



Budget Development Committee Agenda

Click link to access the meeting:

<https://www.zoomgov.com/j/1602968174>

Zoom Meeting ID

Ways to Join



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

Webinar Features:

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



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



Phone:

1. If you are joining the meeting audio by phone and viewing the meeting on a device, dial the number provided in the 'join audio' phone call tab of the initial pop-up, and enter the Meeting ID (found in the link).
2. If you are joining by phone only, dial: **+1-669-254-5252** and type the meeting ID found in the link, press #. You will have access to the meeting audio, **but will NOT be able to view the PowerPoint presentations.**



Live Verbal Public Comments:

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

Public Comments Made Via Zoom

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

Public Comments Made by Phone Only

1. Dial **+1-669-254-5252**
2. Type in the zoom meeting ID found in the link and press #
3. Dial *9 to raise your hand via phone
4. The Clerk will call out the last 4 digits of your phone number to announce you are next to speak
5. Dial *6 to unmute yourself



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



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



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

Instructions for providing in-person public comments:

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

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



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



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



***Contact Information:** Contact the Clerk of the Committee via email at Lucia.Mansour@sdmts.com, phone at (619) 557-4521 or by mail at 1255 Imperial Ave. Suite 1000, San Diego CA 92101.



Agenda del Comité de Desarrollo Presupuestario

Haga clic en el enlace para acceder a la reunión:

<https://www.zoomgov.com/j/1602968174>






ID de la reunión
en Zoom

Formas de Participar



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

Funciones del Seminario En Línea:

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



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



Teléfono:

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



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

Comentarios Públicos a Través de Zoom

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

Comentarios Públicos Realizados Únicamente por Teléfono

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



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



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



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

Instrucciones para brindar comentarios públicos en persona:

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

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



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



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



***Información de Contacto:** Comuníquese con el secretario del Comité por correo electrónico en Lucia.Mansour@sdmts.com, por teléfono al **(619) 557-4521** o por correo postal en **1255 Imperial Ave. Suite 1000, San Diego CA 92101.**



Budget Development Committee

REVISED Agenda

August 7, 2024 at 09:00 a.m.

In-Person Participation: James R. Mills Building, 1255 Imperial Avenue, 9th Floor Training Room, San Diego CA 92101

Teleconference Participation: (669) 254-5252; Webinar ID: 160 296 8174, <https://www.zoomgov.com/j/1602968174>

| NO. | ITEM SUBJECT AND DESCRIPTION | ACTION |
|------------------|--|---------------|
| 1. | Roll Call | |
| 2. | Public Comments | |
| 3. | Approval of Minutes Action would approve the May 8, 2024 Budget Development Committee Meeting Minutes. | Approve |
| DISCUSSION ITEMS | | |
| 4. | Senate Bill (SB) 125 Funding Update (Mike Thompson) Action would forward a recommendation to the Board of Directors to approve the revised SB 125 Allocation Package proposal. | Approve |
| 5. | Fiscal Year (FY) 2025 Capital Improvement Program (CIP) Update (Mike Thompson) | Informational |
| OTHER ITEMS | | |
| 6. | Next Meeting Date: To be determined | |
| 7. | Adjournment | |



From: [Sam Borinsky](#)
To: [Lucia Mansour](#)
Subject: Write in Comment for MTS Budget Committee Meeting
Date: Tuesday, August 6, 2024 12:54:55 PM

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

Dear MTS Budget Development Committee:

I applaud MTS' decision to accelerate increasing late night Trolley frequencies to 15 minutes, systemwide. This will allow low-income workers who currently drive to work at graveyard shifts to switch to transit.

MTS should also increase Mid-Coast frequencies as soon as possible. I am concerned that MTS may delay 7.5 minute frequencies on the Mid-Coast in order to balance deficits. I ask MTS to reconsider this decision. Increased frequency shortens travel times, alleviates overcrowding, and helps passengers feel safer. After all, in 2023, 84% of Trolley Part I Crimes happened at stations rather than on board Trolleys.

Increasing Mid-Coast frequencies to 7.5 minutes is an excellent investment. It only costs \$3.7 million annually to do so, and the Blue Line has lower per-passenger subsidies than nearly every MTS bus route. And with Blue Line ridership growing by 15.4% in the past fiscal year alone, 7.5 minute Mid-Coast frequencies cannot come sooner.

Sincerely,

Sam Borinsky

From: [Evan Burke](#)
To: [Lucia Mansour](#)
Subject: Public Comment for Budget Development Committee (8/7)
Date: Tuesday, August 6, 2024 2:02:31 PM

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

Hello, the following is a public comment for the Budget Development Committee meeting tomorrow (August 7th) at 10:30 AM. Let me know if there's any additional information you need from me.

Dear MTS Budget Development Committee:

First and foremost, I want to thank MTS for accelerating the increases to late night Trolley frequencies, which will make the trolley viable for a lot of potential riders. For reasons I will go into later, With that in mind, I'd like to ask that this Committee **NOT redirect SB 125 funding away from Trolley and Bus service enhancements**, or delay frequency increases for the Blue Line in particular.

Increased frequency **increases** rider safety by **decreasing** the amount of time passengers spend at the station (where 8/10 security incidents occur). It also makes public transit more appealing to casual riders. In turn, this **also** improves rider safety, as more riders will in turn discourage criminal behavior in the first place (i.e. a public transit version of Jane Jacobs "Eyes on the Street".)

Increased frequency is even more beneficial for bus routes. Since buses are frequently subject to delays, they can be seen as unreliable when they fail to arrive when expected. However, the greater frequency with which they arrive, the less these delays are noticed. Riders want to go to the stop when they're ready and feel confident that a bus will arrive shortly without having to check a schedule.

A routine excuse I hear when discussing Public Transit investment is that the ridership isn't there to support improvements. However, the Blue line is the most popular Trolley line in San Diego, with 150% the ridership of the Green and Orange lines combined, and it continues to grow year after year at a rapid pace. I can say from experience that the Blue line frequently has standing room only. If we're not willing to invest when the riders do show up, how can we expect them to continue showing up elsewhere.

Lastly, if MTS wants to meet San Diego's climate goals, we need to make these relatively low cost improvements now and start building public trust and habits.

If this Committee feels that it is necessary to make cuts, it should make cuts to Security spending, which is already bloated and has a terrible return on investment. As I've said above, transit security is best served by improving the line's functionality and popularity.

Stay on track (pun intended) with the June 2025 timeline, and by this time next year, we can celebrate another success.

Sincerely,
Evan Burke

From: [Jacob Aguirre](#)
To: [Lucia Mansour](#)
Subject: Re: 8/7 Budget Development Committee Meeting
Date: Tuesday, August 6, 2024 2:56:59 PM

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

Hello Lucia & MTS Budget Committee,

I wanted to write in to urge y'all to not consider delaying the bus & trolley service enhancements as part of your upcoming budget development meeting.

While balancing a budget is a necessary part of governance, it does not make sense to address “structural deficits” by paring down the aspects of the budget that have a material effect on the every day rider’s life. A more reliable transit system and a better riding experience should be the foremost concern for the upcoming budget. SD’s transit system has a perception of being unreliable and slow compared to other methods of travel in the city, and addressing these concerns—such as shortening travels times and increasing coverage—will help to increase ridership and thus increase revenue.

Please reconsider the current direction of the committee.

Jacob Aguirre

From: [Samuel Sharp](#)
To: [Lucia Mansour](#)
Subject: Comment on MTS Budget Development allocations
Date: Tuesday, August 6, 2024 3:33:39 PM

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

As a daily MTS rider who has seen growth in ridership across the network firsthand, I think it's so important for MTS to invest in increasing service network-wide. The eternal question in transit planning is how to balance frequency of service with even coverage of service, and MTS needs to continue its steady progress towards ensuring both frequent and far-reaching service by investing directly in Trolley and bus operations instead of backing away from improvements to balance deficits. Now is not the time to go back and delay the improvements that our system needs.

Thank you,
Samuel Sharp

From: [Lisette Wilensky](#)
To: [Lucia Mansour](#)
Subject: Public Comment for MTS Budget Committee on 8/7
Date: Tuesday, August 6, 2024 3:38:18 PM

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

Dear MTS Budget Development Committee:

I applaud MTS' decision to accelerate increasing late night Trolley frequencies to 15 minutes, systemwide. This will allow low-income workers who currently drive to work at graveyard shifts to switch to transit.

MTS should also increase Mid-Coast frequencies in June 2025. I am concerned that MTS may delay 7.5 minute frequencies on the Mid-Coast in order to balance deficits. I ask MTS to reconsider this decision. Increased frequency shortens travel times, alleviates overcrowding, and helps passengers feel safer. After all, in 2023, 84% of Trolley Part I Crimes happened at stations rather than on board Trolleys.

Increasing Mid-Coast frequencies to 7.5 minutes is an excellent investment. It only costs \$3.7 million annually to do so, and the Blue Line has lower per-passenger subsidies than nearly every MTS bus route. And with Blue Line ridership growing by 15.4% in the past fiscal year alone, 7.5 minute Mid-Coast frequencies cannot come sooner.

Sincerely,

Lisette Wilensky



IN - PERSON PUBLIC COMMENT

SPEAKER INFORMATION (please print)

Agenda Item No.: 2
Name: Alex Wong Telephone: (619) 379-9016
Email: alex@ridesd.org
City of Residence: San Diego
Remark Subject: Open Payment / Green Line Frequency
Affiliated Organization: RidesD

PLEASE SUBMIT THIS COMPLETED FORM BACK TO THE CLERK

INSTRUCTIONS

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

BOARD OF DIRECTORS MEETING

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

MEETING RECORD

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



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

May 8, 2024

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

1. Roll Call

Chair Moreno called the Budget Development Committee meeting to order at 1:02 p.m. A roll call sheet listing Budget Development Committee member attendance is attached.

2. Public Comments

Alex Wong – Representing Ride SD made a verbal statement to the Committee during the meeting. Alex advocated for increased Green Line frequencies to 7.5 minutes.

3. Approval of Minutes

Board Member McCann moved to approve the minutes of the April 23, 2024, MTS Budget Development Committee meeting. Chair Moreno seconded the motion, and the vote was 5 to 0 in favor.

DISCUSSION ITEMS

4. Fiscal Year (FY) 2025 Operating Budget Discussion (Gordon Meyer)

Gordon Meyer, MTS Manager of Financial Planning and Analysis, presented on the FY 2025 Operating Budget Discussion. Mr. Meyer outlined the FY25 Operating Budget Revenue Summary; Expenses Summary; and Consolidated Revenues less Expenses. He analyzed the 5-Year Projection Baseline scenario with Senate Bill (SB) 125 funding included if all SB125 funds are received per the original plan. Mr. Meyer also provided two additional 5-Year Projection Baseline scenarios. One included removing all SB125 funding with the planned activities, and another scenario included removing all SB125 funding with planned services increases and shift flexible funding from capital. Mr. Meyer went over the next steps for the FY25 Operating Budget.

Public Comment

Alex Wong – Representing Ride SD made a written and verbal statement to the Committee both during and prior the meeting. Alex advocated to improve late night service to 15 minutes for late night shift workers, deliver 7.5 minute Mid-Coast trolley frequencies during daytime service and mentioned that doubling frequencies will shorten trips and alleviate overcrowding.

Committee Comment

Board Member Goble asked if the Transdev worker strike was in FY24, and Mr. Meyer stated the strike was in FY23. Board Member Goble mentioned that shifting capital funds may not be a favorable idea because MTS would not be continually updating its assets, such as trolleys and buses. If capital money would be spent on something that might not be needed in the future, he favored a fund shift to operations. He supports the revenue ideas of keeping the Iris Rapid and the new security, because safety and security is paramount for the riders.

Board Member Montgomery Steppe referenced slide six (6) and asked where the projection or assumption of the dip between FY26 and FY27 came from for the expense assumptions and the energy assumptions. Mr. Meyer referenced slide eight (8) to explain that the bus service enhancements in the SB125 plan, projects the spending on additional bus services almost doubles in FY25 and additional service increase was also planned for FY26, with FY26 being the last year where a significant amount of service will be added. Mr. Meyer mentioned this is the reason why FY26 has a high expense growth, but it does level out and the remaining expense growth is due to rate increases and general expense growth. Board Member Montgomery Steppe asked if this was similar with energy as well. Larry Marinesi, MTS Chief Financial Officer (CFO), responded that the 8.6% is not a rate increase within energy, it's the total cost increase. He mentioned that when the significant amount of service is added in FY26, that will essentially increase the cost by 8.6%, and the only aspect of FY27 is the ratable cost increase of the commodity itself. Board Member Montgomery Steppe asked for further clarification as to why there is a dip in energy assumption if services are continuing. Mr. Marinesi explained that there is not a decline, rather the cost will continue to increase in FY27 at 3.7% which ties into the rate in which the commodity is expected to increase. Board Member Montgomery Steppe expressed that she was looking forward to many of the decisions around the frequency and routes that would have been implemented with the additional SB125 funding, she hopes that the California May Revise reflects the funding coming to MTS.

Chair Moreno commented that it behooves the BDC to look at the Capital versus the Operations budget and to assess the amount of Capital budget that is being used for safety projects. She mentioned how difficult it is to hear that we might have to shift money from the Capital budget, being that MTS has been in the forefront of a lot of the innovations that are happening in the transportation industry. She also mentioned that many agencies are doing far worse than MTS, and it is her assumption that the Governor is prioritizing those agencies. She asks this body and the MTS Chair to start engaging with some of the state legislators to make sure that we are in the conversation when discussing other systems that are not doing well. She mentioned that the uncertainty of SB125 will put a pause in launching new services. She added that she supports the staff recommendation and hopes that the State will not follow through with the potential removal of SB125 funding. She also mentioned that she would be supportive of MTS exploring a revenue measure to gain more financial independence moving forward in 2026.

Action Taken

Board Member Goble moved that the MTS BDC forward a recommendation to the Board of directors to 1) Postpone the Trolley 15-minute add-ons until future of SB-125 funding known, and 2) Postpone the public hearing and implementation date for Route 910 (overnight border express). Board Member Montgomery Steppe seconded the motion, and the vote was 5 to 0 in favor.

OTHER ITEMS

5. Next Meeting Date

The next Budget Development Committee meeting is to be determined.

Clerks note: Subsequent to this meeting, the next Budget Development Committee Meeting was scheduled for August 07, 2024, at 9:00 a.m.

6. Other Staff/Committee Member Communications and Business

There was no Committee Member Communications and Other Business discussion.

7. Adjournment

Chair Moreno adjourned the meeting at 1:40 p.m.

/s/ Vivian Moreno
Chairperson
San Diego Metropolitan Transit System

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

Attachment: Roll Call Sheet

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BUDGET DEVELOPMENT COMMITTEE MEETING

ROLL CALL

MEETING OF (DATE): May 8, 2024 CALL TO ORDER (TIME): 1:02 p.m.

ADJOURN: 1:40 p.m.

| BOARD MEMBER | | (Alternate) | PRESENT (TIME ARRIVED) | ABSENT (TIME LEFT) |
|-----------------------|-------------------------------------|---|---------------------------|-----------------------|
| MORENO (Chair) | <input checked="" type="checkbox"/> | (no alternate) <input type="checkbox"/> | 1:02 p.m. | 1:40 p.m. |
| GOBLE | <input checked="" type="checkbox"/> | (no alternate) <input type="checkbox"/> | 1:02 p.m. | 1:40 p.m. |
| MCCANN | <input checked="" type="checkbox"/> | (no alternate) <input type="checkbox"/> | 1:02 p.m. | 1:40 p.m. |
| MONTGOMERY- STEPPE | <input checked="" type="checkbox"/> | (no alternate) <input type="checkbox"/> | 1:02 p.m. | 1:40 p.m. |
| WHITBURN | <input checked="" type="checkbox"/> | (no alternate) <input type="checkbox"/> | 1:02 p.m. | 1:40 p.m. |

COMMITTEE CLERK: /s/Lucia Mansour



Agenda Item No. 4

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

August 7, 2024

SUBJECT:

Senate Bill (SB) 125 Funding Update (Mike Thompson)

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Budget Development Committee forward a recommendation to the Board of Directors to approve the revised SB 125 Allocation Package proposal.

Budget Impact

None at this time.

DISCUSSION:

SB 125 originally amended the Budget Act of 2023 to appropriate \$4 billion of General Fund to the Transit and Intercity Rail Capital Program (TIRCP) over the next two fiscal years. SB 125 also establishes a \$1.1 billion Zero-Emission Transit Capital Program (ZETCP) over the next four fiscal years. The California State Transportation Agency (CalSTA) is responsible for developing and administering these programs. Included in the guidelines, MTS is estimated to receive approximately \$284 million over four fiscal years. The original estimated revenues for MTS for the next four fiscal years were broken down by year and program as follows:

Table with 5 columns: Program, Year 1, Year 2, Year 3, Year 4. Rows: TIRCP, ZETCP.

The first payment was scheduled to be received by April 30, 2024, per the legislation. That payment was frozen, and the entire program was subject to the State's budget development process with the State seeking to balance significant budget deficits. The table below represents the updated revenue estimate timeline after the State completed their FY 2025 Budget:

Table with 5 columns: Program, Year 1, Year 2, Year 3, Year 4. Rows: TIRCP, ZETCP.



Considering the revised payment schedule and the on-going uncertainty around the future payments, staff will present updated project plans for consideration. These updates include adding back some of the service that was originally planned for FY 2025, building the spending plan around each payment as it is received, and continuing to balance the structural operating budget deficit into FY 2028. All plan changes would be incorporated into an updated SB 125 Allocation Package that would be approved by the MTS Board.

Therefore, staff recommends that the MTS BDC forward a recommendation to the Board of Directors to approve the revised SB 125 Allocation Package proposal, as reflected in the staff presentation. If approved, a final package document will be presented to the Board of Directors.

/s/ Sharon Cooney
Sharon Cooney
Chief Executive Officer

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

Senate Bill (SB) 125 Funding Update

Budget Development Committee

State Budget – SB 125 Funding Update

- MTS to receive \$284 million over four fiscal years
 - Transit Intercity Rail Capital Program (TIRCP) Funding
 - Zero-Emission Transit Capital Program (ZETCP) Funding

- Original funding plan:

| Revenue Sources | FY24 | FY25 | FY26 | FY27 | Total |
|-----------------|-------------------|-------------------|-----------------|-----------------|-------------------|
| TIRCP | \$ 118,516 | \$ 118,814 | \$ - | \$ - | \$ 237,330 |
| ZETCP | 17,265 | 9,685 | 9,685 | 9,685 | 46,321 |
| Total | \$ 135,781 | \$ 128,500 | \$ 9,685 | \$ 9,685 | \$ 283,652 |

- Update based on FY25 California State Budget:

| Revenue Sources | FY24 | FY25 | FY26 | FY27 | Total |
|-----------------|-------------------|------------------|------------------|-----------------|-------------------|
| TIRCP | \$ 118,516 | \$ 59,407 | \$ 59,407 | \$ - | \$ 237,330 |
| ZETCP | 8,001 | 9,264 | 9,685 | 19,371 | 46,321 |
| Total | \$ 126,517 | \$ 68,671 | \$ 69,093 | \$19,371 | \$ 283,652 |

SB 125 Submitted Program – Capital & Operations Funding (Original Plan)

Main Program Goals:

- Enhance services (Security, Bus and Trolley)
- Balance the current Structural Deficit through FY28

| Project Name | FY24 | FY25 | FY26 | FY27 | FY28 | Total |
|--|-----------------|-----------------|-----------------|-----------------|------------------|-------------------|
| ZEB Overhead Charging Infrastructure | \$ - | \$17,265 | \$ 9,685 | \$ 9,685 | \$ 9,685 | 46,321 |
| Orange Line Modernization Project | - | 26,000 | - | - | - | 26,000 |
| Security Enhancements | 1,500 | 3,500 | 3,500 | 3,500 | 3,500 | 15,500 |
| Trolley Service Enhancements | | 8,015 | 9,880 | 10,511 | 10,511 | 38,917 |
| Bus Service Enhancements | | 6,000 | 16,000 | 16,000 | 16,000 | 54,000 |
| Iris Rapid Operations | 3,000 | 4,000 | 4,000 | 4,000 | 4,000 | 19,000 |
| Otay Mesa (CBX, etc.) Service Improvements | | 500 | 1,500 | 1,500 | 1,500 | 5,000 |
| Bus Stop Improvements | | 1,000 | 1,000 | 1,000 | 1,000 | 4,000 |
| Structural Deficit Balancing | | | | 13,418 | 61,495 | 74,913 |
| Total | \$ 4,500 | \$66,280 | \$45,565 | \$59,614 | \$107,692 | \$ 283,652 |

SB 125 Revised Approach

- Concerns with future funding availability
 - Funding has already been pushed back from the original plan
 - The original planned payments were frozen pending completion of the State Budget
 - Future payments will be subject to the State budgeting process as well
- Plan around each payment individually
 - SB 125 Project plan can be revised at any time
 - \$136M in cash expected but not yet received
 - \$118.5M in TIRCP, \$17.3M in ZETCP
 - Revise the project plan around these amounts
 - Structure future project plans around current projected payment streams

Transit and Intercity Rail Capital Program (TIRCP)

TIRCP First Payment

- \$118.5 million expected but not yet received
 - Keep portions of the original plan already put in place
 - Security Enhancements, Iris Rapid, Orange Line Modernization
 - Frontload Structural Deficit Balancing funding
 - Use this payment to balance structural deficit into FY27
 - Future TIRCP payments to further stretch fiscal cliff
 - Fund Blue Line Overnight Express / originally proposed FY25 Trolley Service

| Project Name | FY24 | FY25 | FY26 | FY27 | FY28 | Total |
|-----------------------------------|-----------------|------------------|------------------|------------------|-------------|-------------------|
| Security Enhancements | \$ 1,500 | \$ 3,500 | \$ 3,500 | \$ 3,500 | | \$ 12,000 |
| Iris Rapid Operations | 3,000 | 4,000 | 4,000 | 4,000 | | 15,000 |
| Orange Line Modernization Project | - | 26,000 | - | - | | 26,000 |
| Structural Deficit Balancing | | | 20,000 | 29,016 | | 49,016 |
| Blue Line Overnight Express | | 1,500 | 2,000 | 2,000 | | 5,500 |
| Trolley Service Enhancements | | 3,000 | 4,000 | 4,000 | | 11,000 |
| Subtotal | \$ 4,500 | \$ 38,000 | \$ 33,500 | \$ 42,516 | \$ - | \$ 118,516 |

TIRCP Second Payment

- \$59.4 million currently included in FY25 State Budget
 - Based on experience, receipt not expected until after August 2025 if at all
 - Extend all services put in place through FY28
 - Hold back additional funding for Structural Deficit Balancing
 - Will not be enough to balance operating budget in FY28
 - Tentative plan, will review with BDC once this payment is received

| Project Name | FY24 | FY25 | FY26 | FY27 | FY28 | Total |
|------------------------------|-------------|-------------|-------------|-------------|------------------|------------------|
| Security Enhancements | | | | | \$ 3,500 | \$ 3,500 |
| Iris Rapid Operations | | | | | 4,000 | 4,000 |
| Structural Deficit Balancing | | | | | 45,907 | 45,907 |
| Blue Line Overnight Express | | | | | 2,000 | 2,000 |
| Trolley Service Enhancements | | | | | 4,000 | 4,000 |
| Subtotal | \$ - | \$ - | \$ - | \$ - | \$ 59,407 | \$ 59,407 |

TIRCP Third Payment

- \$59.4 million currently projected to be allocated in FY26 State Budget
 - Based on experience, receipt not expected until after August 2026 if at all
 - Fund Structural Deficit Balancing to get through FY28
 - Fund additional service enhancements
 - Tentative plan, will review with BDC once this payment is received

| Project Name | FY24 | FY25 | FY26 | FY27 | FY28 | Total |
|------------------------------|-------------|-------------|-------------|------------------|------------------|------------------|
| Structural Deficit Balancing | | | | | \$ 31,407 | \$ 31,407 |
| Bus Service Enhancements | | | | 10,000 | 10,000 | 20,000 |
| Trolley Service Enhancements | | | | 4,000 | 4,000 | 8,000 |
| Subtotal | \$ - | \$ - | \$ - | \$ 14,000 | \$ 45,407 | \$ 59,407 |

TIRCP Program Totals

- Shift more funding to balancing the structural deficit
 - Balances into FY28
- Reduces and delays any further planned service enhancements
- Removes Otay Mesa and Bus Stop Improvements
 - Will seek competitive funding sources for these projects
 - Could fund in future CIP/Operating budgets
- Out year plans still tentative, will have further review by BDC

| Project Name | Original | Revision |
|--|-------------------|-------------------|
| Orange Line Modernization Project | \$ 26,000 | \$ 26,000 |
| Security Enhancements | 15,500 | 15,500 |
| Iris Rapid Operations | 19,000 | 19,000 |
| Bus Service Enhancements | 54,000 | 27,500 |
| Trolley Service Enhancements | 38,917 | 23,000 |
| Otay Mesa (CBX, etc.) Service Improvements | 5,000 | - |
| Bus Stop Improvements | 4,000 | - |
| Structural Deficit Balancing | 74,913 | 126,330 |
| Total | \$ 237,330 | \$ 237,330 |

Zero-Emission Transit Capital Program (ZETCP)

ZETCP Original Funding Plan

- Battery electric bus charging infrastructure projects - \$46.3M

| FY25 | FY26 | FY27 | FY28 |
|----------|----------|----------|----------|
| \$17,265 | \$ 9,685 | \$ 9,685 | \$ 9,685 |

- Planned Buildout through 2029
 - South Bay
 - 2027 – 49 new and 73 total charging positions
 - Imperial Avenue
 - 2025 – 30 charging positions
 - Kearny Mesa
 - 2027 – 27 charging positions
 - East County
 - 2029 – 32 charging positions



ZETCP Revised Funding Plan

- Plan around each payment individually
 - \$17.3M in cash expected but not yet received
 - Even though funding schedule changed, the first payment should include both FY24 and FY25 amounts, net cash to MTS was unchanged
 - \$17.3M currently programmed in FY25 CIP
 - Kearny Mesa Division ZEB Overhead Charging
 - Imperial Avenue Division ZEB Overhead Charging
 - East County Division ZEB Overhead Charging
 - **No change to the current programming**
 - Future payments will be programmed in the CIP after cash is received
 - Funding dedicated to Zero Emission buses, infrastructure, facilities
 - Will review with future CIP development

SB 125 Allocation Package

- Original SB 125 Allocation Package was approved by the Board and submitted to the State in December
- Package can be updated as often as necessary
 - Anticipate annual updates after each funding apportionment
 - Updates will be reviewed by the BDC and approved by the Board
- Next steps
 - Update the Package based on the feedback from the BDC
 - Bring the revised Package to the MTS Board in September for approval
 - Submit Package to the State
 - Incorporate added costs for additional service in the Midyear operating budget amendment

Staff Recommendation

That the MTS Budget Development Committee forward a recommendation to the Board of Directors to approve the revised SB 125 Allocation Package.

Lucia Mansour

From: Jack Moyle <jackmoyle@gmail.com>
Sent: Monday, August 5, 2024 7:28 PM
To: Lucia Mansour
Subject: MTS Budget Dev Committee Comment on Agenda Item 4

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

Dear MTS Budget Development Committee:

I applaud MTS' decision to accelerate increasing late night Trolley frequencies to 15 minutes, systemwide. This will allow low-income workers who currently drive to work at graveyard shifts to switch to transit.

MTS should also increase Mid-Coast frequencies in June 2025. I am concerned that MTS may delay 7.5 minute frequencies on the Mid-Coast in order to balance deficits. I ask MTS to reconsider this decision. Increased frequency shortens travel times, alleviates overcrowding, and helps passengers feel safer. After all, in 2023, [84% of Trolley Part I](#) Crimes happened at stations rather than on board Trolleys.

Increasing Mid-Coast frequencies to 7.5 minutes is an excellent investment. It only costs [\\$3.7 million annually](#) to do so, and the Blue Line has [lower per-passenger subsidies](#) than nearly every MTS bus route. And with Blue Line ridership [growing by 15.4%](#) in the past fiscal year alone, 7.5 minute Mid-Coast frequencies cannot come sooner.

Best,

Jack Moyle
(850) 566-9500

Lucia Mansour

From: Alex Wong <alex@ridesd.org>
Sent: Monday, August 5, 2024 5:56 PM
To: Lucia Mansour
Subject: 08/07 Budget Committee Agenda Item 4 Comment

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

Hi Linda,

Is the Budget Committee on August 7? This [webpage](#) says "08-07" but the [Agenda PDF says "August 8."](#)

Also, please include the following as a Comment for Item 4:

Dear MTS Budget Development Committee:

I applaud MTS' decision to accelerate increasing late night Trolley frequencies to 15 minutes, systemwide. Reliable late night service will allow more low-income workers who currently drive to work at graveyard shifts to switch to transit. This will save low-income workers a lot of money, because transit is much cheaper than driving.

However, it behooves MTS to also increase Mid-Coast frequencies in June 2025. I am concerned that MTS may delay 7.5 minute frequencies on the Mid-Coast in order to balance the structural deficit. I ask MTS to reconsider this decision. Increased frequency not only shortens travel times and alleviates overcrowding, it also helps passengers feel safer. In 2023, [84% of Trolley Part I Crimes](#) and [60% of Trolley Part II Crimes](#) happened at stations rather than on board Trolleys.

Increasing Mid-Coast frequencies to 7.5 minutes is the best investment MTS can make. Remember that it only costs [\\$3.7 million annually](#) to do so. Remember that the Blue Line has [lower per-passenger subsidies](#) than nearly every single MTS bus route. And remember that Blue Line ridership has [grown by 15.4%](#) from Fiscal Year 23 to FY 24 alone. Simply put, 7.5 minute Blue Line peak frequencies can not come sooner.

Sincerely,

Alex Wong

Thank you!

--

Alex Wong
Data Researcher
www.RideSD.org



"Frequency is Freedom, but [every] 15 minutes isn't frequency" - Alon Levy

Lucia Mansour

From: Vahan Hartooni <vahanhartooni@me.com>
Sent: Tuesday, August 6, 2024 10:12 AM
To: Lucia Mansour
Subject: Public Comment on Item 4: SB125

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

Dear MTS Budget Development Committee,

My name is Vahan Hartooni and I'm a resident of University Heights. I regularly take the Blue Line to UTC, so I often experience the frustration of infrequent trains especially late at night where you can feel marooned.

While I appreciate the decision to accelerate increasing late night Trolley frequencies to 15 minutes systemwide, I would also like to see frequencies being increased on the entire Blue Line. Preuss High School and UCSD students rely on the Blue Line. The trains easily become crowded when these students have to go to school. Increasing the Mid-Coast frequencies to 7.5 minutes will help alleviate this morning crowding. It will be a disservice to these students if we delay this frequency increase, so let us please get this done by June 2025.

Best,
Vahan

From: [Maxwell](#)
To: [Lucia Mansour](#)
Subject: 08/09/24 Mts Budget, Agenda item #4
Date: Tuesday, August 6, 2024 3:46:53 PM

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

Dear MTS Budget Development Committee, i am commenting in favor for the SB125 funds to be used on more Bus and Trolley frequency and improvements. I am happy that there are funds going towards goal this however I wish that some funds going to "Structural Deficit Balancing" went to increaseing transit service and frequency. Bus funds were cut in half to go to Structural Deficit Balancing and Trolley funds by a third.
Maxwell G



IN - PERSON PUBLIC COMMENT

SPEAKER INFORMATION (please print)

Agenda Item No.: 4
Name: Alex Wang Telephone: (949) 379-0016
Email: alex@ridesd.org
City of Residence: San Diego
Remark Subject: Mid-Coast Trolley Frequency
Affiliated Organization: RideSD

PLEASE SUBMIT THIS COMPLETED FORM BACK TO THE CLERK

INSTRUCTIONS

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

BOARD OF DIRECTORS MEETING

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

MEETING RECORD

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





IN - PERSON PUBLIC COMMENT

SPEAKER INFORMATION (please print)

Agenda Item No.: 4
Name: Alejandro Amador Telephone:
Email: alejandro.a@casafamiliar.org
City of Residence: San Diego
Remark Subject:
Affiliated Organization: Casa Familiar

PLEASE SUBMIT THIS COMPLETED FORM BACK TO THE CLERK

INSTRUCTIONS

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

BOARD OF DIRECTORS MEETING

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

MEETING RECORD

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





IN - PERSON PUBLIC COMMENT

SPEAKER INFORMATION (please print)

Agenda Item No.: 4
Name: Carolina Martinez Telephone:
Email:
City of Residence: San Diego
Remark Subject: Senate Bill SB 125
Affiliated Organization: Environmental Health Coalition

PLEASE SUBMIT THIS COMPLETED FORM BACK TO THE CLERK

INSTRUCTIONS

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

BOARD OF DIRECTORS MEETING

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

MEETING RECORD

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





CALL – IN PUBLIC COMMENT

Guthre Leonard with, provided a public comment for agenda item #4. A paraphrased version of Leonard’s statement will be reflected in the minutes.

PUBLIC SPEAKER DISCLAIMER

INSTRUCTIONS

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

BOARD OF DIRECTORS MEETING

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

MEETING RECORD

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

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



Lucia Mansour

From: Mario Simon <mariosimon82@gmail.com>
Sent: Wednesday, August 7, 2024 8:34 AM
To: Lucia Mansour
Subject: Comment: MTS Budget Development Committee (Item 4)

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

Hello,

I am writing today to state my support for increased Mid-Coast frequencies. I hope that the attempt of MTS balancing deficits does not come at the cost of lower frequencies. With ridership of the blue line growing, 7.5 minute frequencies will help ridership grow even more. Thanks for your time.

--

Sincerely,

Mario Simon



**Metropolitan
Transit
System**

Agenda Item No. 5

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

August 7, 2024

SUBJECT:

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

INFORMATIONAL ONLY

Budget Impact

None at this time.

DISCUSSION:

Staff will present an overview of the FY 2025 CIP project list. At previous Committee and Board meetings, staff discussed options to address the growing structural deficit in the operating budget where recurring revenues do not match the recurring expenses. Two of the options discussed would impact the CIP:

- A one-time funding shift of \$30 million from the FY 2025 CIP to the Operating Budget.
- A structural change in the use of flexible Transportation Development Act (TDA) and State Transit Assistance (STA) funding that could move up to \$58 million per year from the capital program to the operating budget.

In this report, staff will discuss the impact to the CIP under these scenarios. Staff is not recommending any changes to the current CIP.

/s/ Sharon Cooney

Sharon Cooney
Chief Executive Officer

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

Attachment: A. FY 2025 CIP Project List

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.



SAN DIEGO METROPOLITAN TRANSIT SYSTEM
CAPITAL BUDGET - INDIVIDUAL PROJECT DESCRIPTION FOR FISCAL YEAR 2025 (in 000's)
ATTACHMENT A

Att. A, AI 5, 08/07/2024

The Capital Improvement Program includes improvements and replacement projects related to MTS, SDTC, and SDTI Capital Assets. The projects below are funded with Federal funds where indicated and are matched with the required amount of local funds. The projects listed are implemented by the project manager of the coinciding agency and monitored by MTS administration.

| Form ID | Title | FY25 Budget | Federal | State/Local | Other |
|--|---|-------------|---------|-------------|-------|
| STATE OF GOOD REPAIR PROJECTS | | | | | |
| <u>Bus Revenue Vehicles</u> | | | | | |
| 2149 | <u>Bus Ops - Bus Procurement - FY25</u> Bus Procurement - Fiscal Year 2025 | 60,576 | 28,644 | 31,932 | - |
| <u>Rail Revenue Vehicles</u> | | | | | |
| 1001 | <u>Rail Ops - SD100 Light Rail Vehicle Procurement</u> SD100 Light Rail Vehicle Procurement | 21,000 | - | 15,728 | 5,272 |
| <u>Facility & Construction Projects - Bus</u> | | | | | |
| 2086 | <u>Bus Ops - Kearny Mesa Division Bus Wash Replacement</u> Kearny Mesa Division Bus Wash Replacement | 4,108 | - | 4,108 | - |
| 2138 | <u>Bus Ops - IAD-KMD-Building B High Pile</u> IAD-KMD-Building B Storage Rack Replacement | 1,611 | - | 1,611 | - |
| 2078 | <u>Bus Ops - Imperial Avenue Division Roof Replacement</u> Imperial Avenue Division Roof Replacement | 1,137 | - | 1,137 | - |
| 2091 | <u>Bus Ops - Imperial Avenue Division Non-Revenue Vehicle Charging</u> Imperial Avenue Division Non-Revenue Vehicle Charging | 840 | - | 840 | - |
| 2089 | <u>Bus Ops - Kearny Mesa Division HVAC Replacement</u> Kearny Mesa Division HVAC Replacement | 681 | - | 681 | - |
| 2106 | <u>Bus Ops - Copley Park Division Modular Building Replacement</u> Copley Park Division Modular Building Replacement | 289 | - | 289 | - |
| 2102 | <u>Bus Ops - Imperial Avenue Division Server Room HVAC Replacement</u> Imperial Avenue Division Server Room HVAC Replacement | 261 | - | 261 | - |
| <u>Facility & Construction Projects - Rail</u> | | | | | |
| 2111 | <u>Rail Ops - Paint Booth Modernization</u> Paint Booth Modernization | 1,650 | 800 | 850 | - |
| 2063 | <u>Rail Ops - HVAC Replacement</u> HVAC Replacement | 700 | - | 700 | - |
| 2070 | <u>Rail Ops - Lemon Grove Depot Rehab</u> Lemon Grove Depot Rehab | 451 | - | 451 | - |
| 2049 | <u>Rail Ops - Old Town Storage Room Replacement</u> Old Town Storage Room Replacement | 255 | - | 255 | - |
| <u>Facility & Construction Projects - Passenger</u> | | | | | |
| 2123 | <u>Rail Ops - Rio Vista Platform Construction</u> Rio Vista Platform Construction | 5,000 | - | 5,000 | - |
| 2051 | <u>Rail Ops - Orange & Green Line Elevator Modernization</u> Orange & Green Line Elevator Modernization | 1,500 | 1,200 | 300 | - |
| 2133 | <u>Rail Ops - Southbay Transit Beautification</u> Southbay Transit Beautification | 1,001 | - | - | 1,001 |

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
CAPITAL BUDGET - INDIVIDUAL PROJECT DESCRIPTION FOR FISCAL YEAR 2025 (in 000's)
ATTACHMENT A

Att. A, AI 5, 08/07/2024

The Capital Improvement Program includes improvements and replacement projects related to MTS, SDTC, and SDTI Capital Assets. The projects below are funded with Federal funds where indicated and are matched with the required amount of local funds. The projects listed are implemented by the project manager of the coinciding agency and monitored by MTS administration.

| Form ID | Title | FY25 Budget | Federal | State/Local | Other |
|--|--|------------------------|----------------|--------------------|--------------|
| 2050 | <u>Rail Ops - Stadium Station 2nd Elevator</u> Stadium Station 2nd Elevator | 350 | - | 350 | - |
| 2126 | <u>Rail Ops - Washington Station Pedestrian Enhancements</u> Washington Station Pedestrian Enhancements | 250 | - | 250 | - |
| 2048 | <u>Rail Ops - Stadium Station Platform</u> Stadium Station Platform | 250 | - | 250 | - |
| <u>Rail Infrastructure - MOW</u> | | | | | |
| 2031 | <u>Rail Ops - Substation Replacement</u> Substation Replacement | 8,100 | 5,817 | 2,283 | - |
| 2035 | <u>Rail Ops - Signal Replacement - Broadway Wye/India St</u> Signal Replacement - Broadway Wye/India St | 2,000 | - | 2,000 | - |
| 2036 | <u>Rail Ops - A-yard Catenary Replacement</u> A-yard Catenary Replacement | 1,000 | - | 1,000 | - |
| 2124 | <u>Rail Ops - INT E26 Signal Upgrade</u> INT E26 Signal Upgrade | 650 | - | 650 | - |
| 2108 | <u>Rail Ops - WABTEC (ARINC) Integration</u> WABTEC (ARINC) Integration | 500 | - | 500 | - |
| 2037 | <u>Rail Ops - Sicas S7 System Wide Replacement</u> Sicas S7 System Wide Replacement | 500 | - | 500 | - |
| 2109 | <u>Rail Ops - AC Switchgear Replacement</u> AC Switchgear Replacement | 150 | - | 150 | - |
| <u>Rail Infrastructure - Track</u> | | | | | |
| 2033 | <u>Rail Ops - Orange Line Improvement Phase 1</u> Orange Line Improvement Phase 1 | 42,347 | - | 4,027 | 38,320 |
| 2026 | <u>Rail Ops - Special Trackwork Replacement</u> Special Trackwork Replacement | 5,550 | 4,440 | 1,110 | - |
| 2024 | <u>Rail Ops - Grade Crossing Replacement</u> Grade Crossing Replacement | 3,525 | 2,820 | 705 | - |
| 2034 | <u>Rail Ops - Orange Line Improvement Phase 2</u> Orange Line Improvement Phase 2 | 3,000 | - | 3,000 | - |
| 2122 | <u>Rail Ops - S85 Retaining Wall</u> S85 Retaining Wall | 900 | - | 400 | 500 |
| 2022 | <u>Rail Ops - Beyer Track and Slope</u> Beyer Track and Slope | 750 | - | 750 | - |
| 2027 | <u>Rail Ops - Street Trackage Pavement Replacement - Park to Island</u> Street Trackage Pavement Replacement - Park to Island | 500 | - | 500 | - |
| <u>Other Equipment & Installation - Ops</u> | | | | | |
| 2047 | <u>Bus Ops - Kearny Mesa Division Chassis Wash Hoist Replacement</u> Kearny Mesa Division Chassis Wash Hoist Replacement | 718 | - | 718 | - |
| 2077 | <u>Bus Ops - Service Fluid Distribution System Replacement</u> Service Fluid Distribution System Replacement | 683 | - | 683 | - |

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
CAPITAL BUDGET - INDIVIDUAL PROJECT DESCRIPTION FOR FISCAL YEAR 2025 (in 000's)
ATTACHMENT A

Att. A, AI 5, 08/07/2024

The Capital Improvement Program includes improvements and replacement projects related to MTS, SDTC, and SDTI Capital Assets. The projects below are funded with Federal funds where indicated and are matched with the required amount of local funds. The projects listed are implemented by the project manager of the coinciding agency and monitored by MTS administration.

| Form ID | Title | FY25 | | | |
|--|---|--------|---------|-------------|-------|
| | | Budget | Federal | State/Local | Other |
| 2088 | <u>Bus Ops - Imperial Avenue Division CNG Dryer Replacement</u> Imperial Avenue Division CNG Dryer Replacement | 625 | - | 625 | - |
| 2081 | <u>Bus Ops - Southbay Division Mobile Column Lift Replacement</u> Southbay Division Mobile Column Lift Replacement | 593 | - | 593 | - |
| 2107 | <u>Admin - Variable Message System Modernization Project</u> Variable Message System Modernization Project | 5,675 | 1,104 | 3,371 | 1,200 |
| 2113 | <u>Rail Ops - Wheel Truing Machine Replacement</u> Wheel Truing Machine Replacement | 1,200 | - | 1,200 | - |
| N/A | <u>Rail Ops - Public Announcement System</u> Blue and Green Line Public Announcement System | 1,063 | 250 | 813 | - |
| 2028 | <u>Rail Ops - On-Track Equipment Replacement</u> On-Track Equipment Replacement | 750 | 600 | 150 | - |
| 2053 | <u>Rail Ops - Blue Line Fence Improvements</u> Blue Line Fence Improvements | 600 | - | 600 | - |
| 2112 | <u>Rail Ops - Shop Hoists Control Replacement</u> Shop Hoists Control Replacement | 300 | - | 300 | - |
| 2052 | <u>Rail Ops - Station Cleaning Equipment</u> Station Cleaning Equipment | 175 | - | 175 | - |
| <u>Other Equipment & Installation - Admin</u> | | | | | |
| 2082 | <u>Admin - PRONTO Mobile App Enhancements</u> PRONTO Mobile App Enhancements | 2,145 | - | 2,145 | - |
| 2141 | <u>Admin - Enterprise Resource Planning System Upgrade</u> Enterprise Resource Planning System Upgrade | 2,000 | - | 2,000 | - |
| 2154 | <u>Admin - Miscellaneous Capital</u> Miscellaneous Capital | 2,000 | - | 2,000 | - |
| 2132 | <u>Admin - Beyer Blvd Pathway Beautification</u> Beyer Blvd Pathway Beautification | 1,604 | - | - | 1,604 |
| 2115 | <u>Admin - MTS Server Refresh</u> MTS Server Refresh | 1,000 | - | 1,000 | - |
| 2083 | <u>Admin - Trolley Station Network Communication Equipment</u> Trolley Station Network Communication Equipment Replacement | 750 | - | 750 | - |
| 2084 | <u>Admin - Network Communication Equipment Replacement</u> Network Communication Equipment Replacement | 700 | - | 700 | - |
| 2110 | <u>Admin - Systemwide CCTV Upgrade</u> Systemwide CCTV Upgrade | 650 | - | 650 | - |
| 2072 | <u>Admin - Rail Yard Management System</u> Rail Yard Management System | 360 | - | 360 | - |
| 2076 | <u>Admin - BRT Stations Network Replacement-Southbay</u> BRT Stations Network Replacement-Southbay | 265 | - | 265 | - |

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM
 CAPITAL BUDGET - INDIVIDUAL PROJECT DESCRIPTION FOR FISCAL YEAR 2025 (in 000's)
 ATTACHMENT A**

The Capital Improvement Program includes improvements and replacement projects related to MTS, SDTC, and SDTI Capital Assets. The projects below are funded with Federal funds where indicated and are matched with the required amount of local funds. The projects listed are implemented by the project manager of the coinciding agency and monitored by MTS administration.

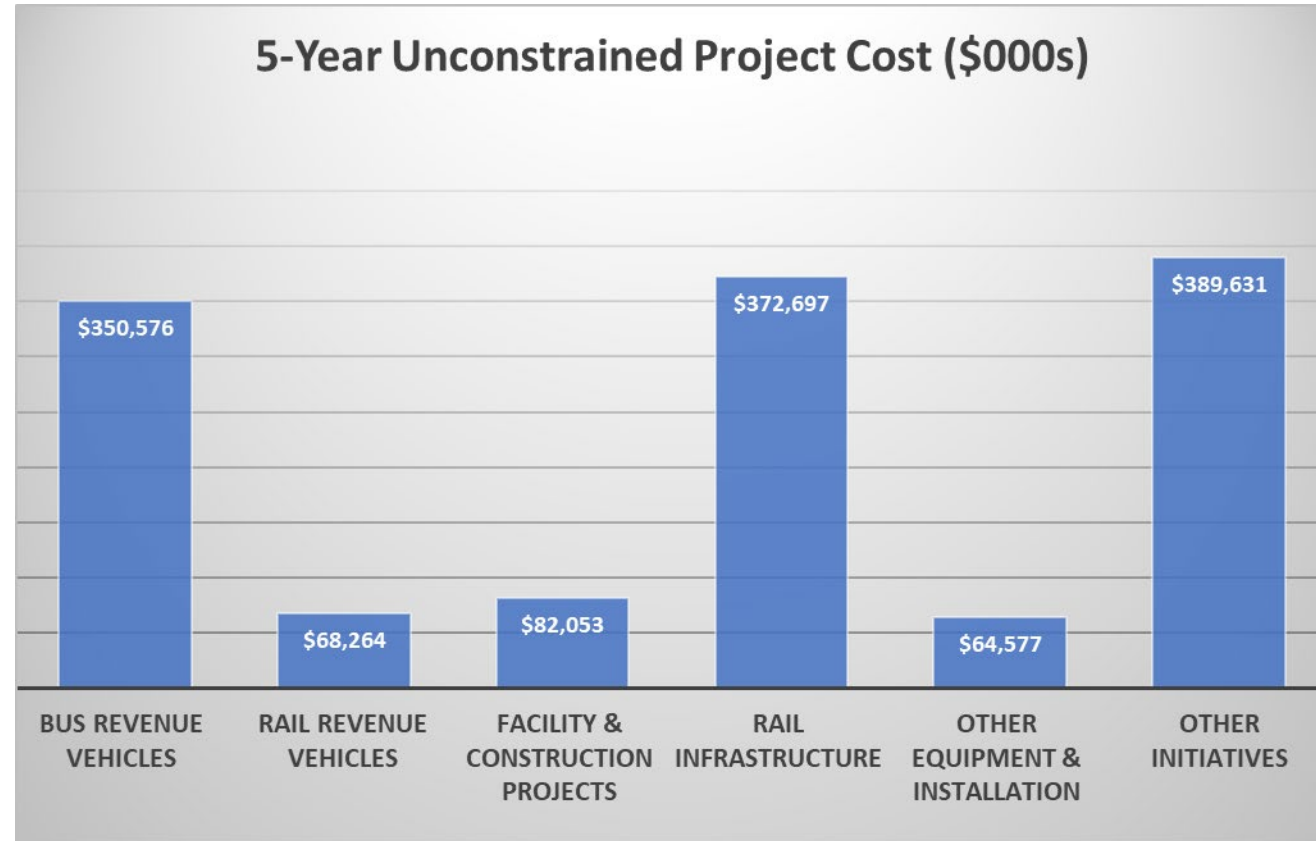
| Form ID | Title | FY25 Budget | Federal | State/Local | Other |
|--|---|----------------|---------------|----------------|---------------|
| NON STATE OF GOOD REPAIR PROJECTS | | | | | |
| <u>Innovative Clean Transit</u> | | | | | |
| 2156 | <u>Bus Ops - Clean Transit Advancement Campus</u> Clean Transit Advancement Campus | 1,666 | 1,666 | - | - |
| 2150 | <u>Bus Ops - Kearny Mesa Division ZEB Overhead Charging</u> Kearny Mesa Division ZEB Overhead Charging | 20,599 | - | 3,033 | 17,566 |
| 2090 | <u>Bus Ops - Imperial Avenue Division ZEB Overhead Charging</u> Imperial Avenue Division ZEB Overhead Charging | 11,130 | - | 1,004 | 10,126 |
| 2013 | <u>Bus Ops - Imperial Avenue Division Construction Site Preparation</u> Imperial Avenue Division Construction Site Preparation | 2,200 | - | 2,200 | - |
| 2094 | <u>Bus Ops - East County Division ZEB Overhead Charging</u> East County Division ZEB Overhead Charging | 1,705 | - | - | 1,705 |
| 2092 | <u>Bus Ops - Southbay Division ZEB Overhead Charging Phase II</u> Southbay Division ZEB Overhead Charging Phase II | 1,457 | - | 1,457 | - |
| 2095 | <u>Bus Ops - Southbay Division ZEB Overhead Charging</u> Southbay Division ZEB Overhead Charging | 1,354 | - | 1,354 | - |
| 2105 | <u>Bus Ops - Copley Park Division ZEB Master Plan</u> Copley Park Division ZEB Master Plan | 342 | - | 342 | - |
| <u>Other Initiatives</u> | | | | | |
| 2134 | <u>Admin - Imperial Ave Transit Center - Construction</u> Imperial Ave Transit Center - Construction | 12,315 | - | 2,463 | 9,852 |
| 2125 | <u>Rail Ops - El Cajon Transit Center Third Track</u> El Cajon Transit Center Third Track | 850 | - | 850 | - |
| 2093 | <u>Rail Ops - Green Line Imperial Ave Double Track</u> Green Line Imperial Ave Double Track | 1,000 | - | 1,000 | - |
| 2071 | <u>Admin - 12th & Imperial Enabling Project</u> 12th & Imperial Enabling Project | 220 | - | 220 | - |
| | Totals | 250,076 | 47,342 | 115,588 | 87,146 |

FY 2025 Capital Improvement Program (CIP)

Budget Development Committee

FY 2025-29 CIP – Unconstrained Project List (\$000s)

- 5-year unconstrained project list
 - Totals need of \$1.3B
 - Summary by category in the table ->
 - Ongoing state of good repair requirements
 - Makes up \$938M (71%) of overall need
 - \$419M alone for Revenue Vehicles
 - Including the transition plan to ZEBs
 - Other initiatives of \$390M include:
 - ZEB charging infrastructure at all five bus facilities
 - Clean Transit Advancement Campus - new bus maintenance facility
 - Imperial Ave Transit Center Expansion
 - Future Southwestern Rapid



FY 2025 CIP – Approved Budget by Year (\$000s)

| State of Good Repair Categories | FY 2025 Funded | FY 2025 Unfunded | FY 2026 | FY 2027 | FY 2028 | FY 2029 | 5 Year Total |
|--|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Bus Revenue Vehicles | \$ 60,576 | \$ - | \$ 60,000 | \$ 60,000 | \$ 83,000 | \$ 87,000 | \$ 350,576 |
| Rail Revenue Vehicles | 21,000 | - | 15,566 | 10,566 | 10,566 | 10,566 | 68,264 |
| Facility & Construction Projects - Bus | 8,927 | - | 4,870 | 4,290 | 6,085 | 5,150 | 29,322 |
| Facility & Construction Projects - Rail | 3,056 | 1,500 | 5,660 | 5,150 | 4,100 | 2,000 | 21,466 |
| Facility & Construction Projects - Pass. | 9,955 | - | 10,650 | 5,615 | 3,540 | 1,505 | 31,265 |
| Rail Infrastructure - Track | 56,572 | 5,200 | 69,644 | 59,908 | 16,435 | 10,988 | 218,747 |
| Rail Infrastructure - MOW | 12,900 | 2,000 | 35,250 | 33,500 | 36,000 | 34,300 | 153,950 |
| Other Equipment & Installation - Ops | 12,382 | 250 | 3,005 | 3,400 | 3,770 | 825 | 23,632 |
| Other Equipment & Installation - Admin | 9,870 | 200 | 7,390 | 8,880 | 6,030 | 8,575 | 40,945 |
| Subtotal | \$ 195,238 | \$ 9,150 | \$ 212,035 | \$ 191,309 | \$ 169,526 | \$ 160,909 | \$ 938,167 |
| Other Initiatives | FY 2025 Funded | FY 2025 Unfunded | FY 2026 | FY 2027 | FY 2028 | FY 2029 | 5 Year Total |
| Innovative Clean Transit | \$ 40,454 | \$ 60,000 | \$ 100,978 | \$ 65,095 | \$ 65,220 | \$ 1,500 | \$ 333,246 |
| Other Initiatives | 14,385 | - | 1,000 | 20,000 | 21,000 | - | 56,385 |
| Subtotal | \$ 54,839 | \$ 60,000 | \$ 101,978 | \$ 85,095 | \$ 86,220 | \$ 1,500 | \$ 389,631 |
| Grand Total | \$ 250,076 | \$ 69,150 | \$ 314,013 | \$ 276,404 | \$ 255,746 | \$ 162,409 | \$ 1,327,798 |

FY 2025 CIP – Five Year Summary (\$000s)

| | Proposed FY25 | Projected FY26 | Projected FY27 | Projected FY28 | Projected FY29 | Total FY25 to FY29 |
|-------------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------------|
| State of Good Repair | \$ 204,388 | \$ 212,035 | \$ 191,309 | \$ 169,526 | \$ 160,909 | \$ 938,167 |
| Other Initiatives | 114,839 | 101,978 | 85,095 | 86,220 | 1,500 | 389,631 |
| Total Project Needs | \$ 319,227 | \$ 314,013 | \$ 276,404 | \$ 255,746 | \$ 162,409 | \$ 1,327,798 |
| Available CIP Revenues | \$ 250,218 | \$ 191,735 | \$ 143,550 | \$ 143,731 | \$ 136,277 | \$ 865,510 |
| Total Deficit | \$ (69,009) | \$ (122,278) | \$ (132,854) | \$ (112,015) | \$ (26,132) | \$ (462,288) |
| % of Funding / Needs | 78.4% | 61.1% | 51.9% | 56.2% | 83.9% | 65.2% |

FY 2025 CIP Project Highlights – Revenue Vehicles

- Fleet Replacement Funding by Year (\$000s)

| Project Name | FY 2025 Funded | FY 2025 Unfunded | FY 2026 | FY 2027 | FY 2028 | FY 2029 | 5 Year Total |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Bus Ops - Bus Procurement - FY25 | \$ 60,576 | \$ - | \$ 60,000 | \$ 60,000 | \$ 83,000 | \$ 87,000 | \$ 350,576 |
| | | | | | | | |
| Subtotal | \$ 60,576 | \$ - | \$ 60,000 | \$ 60,000 | \$ 83,000 | \$ 87,000 | \$ 350,576 |

| Project Name | FY 2025 Funded | FY 2025 Unfunded | FY 2026 | FY 2027 | FY 2028 | FY 2029 | 5 Year Total |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Rail Ops - SD100 Light Rail Vehicle Replacement | \$ 21,000 | \$ - | \$ 5,000 | \$ - | \$ - | \$ - | \$ 26,000 |
| Rail Ops - SD7 Light Rail Vehicle Replacement | - | - | 10,566 | 10,566 | 10,566 | 10,566 | 42,264 |
| Subtotal | \$ 21,000 | \$ - | \$ 15,566 | \$ 10,566 | \$ 10,566 | \$ 10,566 | \$ 68,264 |

FY 2025 CIP - Facility & Construction Projects

- 21 projects submitted for FY 2025
 - 18 projects funded, 3 not funded
 - \$21.9M funding allocated in total
 - Example pictured: Rio Vista Platform Construction
 - Full project lists in attachment A



- Funding by year (\$000s):

| State of Good Repair Categories | FY 2025 Funded | FY 2025 Unfunded | FY 2026 | FY 2027 | FY 2028 | FY 2029 | 5 Year Total |
|--|------------------|------------------|------------------|------------------|------------------|-----------------|------------------|
| Facility & Construction Projects - Bus | \$ 8,927 | \$ - | \$ 4,870 | \$ 4,290 | \$ 6,085 | \$ 5,150 | \$ 29,322 |
| Facility & Construction Projects - Rail | 3,056 | 1,500 | 5,660 | 5,150 | 4,100 | 2,000 | 21,466 |
| Facility & Construction Projects - Pass. | 9,955 | - | 10,650 | 5,615 | 3,540 | 1,505 | 31,265 |
| Subtotal | \$ 21,938 | \$ 1,500 | \$ 21,180 | \$ 15,055 | \$ 13,725 | \$ 8,655 | \$ 82,053 |

FY 2025 CIP - Rail Infrastructure Projects

- 18 projects submitted for FY 2025
 - 14 projects funded, 4 not funded
 - \$69.5M total
 - Includes Orange Line Improvements funded by TIRCP and SB 125
 - Example pictured: Substation replacement
 - Full project lists in attachment A

- Funding by year (\$000s):



| State of Good Repair Categories | FY 2025 Funded | FY 2025 Unfunded | FY 2026 | FY 2027 | FY 2028 | FY 2029 | 5 Year Total |
|---------------------------------|------------------|------------------|-------------------|------------------|------------------|------------------|-------------------|
| Rail Infrastructure - Track | \$ 56,572 | \$ 5,200 | \$ 69,644 | \$ 59,908 | \$ 16,435 | \$ 10,988 | \$ 218,747 |
| Rail Infrastructure - MOW | 12,900 | 2,000 | 35,250 | 33,500 | 36,000 | 34,300 | 153,950 |
| Subtotal | \$ 69,472 | \$ 7,200 | \$ 104,894 | \$ 93,408 | \$ 52,435 | \$ 45,288 | \$ 372,697 |

FY 2025 CIP - Other Equipment & Installation Projects

- 22 projects submitted for FY 2025
 - Ops equipment replacement
 - Service vehicles for Bus and Rail
 - Maintenance/cleaning equipment
 - Admin needs
 - IT systems
 - IT infrastructure/network
 - Example pictured: MTS Data Center requires on going refresh of servers, network and data storage equipment
 - 20 funded, 2 not funded
 - Full project lists in attachment A
- Totals by year (\$000s):



| State of Good Repair Categories | FY 2025 Funded | FY 2025 Unfunded | FY 2026 | FY 2027 | FY 2028 | FY 2029 | 5 Year Total |
|--|------------------|------------------|------------------|------------------|-----------------|-----------------|------------------|
| Other Equipment & Installation - Ops | \$ 12,382 | \$ 250 | \$ 3,005 | \$ 3,400 | \$ 3,770 | \$ 825 | \$ 23,632 |
| Other Equipment & Installation - Admin | 9,870 | 200 | 7,390 | 8,880 | 6,030 | 8,575 | 40,945 |
| Subtotal | \$ 22,252 | \$ 450 | \$ 10,395 | \$ 12,280 | \$ 9,800 | \$ 9,400 | \$ 64,577 |

FY 2025 CIP – Other Initiatives

- Innovative Clean Transit Infrastructure
 - Ongoing compliance with current CA regulations
 - Includes the proposed Clean Transit Advancement Campus (Division 6)
 - Overhead charging infrastructure at each existing division with incremental phases
 - Totals by year (\$000s):



| Project Name | FY 2025 Funded | FY 2025 Unfunded | FY 2026 | FY 2027 | FY 2028 | FY 2029 | 5 Year Total |
|--|------------------|------------------|-------------------|------------------|------------------|-----------------|-------------------|
| Bus Ops - Clean Transit Advancement Campus | \$ 1,666 | \$ 60,000 | \$ 60,000 | \$ 60,000 | \$ 60,000 | \$ - | \$ 241,666 |
| Bus Ops - Kearny Mesa Division ZEB Overhead Charging | 20,599 | - | - | - | - | - | 20,599 |
| Bus Ops - Imperial Avenue Division ZEB Overhead Charging | 11,130 | - | - | - | - | 1,500 | 12,630 |
| Bus Ops - Imperial Avenue Division Construction Site Preparation | 2,200 | - | - | - | - | - | 2,200 |
| Bus Ops - East County Division ZEB Overhead Charging | 1,705 | - | 21,858 | - | - | - | 23,563 |
| Bus Ops - Southbay Division ZEB Overhead Charging Phase II | 1,457 | - | 18,000 | - | - | - | 19,457 |
| Bus Ops - Southbay Division ZEB Overhead Charging | 1,354 | - | - | - | - | - | 1,354 |
| Bus Ops - Copley Park Division ZEB Master Plan | 342 | - | - | - | - | - | 342 |
| Bus Ops - Hydrogen Infrastructure | - | - | 1,120 | 5,095 | 5,220 | - | 11,435 |
| Subtotal | \$ 40,454 | \$ 60,000 | \$ 100,978 | \$ 65,095 | \$ 65,220 | \$ 1,500 | \$ 333,246 |

FY 2025 CIP – Other Initiatives

- 6 projects submitted for FY 2025
 - 3 projects funded
 - 12th & Imperial Transit Center
 - Green Line Double Tracks at Imperial (Picture of new second track)
 - El Cajon Transit Center Third Track



- Totals by year (\$000s):

| Project Name | FY 2025 Funded | FY 2025 Unfunded | FY 2026 | FY 2027 | FY 2028 | FY 2029 | 5 Year Total |
|---|------------------|------------------|-----------------|------------------|------------------|-------------|------------------|
| Admin - Imperial Ave Transit Center - Construction | \$ 12,315 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 12,315 |
| Admin - 12th & Imperial Enabling Project | 220 | - | - | - | - | - | 220 |
| Rail Ops - Green Line Imperial Ave Double Track | 1,000 | - | - | - | - | - | 1,000 |
| Rail Ops - El Cajon Transit Center Third Track | 850 | - | - | - | - | - | 850 |
| Admin - San Ysidro Transit Center Planning & Design | - | - | - | 15,000 | 15,000 | - | 30,000 |
| Admin - Southwestern Rapid | - | - | 1,000 | 5,000 | 6,000 | - | 12,000 |
| Subtotal | \$ 14,385 | \$ - | \$ 1,000 | \$ 20,000 | \$ 21,000 | \$ - | \$ 56,385 |

FY 2025 Operating Budget Structural Deficit Strategies

- Previously presented strategies for delaying fiscal cliff that could impact the CIP:
 - One-time shift \$30M of identified flexible funding from FY 2025 CIP to operations
 - On-going flexible funding shifts:
 - Change preventive maintenance sharing methodology between capital and operations (\$38M per year)
 - Shift State Transit Assistance (STA) funding from capital to operations (up to \$20M per year)

FY 2025 CIP Impact

Structural Deficit Strategies

- One time shift \$30M of identified flexible funding from FY 2025 CIP to operations
 - Over \$70M of flexible funding identified
 - All projects need to be done, so any funding shifts would delay completion
 - Not a recommendation, just a possibility if funding reductions required immediate action

| FY25 CIP Projects (\$000s) | Total Funding | Flexible Funding |
|-----------------------------------|----------------------|-------------------------|
| Bus Procurement - FY25 | \$ 60,576 | \$ 16,000 |
| Rio Vista Platform Construction | 5,000 | 5,000 |
| KMD Bus Wash Replacement | 4,108 | 4,108 |
| IAD Roof Replacement | 1,137 | 1,137 |
| SAP System Upgrade | 2,000 | 2,000 |
| SBD BEB Charging Phase II | 1,457 | 1,457 |
| Subtotal | | \$ 29,702 |
| Previous funded projects | | |
| CTAC | \$ 85,666 | \$ 45,000 |
| Total Available | | \$ 74,702 |

FY 2026-29 CIP Impact

Structural Deficit Strategies

- On-going CIP funding shift impacts:
 - Up to \$58M of flexible funding could be moved from CIP to Operations beginning in FY 2026
 - Change preventive maintenance sharing methodology between capital/ops (\$38M per year)
 - Shift State Transit Assistance (STA) funding from capital to operations (up to \$20M per year)
 - Would have significant impact on upcoming projects
 - Total project unconstrained funding needs will not change
 - Less funding for projects each year
 - State of Good Repair projects would need to be delayed
 - ZEB transition schedule would be impacted
 - Use competitive funding opportunities to offset some of the funding shift

FY 2026-29 CIP Impact Structural Deficit Strategies

- On-going CIP funding shift impacts:

| | Projected FY26 | Projected FY27 | Projected FY28 | Projected FY29 | Total FY26 to FY29 |
|------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|
| State of Good Repair | \$ 212,035 | \$ 191,309 | \$ 169,526 | \$ 160,909 | \$ 733,779 |
| Other Initiatives | 101,978 | 85,095 | 86,220 | 1,500 | 274,793 |
| Total Project Needs | \$ 314,013 | \$ 276,404 | \$ 255,746 | \$ 162,409 | \$ 1,008,572 |
| Available CIP Revenues | \$ 191,735 | \$ 143,550 | \$ 143,731 | \$ 136,277 | \$ 615,292 |
| Funding Shift | \$ (58,000) | \$ (58,000) | \$ (58,000) | \$ (58,000) | \$ (232,000) |
| Adjusted CIP Revenues | \$ 133,735 | \$ 85,550 | \$ 85,731 | \$ 78,277 | \$ 383,292 |
| Total Deficit | \$(180,278) | \$(190,854) | \$(170,015) | \$ (84,132) | \$ (625,279) |
| % of Funding / Needs | 42.6% | 31.0% | 33.5% | 48.2% | 38.0% |

Normal funding levels almost meet the SGR needs over the next 4 years

Revised funding levels leave significant gap with SGR needs

- % of funding / needs for the future 4-year period reduces from 61% to 38% during this period

FY 2025-29 CIP Recap

Item 5, 08/07/2024

- Not proposing any changes to the FY 2025 approved CIP
- Future CIPs
 - Review status of the structural deficit in the operating budget each budget development cycle
 - If SB 125 funding is delayed or changed further, consider:
 - Shifting flexible funding to the operating budget
 - Delay SGR and ZEB transition projects

From: [Maxwell](#)
To: [Lucia Mansour](#)
Subject: 08/09/24 MTS Budget Meeting Agenda #5
Date: Tuesday, August 6, 2024 3:55:57 PM

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

Hello, I was wondering about the "Future Southwestern Rapid" mentioned on the unconstrained projects list, and if there was anywhere I could learn more about that project,
Regards,
Maxwell G