

MINUTES

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM BUDGET DEVELOPMENT COMMITTEE (BDC)

06/09/2022

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

1. Roll Call

Ms. Moreno called the Budget Development Committee meeting to order at 10:06 a.m. A roll call sheet listing Budget Development Committee member attendance is attached.

2. Public Comments

Mike Tenorio ATU Local 1309 – Agenda Item No. 5 Pronto Extended Pilot Program Launch

Mr. Tenorio asked if the bus operators would have a memo to distinguish the customers that will be boarding the bus under the PRONTO Extend Program. *Ms. Bishop* clarified that the pass will look like a standard adult pass to they system and no additional proof of eligibility will be needed other than the PRONTO App or PRONRO Card.

3. Approval of Minutes

Mr. Fletcher moved to approve the minutes of the April 20, 2022, San Diego Metropolitan Transit System (MTS) BDC meeting. *Ms. Moreno* seconded the motion, and the vote was 4 to 0 in favor with *Salas* absent.

DISCUSSION ITEMS

4. Fiscal Year (FY) 2023 Capital Improvement Program (CIP) Amendment (Mike Thompson)

Mike Thompson Director of Financial Planning and Analysis gave an overview of the Amendment FY23 CIP. He mentioned that the additional formula funding that has been expected from Federal Transit Administration (FTA) was received in May, which significantly raised the overall funding in the nation. *Mr. Thompson* mentioned that this is federal formula funding, which will be recurring for the next FY. He went over the revenue increase mentioned there is an increase of \$27.3M in section funding 5307 and 5337, Transportation Development Act (TDA) will have an increase of \$23.1M due to the revised target from San Diego Association of Governments (SANDAG) for TDA, resulting in \$50.3M overall of new funding available to the program.

Mr. Thompson mentioned the MTS agencies conducted a more abbreviated process of the CIP process and put their project needs together. This resulted in adding priority 2 projects that were not originally funded due to funding constraints to be added to the FY 2023 CIP Projects, adding additional funds to projects that have already been funded and adding new projects to CIP that were not originally on the CIP list.

PROJECT NOT ORIGINALLY FUNDED:

In this category, the buses for the TransNet funded Rapid services are taking up the majority of the funding; this project was originally a priority 2 project as the responsibility for the funding is with SANDAG, however SANDAG has been unwilling to fund the project so far. With this new additional funding MTS feels it is important to fund this project at this point in time, in total 29 – 60ft buses and 10 – 40ft buses need to be replaced for a total of \$35M. Other projects that will be funded include, South Bay ZEB Overhead Charging Infrastructure - \$1.7M; Division 6 - \$1.5M, and other miscellaneous projects. The subtotal for these 8 projects is \$40.6M.

PROJECTS WITH ADDITIONAL FUNDING:

In this category, there were three types of changes: changes consisting of additions to the scope of work, updated information increasing overall project cost, and/or options that were not funded due to funding constraints. Some of the projects receiving additional funding are Grantville Station \$1.5M, Grade Crossing \$1.9M, Green Line Double Tracks \$850k, along with 5 other projects for a subtotal of \$6.5M.

NEW PROJECTS:

This category includes projects not included in the original CIP project list, such as projects that have become a priority of the last six months, as well as projects that would not typically be competitive in a normal year. One of the major projects would be the PRONTO validators, MTS has had issues with passengers tapping their PRONTO cards on the validators and adding additional PRONTO validators will encourage and facilitate passengers to tap their passes more, for a total of \$1M; IAD Bush Chassis Wash Cover \$750k, as well as 5 other projects for a subtotal of \$3.1M

Mr. Thompson gave a summary of all 3 categories, mentioning the overall total increase is \$50.3M. He mentioned 70% of the increase is related to the SANDAG Rapid bus replacement and \$15M for the other projects, which increases the overall CIP to \$157.9M. Mr. Thompson went over the updated Five-Year Summary, mentioning the total project need is \$984M, with more available revenue of \$648M total over the next 5 years. This drops the deficit to \$336M over the next 5 years, 65.9% funded versus the last CIP which was under 50% funded.

Action Taken

Mr. Fletcher moved to recommend to the MTS Board of Directors To:

1. Approve the FY 2023 CIP amendment with the revised federal and nonfederal funding levels (Attachments A and B);
2. Recommend that the San Diego Association of Governments (SANDAG) Board of Directors approve the amendment of Federal Section 5307, 5337 and 5339 applications for the MTS FY 2023 CIP (shown in Attachment A);
3. Recommend that the SANDAG Board of Directors approve amendment number 13 of the 2021 Regional Transportation Improvement Program (RTIP) in accordance with the amended FY 2023 CIP recommendations.

Ms. Moreno seconded the motion, and the vote was 4 to 0 in favor with Salas absent.

5. Pronto Extend Pilot Program Launch (Stacie Bishop)

Stacie Bishop, Manager of Marketing, went over the launch of the PRONTO Extend Pilot Program. She mentioned the program will offer access to free transit fares for riders exiting riders ages 18 through 24 who have exited the foster care system on or after their 18th birthday. The pilot period is scheduled to start on July 1, 2022 and continue through December 31, 2023.

Ms. Bishop went over the application process for the user. Participants will need to submit an application online, via email or in person along with supporting eligibility documents. The MTS contractor will review the application and will contact the participant of their approval, once approved applicants will have access to zero-dollar transit fares through the pilot period or until the day prior to their 25th birthday, whichever comes sooner. The PRONTO Extend Pass will be available to download on the app or as a PRONTO card, MTS pass will be valid on Trolleys and Local Rapid, Rapid Express and Rural Bus services; NCTD pass will be valid for FLEX, Breeze, Sprinter and Coaster services.

Ms. Bishop mentioned that MTS is working closely with the County of San Diego, social workers and partner organization to help make eligible individuals aware and educate them of the new program. She also mentioned that the goals for the pilot are to gather data to better understand the demand for the program, administrative and staff demands to operate the program, and understand the true fiscal impact of the program.

Action Taken

Ms. Moreno moved to recommend to the MTS Board of Directors to:

approve the launch of the PRONTO Extend Pilot Program from July 1, 2022 through December 31, 2023.

Mr. Fletcher seconded the motion, and the vote was 4 to 0 in favor with Salas absent.

OTHER ITEMS

6. Next Meeting Date

The next Budget Development Committee meeting is scheduled for TBD

7. Adjournment

Chair Moreno adjourned the meeting at 10:30 a.m.

/s/ Vivian Moreno
Chairperson
San Diego Metropolitan Transit System

/s/ Lucia Mansour
Committee Clerk
San Diego Metropolitan Transit System

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BUDGET DEVELOPMENT COMMITTEE MEETING

ROLL CALL

MEETING OF (DATE): 06/09/2022 CALL TO ORDER (TIME): 10:06 a.m.

ADJOURN: 10:30 a.m.

BOARD MEMBER		(Alternate)		PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
MORENO (Chair)	<input checked="" type="checkbox"/>	(no alternate)	<input type="checkbox"/>	10:06 a.m.	10:30 a.m.
FLETCHER	<input checked="" type="checkbox"/>	(no alternate)	<input type="checkbox"/>	10:06 a.m.	10:30 a.m.
GLORIA	<input type="checkbox"/>	(Whitburn)	<input checked="" type="checkbox"/>	10:06 a.m.	10:30 a.m.
SALAS	<input type="checkbox"/>	(no alternate)	<input type="checkbox"/>	Absent	Absent
SANDKE	<input checked="" type="checkbox"/>	(no alternate)	<input type="checkbox"/>	10:06 a.m.	10:30 a.m.

COMMITTEE CLERK: Lucia Mansour

Digitally signed by Lucia Mansour
DN: cn=Lucia Mansour, o=ou=Finance,
email=Lucia.Mansour@sdmts.com, c=US
Date: 2022.06.09 10:46:53 -07'00'