/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 1,297.33	-	-
4500043074	11/2/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 241.04	-	-
4500043075	11/2/21	Cembre Inc		M120-OVRHEAD CATENARY SYS	\$ 571.78	-	-
4500043076	11/2/21	ERICO International Corporation		T110-TRACK, RAIL	\$ 287.80	-	-
4500043077	11/2/21	Chromate Industrial Corporation		G150-FASTENERS	\$ 1,584.34	-	-
4500043078	11/2/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 2,239.05	-	-
4500043079	11/2/21	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 1,074.80	-	-
4500043080	11/2/21	Synco Chemical Corporation		G170-LUBRICANTS	\$ 324.96	-	-
4500043081	11/2/21	Jeyco Products Inc		G150-FASTENERS	\$ 21.33	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500043082	11/2/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 273.42	-	-
4500043083	11/2/21	R.S. Hughes Co Inc		G140-SHOP SUPPLIES	\$ 179.98	-	-
4500043084	11/2/21	Prochem Specialty Products Inc	Small Business	G180-JANITORIAL SUPPLIES	\$ 1,656.98	-	-
4500043085	11/2/21	Waxie's Enterprises Inc.		G140-SHOP SUPPLIES	\$ 151.67	-	-
4500043086	11/3/21	Advertising Concepts Inc		G230-PRINTED MATERIALS	\$ 3,550.36	-	-
4500043087	11/3/21	Kaman Industrial Technologies		G140-SHOP SUPPLIES	\$ 350.58	-	-
4500043088	11/3/21	CDW LLC		I110-INFORMATION TECH	\$ 6,328.55	-	-
4500043089	11/3/21	W.W. Grainger Inc		F110-SHOP/BLDG MACHINERY	\$ 46.61	-	-
4500043090	11/3/21	Home Depot USA Inc		F110-SHOP/BLDG MACHINERY	\$ 269.36	-	-
4500043091	11/3/21	Transit Holdings Inc		G130-SHOP TOOLS	\$ 153.02	-	-
4500043092	11/3/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 3,966.28	-	-
4500043093	11/3/21	Mohawk Mfg & Supply Co		B140-BUS CHASSIS	\$ 21.08	-	-
4500043094	11/3/21	Transit Holdings Inc		B160-BUS ELECTRICAL	\$ 271.21	-	-
4500043095	11/3/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 1,212.15	-	-
4500043096	11/3/21	Transit Holdings Inc		B130-BUS BODY	\$ 415.44	-	-
4500043097	11/3/21	Staples Contract & Commercial Inc		G200-OFFICE SUPPLIES	\$ 104.81	-	-
4500043098	11/3/21	Tennant Sales & Serv Co		P130-EQUIP MAINT REPR SVC	\$ 2,163.42	-	-
4500043099	11/3/21	Mohawk Mfg & Supply Co		B160-BUS ELECTRICAL	\$ 80.82	-	-
4500043100	11/3/21	San Diego Friction Products, Inc.		G140-SHOP SUPPLIES	\$ 114.08	-	-
4500043101	11/3/21	Gillig LLC		G140-SHOP SUPPLIES	\$ 43.06	-	-
4500043102	11/3/21	W.W. Grainger Inc		B250-BUS REPAIR PARTS	\$ 36.15	-	-
4500043103	11/3/21	Tony Jamison	DBE	G170-LUBRICANTS	\$ 69.82	-	-
4500043104	11/3/21	Waco Filters Corporation		F120-BUS/LRV PAINT BOOTHS	\$ 137.38	-	-
4500043105	11/3/21	Industrial Maintenance Supply LLC	DBE	G150-FASTENERS	\$ 247.36	-	-
4500043106	11/3/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 674.52	-	-
4500043107	11/3/21	Transit Holdings Inc		B130-BUS BODY	\$ 3,709.73	-	-
4500043108	11/3/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 345.55	-	-
4500043109	11/3/21	Home Depot USA Inc		F180-BUILDING MATERIALS	\$ 699.95	-	-
4500043110	11/3/21	Culligan of San Diego		G140-SHOP SUPPLIES	\$ 2,060.00	-	-
4500043111	11/3/21	Brady Industries of California, LLC		G180-JANITORIAL SUPPLIES	\$ 166.34	-	-
4500043112	11/3/21	Genuine Parts Co		B120-BUS MECHANICAL PARTS	\$ 45.90	-	-
4500043113	11/3/21	JKL Cleaning Systems	Small Business	F190-LANDSCAPING MAT'LS	\$ 9,658.38	-	-
4500043114	11/3/21	Muncie Transit Supply		B110-BUS HVAC SYSTEMS	\$ 12.58	-	-
4500043116	11/3/21	Gillig LLC		B200-BUS PWR TRAIN EQUIP	\$ 138.90	-	-
4500043117	11/3/21	Siemens Mobility, Inc.		M130-CROSSING MECHANISM	\$ 205.91	-	-
4500043118	11/3/21	Professional Contractors Supplies		G160-PAINTS & CHEMICALS	\$ 602.70	-	-
4500043119	11/3/21	Airgas Inc		G190-SAFETY/MED SUPPLIES	\$ 2,029.04	-	-
4500043120	11/3/21	W.W. Grainger Inc		G180-JANITORIAL SUPPLIES	\$ 79.86	-	-
4500043121	11/3/21	Golden State Supply LLC		F180-BUILDING MATERIALS	\$ 290.71	-	-
4500043122	11/3/21	OneSource Distributors, LLC		R120-RAIL/LRV CAR BODY	\$ 749.53	-	-
4500043123	11/3/21	West-Lite Supply Co Inc	Small Business	R180-RAIL/LRV LIGHTING	\$ 433.84	-	-
4500043124	11/3/21	Lawson Products, Inc.		R220-RAIL/LRV TRUCKS	\$ 201.75	-	-
4500043125	11/3/21	Vehicle Maintenance Program, Inc.	Woman Owned Business	B140-BUS CHASSIS	\$ 2,620.91	-	-
4500043126	11/3/21	Total Filtration Services Inc		R230-RAIL/LRV MECHANICAL	\$ 1,873.64	-	-
4500043127	11/3/21	Arizona Machinery LLC		A110-AUTO/TRUCK TIRES	\$ 1,505.10	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500043128	11/4/21	Trentman Corporation	Small Business	P280-GENERAL SVC AGRMNTS	\$ 984.68	-	-
4500043129	11/4/21	Trentman Corporation	Small Business	P280-GENERAL SVC AGRMNTS	\$ 270.89	-	-
4500043130	11/4/21	W.W. Grainger Inc		B110-BUS HVAC SYSTEMS	\$ 1,341.49	-	-
4500043131	11/4/21	R.S. Hughes Co Inc		G140-SHOP SUPPLIES	\$ 67.23	-	-
4500043132	11/4/21	Matthias Moos		M120-OVRHEAD CATENARY SYS	\$ 1,810.21	-	-
4500043133	11/4/21	Applied Industrial Technologies-CA		G140-SHOP SUPPLIES	\$ 382.83	-	-
4500043134	11/4/21	Woojin IS America Inc.		R120-RAIL/LRV CAR BODY	\$ 467.61	-	-
4500043135	11/4/21	ERICO International Corporation		T110-TRACK, RAIL	\$ 242.28	-	-
4500043136	11/4/21	Tennant Sales & Serv Co		P130-EQUIP MAINT REPR SVC	\$ 2,917.63	-	-
4500043137	11/4/21	Transit Holdings Inc		B120-BUS MECHANICAL PARTS	\$ 385.83	-	-
4500043138	11/4/21	M Power Truck & Diesel Repair		P130-EQUIP MAINT REPR SVC	\$ 2,431.50	-	-
4500043139	11/4/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 1,197.11	-	-
4500043140	11/4/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 1,648.58	-	-
4500043141	11/4/21	Muncie Transit Supply		B160-BUS ELECTRICAL	\$ 408.10	-	-
4500043142	11/4/21	Transit Holdings Inc		B130-BUS BODY	\$ 1,652.28	-	-
4500043143	11/4/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 371.50	-	-
4500043144	11/4/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 13.90	-	-
4500043145	11/4/21	Transit Holdings Inc		B120-BUS MECHANICAL PARTS	\$ 689.60	-	-
4500043146	11/4/21	Vehicle Maintenance Program, Inc.	Woman Owned Business	B140-BUS CHASSIS	\$ 1,223.10	-	-
4500043147	11/4/21	SC Commercial, LLC		A120-AUTO/TRUCK GASOLINE	\$ 2,301.60	-	-
4500043148	11/4/21	Kurt Morgan		G200-OFFICE SUPPLIES	\$ 862.92	-	-
4500043149	11/4/21	R.S. Hughes Co Inc		G160-PAINTS & CHEMICALS	\$ 275.84	-	-
4500043150	11/4/21	Willy's Electronic Supply Co	Small Business	G270-ELECTRICAL/LIGHTING	\$ 208.87	-	-
4500043151	11/4/21	Cummins Pacific LLC		B250-BUS REPAIR PARTS	\$ 4,762.55	-	-
4500043152	11/4/21	Siemens Mobility, Inc.		R160-RAIL/LRV ELECTRICAL	\$ 6,333.00	-	-
4500043153	11/5/21	Siemens Mobility, Inc.		R230-RAIL/LRV MECHANICAL	\$ 3,457.01	-	-
4500043154	11/5/21	W.W. Grainger Inc		F110-SHOP/BLDG MACHINERY	\$ 174.42	-	-
4500043155	11/5/21	Cummins Pacific LLC		B120-BUS MECHANICAL PARTS	\$ 50.64	-	-
4500043156	11/5/21	Tennant Sales & Serv Co		P130-EQUIP MAINT REPR SVC	\$ 1,690.73	-	-
4500043157	11/5/21	Industrial Maintenance Supply LLC	DBE	G150-FASTENERS	\$ 48.38	-	-
4500043158	11/5/21	Prudential Overall Supply		G180-JANITORIAL SUPPLIES	\$ 3,959.82	-	-
4500043159	11/5/21	Home Depot USA Inc		F110-SHOP/BLDG MACHINERY	\$ 30.92	-	-
4500043160	11/5/21	Allied Refrigeration Inc		B250-BUS REPAIR PARTS	\$ 107.75	-	-
4500043161	11/5/21	JKL Cleaning Systems	Small Business	F110-SHOP/BLDG MACHINERY	\$ 158.38	-	-
4500043162	11/5/21	General Signals Inc		M130-CROSSING MECHANISM	\$ 10,005.68	-	-
4500043163	11/5/21	Culligan of San Diego		G140-SHOP SUPPLIES	\$ 2,040.00	-	-
4500043164	11/5/21	W.W. Grainger Inc		G170-LUBRICANTS	\$ 474.98	-	-
4500043165	11/5/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 5.39	-	-
4500043166	11/5/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 1,651.81	-	-
4500043167	11/5/21	Muncie Transit Supply		B160-BUS ELECTRICAL	\$ 2.48	-	-
4500043168	11/5/21	Muncie Transit Supply		B120-BUS MECHANICAL PARTS	\$ 64.30	-	-
4500043169	11/5/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 1,641.97	-	-
4500043170	11/5/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 929.86	-	-
4500043171	11/5/21	Siemens Mobility, Inc.		R170-RAIL/LRV HVAC	\$ 375.12	-	-
4500043172	11/5/21	Knorr Brake Holding Corporation		R220-RAIL/LRV TRUCKS	\$ 4,076.19	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500043173	11/5/21	Home Depot USA Inc		G140-SHOP SUPPLIES	\$ 133.61	-	-
4500043174	11/5/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 2,809.32	-	-
4500043175	11/5/21	Gillig LLC		B120-BUS MECHANICAL PARTS	\$ 599.98	-	-
4500043176	11/5/21	Waxie's Enterprises Inc.		G180-JANITORIAL SUPPLIES	\$ 263.12	-	-
4500043177	11/5/21	Schunk Carbon Technology LLC		R190-RAIL/LRV PANTOGRAPH	\$ 1,157.47	-	-
4500043178	11/5/21	Winchester Industries Inc		G130-SHOP TOOLS	\$ 1,176.64	-	-
4500043179	11/5/21	SiteOne Landscape Supply Holding		F180-BUILDING MATERIALS	\$ 865.43	-	-
4500043180	11/5/21	HI-TEC Enterprises		R120-RAIL/LRV CAR BODY	\$ 700.64	-	-
4500043181	11/5/21	Eran Hason		P120-BLDG/FACILITY REPRS	\$ 85.00	-	-
4500043182	11/5/21	Data Controls Printworks Inc	Small Business	G230-PRINTED MATERIALS	\$ 484.88	-	-
4500043183	11/8/21	Transit Holdings Inc		B130-BUS BODY	\$ 5,133.52	-	-
4500043184	11/8/21	Home Depot USA Inc		G140-SHOP SUPPLIES	\$ 59.48	-	-
4500043185	11/8/21	Kaman Industrial Technologies		G140-SHOP SUPPLIES	\$ 367.01	-	-
4500043186	11/8/21	W.W. Grainger Inc		G170-LUBRICANTS	\$ 353.76	-	-
4500043187	11/8/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 4,551.45	-	-
4500043188	11/8/21	Transit Holdings Inc		B250-BUS REPAIR PARTS	\$ 88.89	-	-
4500043189	11/8/21	Siemens Mobility, Inc.		R120-RAIL/LRV CAR BODY	\$ 366.24	-	-
4500043190	11/8/21	Supreme Oil Company		A120-AUTO/TRUCK GASOLINE	\$ 12,422.50	-	-
4500043191	11/8/21	SC Commercial, LLC		A120-AUTO/TRUCK GASOLINE	\$ 2,879.06	-	-
4500043192	11/8/21	Staples Contract & Commercial Inc		G200-OFFICE SUPPLIES	\$ 42.69	-	-
4500043193	11/8/21	Jeyco Products Inc		G150-FASTENERS	\$ 38.16	-	-
4500043194	11/8/21	Staples Contract & Commercial Inc		G200-OFFICE SUPPLIES	\$ 81.18	-	-
4500043195	11/8/21	R.S. Hughes Co Inc		B130-BUS BODY	\$ 140.27	-	-
4500043196	11/8/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 6,190.67	-	-
4500043197	11/8/21	Transit Holdings Inc		B200-BUS PWR TRAIN EQUIP	\$ 345.55	-	-
4500043198	11/8/21	Muncie Transit Supply		B130-BUS BODY	\$ 25.77	-	-
4500043199	11/8/21	Total Filtration Services Inc		R230-RAIL/LRV MECHANICAL	\$ 2,563.55	-	-
4500043200	11/8/21	Western-Cullen-Hayes Inc		M130-CROSSING MECHANISM	\$ 497.37	-	-
4500043201	11/8/21	Transit Products and Services		B130-BUS BODY	\$ 4,956.50	-	-
4500043202	11/8/21	Vern Rose Inc		G160-PAINTS & CHEMICALS	\$ 56.17	-	-
4500043203	11/8/21	Transit Holdings Inc		B140-BUS CHASSIS	\$ 65.90	-	-
4500043204	11/8/21	R.S. Hughes Co Inc		G160-PAINTS & CHEMICALS	\$ 213.31	-	-
4500043205	11/8/21	W.W. Grainger Inc		G180-JANITORIAL SUPPLIES	\$ 427.02	-	-
4500043206	11/8/21	Chromate Industrial Corporation		G150-FASTENERS	\$ 169.71	-	-
4500043207	11/8/21	TK Services Inc		B110-BUS HVAC SYSTEMS	\$ 180.24	-	-
4500043208	11/8/21	W.W. Grainger Inc		G120-SECURITY	\$ 113.61	-	-
4500043209	11/8/21	Cummins Pacific LLC		B200-BUS PWR TRAIN EQUIP	\$ 11,447.67	-	-
4500043210	11/8/21	Brady Industries of California, LLC		G190-SAFETY/MED SUPPLIES	\$ 743.76	-	-
4500043211	11/8/21	Mohawk Mfg & Supply Co		B130-BUS BODY	\$ 1,538.67	-	-
4500043212	11/8/21	Jeyco Products Inc		G140-SHOP SUPPLIES	\$ 7.76	-	-
4500043213	11/8/21	Waxie's Enterprises Inc.		G180-JANITORIAL SUPPLIES	\$ 387.81	-	-
4500043214	11/8/21	Waxie's Enterprises Inc.		G140-SHOP SUPPLIES	\$ 151.67	-	-
4500043215	11/8/21	Willy's Electronic Supply Co	Small Business	G120-SECURITY	\$ 645.43	-	-
4500043216	11/8/21	Industrial Maintenance Supply LLC	DBE	G150-FASTENERS	\$ 46.81	-	-
4500043217	11/8/21	Cummins Pacific LLC		B120-BUS MECHANICAL PARTS	\$ 293.42	-	-

Purchase Orders							
PO Number	PO Date	Name	Prime Business Certification	Material Group	PO Value	DBE Subcontracted Amount	Non DBE Subcontracted Amount
4500043218	11/8/21	Flyers Energy LLC		G170-LUBRICANTS	\$ 11,745.41	-	-
4500043219	11/8/21	Westair Gases & Equipment Inc	Small Business	G190-SAFETY/MED SUPPLIES	\$ 71.38	-	-
4500043220	11/8/21	Fastenal Company		G190-SAFETY/MED SUPPLIES	\$ 9,156.79	-	-
4500043221	11/8/21	Sid Tool Co		G130-SHOP TOOLS	\$ 144.73	-	-
4500043222	11/8/21	ESRI		I110-INFORMATION TECH	\$ 27,400.00	-	-