

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

March 13, 2025

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

1. Roll Call

Chair Whitburn called the Board meeting to order at 9:07 a.m. A roll call sheet listing Board member attendance is attached as Attachment A.

2. Public Comment

Karely Serrano – Representing Mid -City CAN made a written statement to the Board prior to the meeting. Serrano expressed concerns from parents and school officials about the difficult PRONTO youth verification process.

CONSENT ITEMS:

3. Approval of Minutes

Action would approve the February 13, 2025 Board of Director meeting minutes.

4. CEO Report

5. Kearny Mesa Transit Center – Property Purchase

Action would 1) Determine that the Kearny Mesa Transit Center project is statutorily and categorically exempt from environmental review under the California Environmental Quality Act pursuant to Public Resources Code sections 21080.25(b)(2), (5), and (8), as well as Title 14 of the California Code Regulations, sections 15301, 15303, and 15332; certify that any construction contract for the project will require use of a skilled and trained workforce consistent with the criteria in Public Resources Code section 21080.25. 2) Create a project in the 2025 Capital Improvement Program (CIP) for the Kearny Mesa Transit Center project (WBSE 3004128201). 3) Transfer \$14,000,000 from the Clean Transit Advancement Campus project (WBSE 3004100801) to the Kearny Mesa Transit Center project (WBSE 3004128201). 4) Authorize the Chief Executive Officer (CEO) to execute a Purchase and Sale Agreement for the purchase of the property located at 8949 Clairemont Mesa Boulevard, San Diego, CA 92121 with a purchase price of \$13,266,000, and to take all actions necessary to complete due diligence necessary to complete the purchase process.

6. Orange Line Variable Message Signs (VMS) Replacements – Contract Amendment

Action would authorize the Chief Executive Officer (CEO) to: 1) Approve up to \$150,000 contingency for future contract change orders to ensure construction progresses to completion without delay, under MTS Doc. No. PWL393.0-24, with Balfour Beatty Infrastructure, Inc. (Balfour Beatty), for Orange Line VMS replacements; and 2) Ratify PWL393.1-24, with Balfour Beatty, for Orange Line VMS replacements in the amount of \$54,006.73 to add a 1 double sided VMS for the new Copper Line, add a media converter to each VMS sign, and include VMS signs for the Green Line Platform at the 12th and Imperial Transit Center; and 3) Ratify PWL393.2-24, with Balfour Beatty, for Orange Line VMS replacements in the amount of \$87,089.87 to rewire power and data for Closed Circuit

Television (CCTV) systems located on existing VMS poles. The change order provides funding for modifications to up to 30 CCTV installations.

7. **Orange Line (OL) Phase 1 Construction – Contract Award**
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL409.0-25, to Stacy and Witbeck, Inc. (Stacy and Witbeck), for the OL Phase 1 Construction in the amount of \$26,890,732.50 plus 10% contingency.
8. **Pyramid Building Improvements – Work Order Agreement**
Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. WOA352-AE-27 to MTS Doc No. PWL352.0-22, with HDR Engineering, Inc. (HDR), in the amount of \$329,608.51 for the Pyramid Building Improvements design project.
9. **Board Policy No. 59, “Natural Gas and Energy Commodity Hedge Policy” – Policy Revisions**
Action would approve the proposed revisions to MTS Board Policy No. 59, “Natural Gas and Energy Commodity Hedge Policy”.
10. **Purchase of Class A, B, and Z1 Paratransit Vehicles – Contract Award**
Action would authorize the Chief Executive Officer (CEO) to execute: 1) MTS Doc. B0775.0-25, with Model 1 Commercial Vehicles, Inc. for the purchase of two (2) battery powered Class Z1 Paratransit Vehicles in the amount of \$291,539.60. 2) MTS Doc. B0776.0-25, with Model 1 Commercial Vehicles, Inc. for the purchase of ten (10) propane powered Class B Paratransit Vehicles in the amount of \$2,112,034.50. 3) MTS Doc. B0777.0-25, with Model 1 Commercial Vehicles, Inc. for the purchase of twenty (20) gas powered Class A Paratransit Vehicles in the amount of \$3,167,236.35.
11. **Investment Report – Quarter Ending December 31, 2024**
12. **12th and Imperial Transit Center Rehabilitation Design Amendment 1 – Work Order Amendment**
Action would authorize the Chief Executive Officer (CEO) to execute Work Order WOA353-AE-08.01 under MTS Doc No. PWL353.0-22, with Dokken Engineering (Dokken), in the amount of \$435,963.92, to provide 30% engineering design services for the 12th and Imperial Transit Center Rehabilitation Design (Amendment 1 to Work Order).
13. This item was withdrawn
14. **On-Call Job Order Contracting (JOC) Railroad Construction Services – Contract Amendment**
Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 4 MTS Doc. No. PWG348.4-22 with Veterans Engineering Services, Inc., (Veterans), a Disabled Veterans Business Enterprise (DVBE), for an increase in capacity to the Railroad Construction Services JOC in the amount of \$4,800,000.00.
15. **Broadway & C Street Wheel Counter and Signal Replacement – Contract Award**
Action would authorize the Chief Executive Officer (CEO) to execute contract MTS Doc No. PWL394.0-24, with Modern Railway Systems, Inc., in the amount of \$673,396.00 for the

replacement of the existing wheel counters and signaling systems located at Broadway and C Street.

16. Modernization of Stadium Trolley Station Elevator – Change Order

Action would authorize the Chief Executive Officer (CEO) to: 1) Ratify Contract Change Order (CCO) 01 under MTS Doc No. PWG347.0-22 to Work Order MTSJOC347-21.01, with ABC General Contracting Inc. (ABCGC), in the amount of \$149,867.29 for the additional cost to install a Sapphire Novec Fire Suppression System in the elevator control room at the Stadium Trolley Station; and 2) Authorize the Chief Executive Officer (CEO) to approve CCO 02 under MTS Doc No. PWG347.0-22, to Work Order MTSJOC347-21.02, with ABCGC, in the amount of \$144,022.59 to provide additional elevator revisions and smoke dampers as required by the State Fire Marshal.

17. Light Rail Vehicle (LRV) Accident Repair Services - Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1693.0-25 with Carlos Guzman, Inc. (CG, Inc.), a Disadvantaged Business Enterprise (DBE), for the provision of LRV accident repair services, for five (5) years, in the amount of \$28,998,544.20.

18. Purchase of 24 Class C Propane Powered Medium Duty Mini Buses – Contract Amendment

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0744.1-22 with Model 1 Commercial Vehicles, Inc. (Model 1) in the amount of \$153,763.20 to change the seating on twenty-four (24) Class C Propane Powered Medium Duty Mini Buses.

19. Elevator Maintenance at San Diego State University Transit Center – Operations and Maintenance Agreement Amendment

Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 2 to the Operation and Maintenance Agreement with San Diego State University (SDSU), MTS Doc. No. M6644.2-06, regarding elevator maintenance at the SDSU Transit Center.

20. Property Insurance Renewal

Action would authorize the Chief Executive Officer (CEO) to: 1) Renew the property insurance coverage for the MTS, San Diego Transit Corporation (SDTC), and San Diego Trolley, Inc. (SDTI) with the Public Risk Innovation, Solutions, and Management (PRISM) Property Insurance Program, effective March 31, 2025 through March 31, 2026, with various coverage deductibles of \$50,000 (real property, personal property and business interruption), \$100,000 (bus fleet), \$250,000 (light rail fleet), and a \$3,000,000 sublimit on each occurrence subject to a \$500,000 deductible for unscheduled infrastructure, for a total not to exceed premium of \$5,194,479. 2) Purchase stand-alone Engineered Risk Property insurance coverage for the Mid-Coast bridges with Chubb, effective March 31, 2025, through March 31, 2026, with a \$100,000,000 per occurrence property damage sub-limit and a coverage deductible of \$1,000,000, for a total not to exceed premium of \$290,000.

21. Excess General Liability (Liability) Insurance Renewal

Action would authorize the Chief Executive Officer (CEO) to purchase a liability insurance program, effective March 31, 2025, that results in a not to exceed premium amount of \$4,242,918 (including the State of California surplus lines taxes and fees) based on the coverage structure of \$75 million inclusive of a \$7.5 million Self Insured Retention (SIR) on

Bus and Rail Operations, and a \$5 million SIR on public officials' errors and omissions, and employment practices liability.

Public Comment

There were no Public Comments.

Board Comment

Chair Whitburn noted that item 7 would be taken out of order to allow for quorum. He also stated that item 13 was removed from the agenda altogether, at the request of staff.

Action on Recommended Consent Items, Excluding Consent Item 7 and 13

Board Member Hall moved to approve Consent Agenda Item Nos. 3 to 21, excluding items 7 and 13. Board Member McCann seconded the motion, and the vote was 8 to 0 in favor with Board Member Fernandez, Board Member Mendoza, Board Member Montgomery Steppe and Board Member Dillard, Board Member Elo-Rivera, Board Member Vaus and Board Member Moreno absent.

DISCUSSION ITEMS:

22. Overview of Disadvantaged Business Enterprise (DBE) Program and Revisions to Board Policy No. 26 "DBE Program" (Samantha Leslie)

Samantha Leslie, MTS Deputy General Counsel, presented on the DBE program and revisions to Board Policy No. 26 "DBE program". She outlined: regulations, program, certified DBE, DBE firms and federally funded contracts, additional certified firms, MBE/WBE/SB/DVBE Firms – Federally Funded Contracts, outreach measures, federally funded contracts overall triennial goals, semi-annual report, shortfall analysis and corrective action plan, recent Federal Transit Administration (FTA) triennial DBE results, upcoming, Proposed Revisions to Board Policy No. 26 and staff's recommendation.

Public Comment

There were no Public Comments.

Board Comment

Board Member Foster asked for clarification on the decision to begin using federal dollars for construction projects. He inquired about the agency's process for determining when and how to apply these funds in their procurement process. Sharon Cooney, MTS Chief Executive Officer, explained that the decision to use federal funds for construction projects was largely a financial one, influenced by federal requirements. Larry Marinesi, MTS Chief Financial Officer, added that Federal dollars are often allocated for preventive maintenance to expedite the grant draw down process and are not typically used for capital projects unless tied to specific grants. Board Member Foster asked if the agency's concern was cash flow. Mr. Marinesi agreed. Board Member Foster asked about the provisions or requirements tied to federal dollars, if there was an administrative burden to consider. Karen Landers, MTS General Counsel, replied that there were compliance issues like Buy America, which can be quite complex. If a construction project doesn't require Buy America compliance, it simplifies the process, reducing administrative challenges. Board Member Foster synthesized the explanation to an administrative burden on the agency or contractor. Ms. Cooney added there was also an added cost as a factor such as

compliance with Buy America could lead to more expensive projects, depending on the specifics of the construction project. She emphasized that the timing of when to use federal dollars and other factors also played a role. Ms. Landers further clarified that in some cases, the project might need to be redesigned to accommodate Buy America compliance, especially if a compliant piece of equipment could not fit within the original design, which added both administrative complexity and changed the nature of the project.

Board Member Foster questioned the low dollar values of the grant awards, particularly when looking at the figures from year to year. He referred to the FY 2022 total federal award asking how the agency was pursuing federal dollars from the appropriate agencies given the low values. He asked how the agency was actively securing federal funds, given that the values seemed low overall. Ms. Landers responded, explaining that most of the federal dollars were used for preventive maintenance, specifically paying for internal staff time. She clarified that while the dollar amounts appeared lower, the allocation in the budget was directed toward covering internal costs, such as mechanics and employees, rather than external services. Board Member Foster asked for confirmation that the overall federal award was primarily used to cover internal costs, which made up most of the spending. He then linked this to the previous question about how financial decisions were made regarding outsourcing and available funds. Board Member Foster continued, expressing a concern that there should be more opportunities for contractors, particularly certified ones, to receive a larger portion of the funding. He suggested that more dollars should be made available to these contractors in the future. He added that while he understood the explanation, it still seemed like there could be more funds allocated to certified contractors. He sought to ensure that more opportunities for outsourcing were considered in future financial decisions.

Board Member Foster asked about the agency's race and gender-neutral outreach efforts, specifically inquiring whether the agency offered workshops or technical assistance, such as in-house sessions on procurement processes, cost-loaded schedules, and pay applications. Ms. Leslie explained that while outreach events weren't held as frequently as desired, they had hosted a virtual all-day event in the past where they covered topics such as working with MTS, procurement expectations, and available contracting opportunities. She added that their procurement department was involved in organizing these events and always sought ways to improve vendor outreach. Ms. Leslie acknowledged the challenges of the procurement process, noting that forms could be overwhelming for vendors. She agreed that the outreach event was beneficial and mentioned that other public agencies had also participated to explain their DBE programs. She expressed intent to prioritize future outreach events.

Board Member Foster asked if the agency conducted workshops and whether it offered any technical assistance to vendors, particularly focusing on in-house workshops related to procurement processes and contract management. Ms. Leslie responded that while workshops weren't held frequently, the agency did host optional pre-bid meetings where they explained the procurement process and provided tips for success. She acknowledged the value of such events and expressed a desire to host more in the future.

Board Member Foster inquired about the process for substituting DBE subcontractors in situations where a prime contractor requested a substitution. Ms. Leslie explained that FTA regulations impose restrictions on substituting DBE subcontractors once a contract-specific goal has been set. While the agency follows a race-neutral program, MTS still requires the prime contractors to work with the project manager and confirm if the substitution is approved. For public works projects, there are additional requirements before a substitution can occur.

Although substitutions are rare, the agency ensures that staff is aware of the process and that the contract requirements and business needs are met. Board Member Foster expressed appreciation for the Code of Federal Regulations and the Public Contract Code. He asked whether it was MTS's policy to enforce a "like for like" substitution for subcontractors, meaning if a DBE subcontractor is removed, it must be replaced with another DBE unless there's valid justification for not finding a replacement. Ms. Leslie responded that it is not currently required to substitute a DBE with another DBE, but the idea could be reviewed and evaluated in the program. Board Member Foster asked for a list of DBEs frequently communicated with and inquired about the typical amount of federal dollars, particularly from the United States Environmental Protection Agency (EPA), in their contracts. Ms. Leslie replied that MTS is in the process of applying for an EPA grant and would want to ensure compliance with outreach requirements if successful.

Board Member Foster asked staff to confirm if MTS uses the funding for equipment purchases. Ms. Leslie replied that while it's not common for a DBE prime to provide goods there are examples of such purchasing. Board Member Foster expressed concerns about potential issues with continuing to receive federal funding for various items and how budget conversations might address this. Ms. Cooney stated that while budget discussions would occur later, it's uncertain, but they have been able to secure federal dollars so far.

Board Member Montgomery Steppe acknowledged the changes in the program over the years due to partnerships between her office and MTS. She listed out the inclusion of expanded certifications for socially disadvantaged businesses and stronger language regarding prime contractors' compliance with payments to subcontractors, noting the personal impact of delayed payments based on her father's experience. She asked about the outreach events, specifically whether PlanetBids registration was used and if any other methods were employed to ensure people were informed about the events. Ms. Leslie explained that whenever the agency is invited to outreach events, they try to actively participate by having a booth. She clarified that MTS does not organize these events, but are generally hosted by organizations like SANDAG, Caltrans, or the San Diego Airport. Additionally, MTS is part of a public agency consortium that meets every one to two months to discuss upcoming events, share best practices, and collaborate to make the outreach efforts successful and ensure a broad representation of public agencies.

Board Member Montgomery Steppe asked if there was any data on the success of outreach events, specifically regarding engagement and enrollment. Ms. Leslie mentioned that staff can track who they engage with at events and whether those individuals register on PlanetBids following the event. Board Member Montgomery Steppe emphasized that outreach is always important but noted that doing business with MTS can be complex. She suggested that technical assistance and workshops might produce better outcomes, as they help businesses that are ready but may lack necessary information. Board Member Montgomery Steppe expressed concern that outreach events are becoming more of a checklist exercise.

Board Member Hall asked how the eligibility requirements on slide 4 were determined and who was responsible for creating them. Ms. Leslie replied that the United States Department of Transit (DOT) established the dollar values, which changed occasionally based on the Consumer Price Index (CPI), and depends on the type of business, with different dollar values for things like gross receipts. Board Member Hall noted that the dollar amount for a majority owner, \$2 million in San Diego, could be equivalent to the cost of a house and expressed that \$30 million seemed a bit high. Ms. Landers stated that the net worth calculations exclude the

value of the primary residence. Board Member Hall asked staff to clarify the \$30 million amount. Ms. Landers clarified that the information was set by the Small Business Administration.

Board Member Hall asked about the verification process for DBEs. Ms. Leslie explained that before finalizing the semiannual report, she reviews each DBE firm in the Caltrans database to verify their status, confirm their North American Industry Classification System (NAICS) and work codes match the type of contract with MTS and monitors the work to ensure the firm is performing the work on-site before counting them toward DBE achievement. Board Member Hall expressed concern that a firm could have two companies, one being a multi-million-dollar company and the other a disadvantaged company and asked if such scenarios are checked as part of the contract. Ms. Leslie clarified that she only verifies that the DBE status is active. Board Member Hall reiterated his concern that a business could falsely claim to be a disadvantaged company, and while it sounds like verification is done, it is not as in depth as requesting tax forms for further proof. Ms. Leslie replied that while MTS does not have an internal process, she noted that the Caltrans process to achieve the DBE status is rigorous. Board Member Hall suggested that MTS include its own internal verification protocols.

Action Taken

Board Member Foster moved to approve revisions to Board Policy No. 26, "DBE Program". Board Member Montgomery Steppe seconded the motion, and the vote was 12 in favor (Board Members: Fernandez, Foster, Mendoza, Mcann, Bush, Fleming, Leyba-Gonzalez, Montgomery Steppe, Dillard, Elo-Rivera, Whitburn and Goble) to 1 opposed (Board Member Hall) with Board Member Vaus and Board Member Moreno absent.

[Clerk's Note: the audio version of the vote count lists out 13 members in favor, 1 opposed and 2 members absent, when the actual vote count was 12 members voting in favor, 1 opposed and 2 members absent]

7. Orange Line (OL) Phase 1 Construction – Contract Award (ITEM TAKEN OUT OF ORDER)

Public Comment

There were no Public Comments.

Board Comment

Chair Whitburn noted that item 7 was taken out of order to allow for quorum.

Board Member Leyba-Gonzalez recused himself due to the active Project Labor Agreement (PLA) in place with MTS and his capacity at the San Diego Building and Construction Trades Council.

Action Taken

Board Member Montgomery Steppe moved to authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL409.0-25, to Stacy and Witbeck, Inc. (Stacy and Witbeck), for the OL Phase 1 Construction in the amount of \$26,890,732.50 plus 10% contingency. Board Member Hall seconded the motion, and the vote was 11 in favor (Board Members: Fernandez, Foster, Mendoza, Mcann, Bush, Fleming, Montgomery Steppe, Dillard, Elo-Rivera, Whitburn and Goble) to 1 opposed (Board Member Hall) with a recusal from Board Member Leyba-Gonzalez Board and Member Vaus and Board Member Moreno absent.

23. Annual Safety Performance Review and Approval of Updated Agency Safety Plan (Fabeann Soberg and Jared Garcia)

Fabeann Soberg, MTS System Safety Manager for Rail and Jared Garcia, Manager of Safety for Bus, presented on annual safety performance review and approval of updated agency safety plan. They outlined: Public Transportation Agency Safety Plan (PTASP), new safety performance measures, safety performance measures, statewide rail accidents, FTA Transportation Safety Institute (TSI), 2024 California Public Utilities Commission (CPUC) triennial audit, 2024 Internal Safety & Security Audit (ISSA), train operator safety awards, bus performance measures, performance measure: fatalities, major events, injuries and system reliability, fixed route preventable accidents, Rapid Preventable Accidents, CHP Annual Terminal Inspections, Bus Employee Safety & Service Awards, Updates to Agency Safety Plan, Agency Safety Plan Review & Approval Process and staff's recommendation.

Public Comment

There were no Public Comments.

Board Comment

Vice Chair Goble highlighted the excellence of the entire team's work, including the bus and trolley operators.

Board Member Fleming noted that, if he understood correctly, the audit of the rail included no recommendations. Ms. Soberg clarified that there were two audits: the CPUC's triennial audit in August 2024, and the agency's annual internal audit, which had no findings or recommendations. She added that the exit interview for the CPUC audit has yet to be conducted, where they'll present the findings, recommendations, and draft report. Board Member Fleming stated that based on his experience with driving safety culture and performance, there's always room for improvement. He found the lack of findings in the internal audit concerning. Ms. Soberg stated that since the completion of the triennial audit was conducted first and covered all checklist items, items were already prepared by the time the internal audit was conducted. Board Member Fleming thanked Ms. Soberg for the clarification.

Board Member Fleming then asked about the bus system and if the lower reliability rate was partly due to the electric buses. Mr. Garcia explained that new technology, like the transition to propane in the Paratransit fleet, often comes with a transition period and challenges, which was also the case with the electric buses. Board Member Fleming asked staff if they predicted a projected improvement. Mr. Garcia confirmed that they did. Board Member Fleming acknowledged that turnover and the influx of new employees often lead to a higher incident rate. He asked if more senior employees also experience higher incident rates due to complacency, and if so, what MTS is doing to address it. Mr. Garcia confirmed that the agency tracks incident rates by employee tenure, with year groupings. He explained that all bus operators receive eight hours of customized annual retraining, covering trends, hotspots, new FTA requirements, and safety. This training is mandatory for both in-house and contracted operators, as required by California's Verification of Transit Training (VTT) certificate, which includes 20 hours of initial classroom training and eight hours of safety training annually, renewed every five years.

Board Member Montgomery Steppe noted that, while trying to find the information in the documents, she recalled the Public Safety Plan mentioning a Public Safety Committee made up of frontline employees and sometimes contractors. She asked if any representatives from Transdev are part of that committee. Mr. Garcia stated that contractors have their own Safety

Committee, and the FTA permits one Safety Committee for bus and one for rail. These committees must have equal representation from frontline employees, labor organizations, and management. For in-house buses, it includes International Brotherhood of Electrical Workers (IBEW) and Amalgamated Transit Union (ATU), while for contract services, it's a mix of ATU and Teamsters. Board Member Montgomery Steppe thanked staff for their response.

Action Taken

Board Member Montgomery Steppe moved to approve updates to the Public Transportation Agency Safety Plan (PTASP) in substantially the same format as Attachment A (Agency Safety Plan), Attachment B (Bus Safety Plan), and Attachment C (Rail Safety Plan). Board Member Hall seconded the motion, and the vote was 13 to 0 in favor with Board Member Vaus and Board Member Moreno absent.

24. Fiscal Year (FY) 2026 Capital Improvement Program (CIP) (Mike Thompson)

Mike Thompson, MTS Deputy Chief Financial Officer, presented on FY 2026 CIP. He outlined: FY 2025 Operating Budget Midyear Amendment. He outlined the following items: Capital Funding Levels - Proposed FY 2026, Capital Funding Levels Proposed FY 2026, Development of the FY 2026 CIP, Guiding Principles, Development of the FY 2026 CIP, FY 2026-30 CIP Unconstrained Project List, Capital Project Summary Proposed Fiscal Year 2026, FY 2026 CIP Project Highlights Bus Revenue Vehicles, FY 2026 CIP Project Highlights Bus Revenue Vehicles, FY 2026 CIP Project Highlights Rail Revenue Vehicles, FY 2026 CIP Project Highlights Rail Revenue Vehicles, FY 2026 CIP Facility & Construction Projects, FY 2026 CIP Facility & Construction Projects, FY 2026 CIP Rail Infrastructure Projects, FY 2026 CIP Rail Infrastructure Projects, FY 2026 CIP - Other Equipment & Installation Projects, FY 2026 CIP Five Year Forecast SGR, FY 2026 CIP Other Initiatives, FY 2026 CIP Other Initiatives, FY 2026 CIP Other Notes, FY 2026 CIP Five Year Summary and staff's recommendation.

Public Comment

There were no Public Comments.

Board Comment

Board Member Fleming asked about the five-year summary on slide 21, noting 45.5% total funding. He inquired how this compared to previous five-year cycles and the level of confidence in filling the remaining funding gap. Mr. Thompson stated that funding typically falls in the 55-60% range, but this time it was lower due to \$110 million being shifted from CIP to operations to address structural deficits. While it was lower than usual, it still met the target, though more funding from other sources would be needed. Board Member Fleming asked staff about additional contingency plans. Mr. Thompson stated that if full funding wasn't achieved, the contingency plan would involve delaying projects, with buses and trolleys being funded first. For other projects, alternative funding sources, such as Transit and Intercity Rail Capital Program (TRICP), would be pursued, and efforts would focus on aligning upcoming projects with available funding streams. Board Member Fleming asked if, in the event of budget shortfalls, there was a possibility of switching from electric buses to non-electric buses to save costs and spread the expenses. Ms. Cooney acknowledged that switching to non-electric vehicles was a potential option for the Board to discuss, but it would ultimately be a policy decision. She noted that there is never enough funding for all desired projects, so MTS is continuously seeking alternative revenue streams. She referenced a previous Board meeting where ideas for

generating additional revenue were discussed, emphasizing the ongoing challenge of balancing funding availability with capital and operational needs.

Action Taken

Chair Whitburn moved to 1) Approve the FY 2026 CIP with the estimated federal and non-federal funding levels. As the federal appropriation figures are finalized and/or other project funding sources become available, allow the Chief Executive Officer (CEO) to identify and adjust projects for the adjusted funding levels; and 2) Recommend that the San Diego Association of Governments (SANDAG) Board of Directors approve the submittal of Federal Section 5307, 5337, and 5339 applications for the MTS FY 2026 CIP; and 3) Recommend that the SANDAG Board of Directors approve amendment number 5 of the 2025 Regional Transportation Improvement Program (RTIP) in accordance with the FY 2026 CIP recommendations. Board Member Fleming seconded the motion, and the vote was 13 to 0 in favor with Board Member Vaus and Board Member Moreno absent.

25. Fiscal Year (FY) 2025 Operating Budget Midyear Amendment (Gordon Meyer)

Gordon Meyer, MTS Manager of Financial Planning, presented on FY 2025 Operating Budget Midyear Amendment. He outlined: revenue assumptions: executive summary, revenue, expenses, Consolidated Revenues less Expenses, budget development calendar and staff's recommendation.

Public Comment

There were no Public Comments.

Board Comment

There were no Board Comments.

Action Taken

Chair Whitburn moved to enact Resolution No. 25-01 amending the FY 2025 operating budget for MTS, San Diego Transit Corporation (SDTC), San Diego Trolley, Inc. (SDTI), MTS Contract Services, and the Coronado Ferry. Board Member Hall seconded the motion, and the vote was 12 to 0 in favor with Board Member McCann, Board Member Vaus and Board Member Moreno absent.

26. Transit Operations Insourcing Feasibility Study – Existing Conditions Report (James Gerken and Russ Chisholm with Transportation Management and Design, Inc. and Mike Daney)

Mike Daney, MTS Director of Contract Services, Michael Wygant, MTS Chief Operating Officer for Bus and James Gerken and Russ Chisholm with Transportation Management and Design, Inc., presented on transit operations insourcing feasibility study existing conditions report. They outlined the following items: project team, project overview, existing conditions, key findings discussion, MTS Board updates and next steps

Public Comment

There were no Public Comments.

Board Comment

Board Member Elo-Rivera emphasized that this was an ongoing conversation. He acknowledged the importance of further research, thoughtful board consideration, and looked forward to the next phase of the discussion.

Board Member Montgomery Steppe asked if the feasibility study would be completed in May or if another update would be provided. Mr. Gerken replied that an update would be presented, but that the full study wouldn't be completed until January 2026.

Action Taken

No action taken. Informational item only.

27. Fiscal Year (FY) 2025 Mid-Year Performance Monitoring Report (Brent Boyd and Matthew Grace)

Brent Boyd, MTS Director of Planning and Communication and Matthew Grace, Transit Services Data Analyst, presented on FY 2025 Mid-Year Performance Monitoring Report. They discussed: Board Policy 42, Policy 42 evaluation criteria, average weekday ridership, total ridership, mts vs national trends, MTS vs national trends, passengers per revenue hour and on-time performance.

Public Comment

Marco Espinosa – Provided a verbal statement to the Board during the meeting. Espinosa stated a discrepancy between North County and MTS pass purchasing option. Espinosa also suggested offering a keychain tag for the PRONTO card.

Board Comment

Vice Chair Goble praised the presentation, particularly the comparisons with other agencies, and suggested adding a metric for revenue per mile, which could show a higher ranking for MTS. He also highlighted the success of publicizing big events but proposed that staff consider promoting the trolley during rainy days, noting that even small amounts of weather changes can affect freeway traffic, potentially increasing ridership.

Board Member Fleming asked about slide 11, which showed a slight decline in on-time performance due to increased ridership and traffic congestion. He inquired if this factor was considered over time and whether schedules were adjusted accordingly. Mr. Boyd informed that the scheduling department constantly reviewed running times and schedules, and that a comprehensive operational analysis would start in the coming months to evaluate routes in more detail. He emphasized that detailed data by route and time point was regularly reviewed to identify opportunities for improvement.

Ms. Cooney highlighted that attachment A has route by route detail and that staff would be using similar analysis to assess Comprehensive Operational Analysis (COA) route changes.

Action Taken

No action taken. Informational item only.

OTHER ITEMS:

28. Chair, Board Member and Chief Executive Officer's (CEO's) Communications

Ms. Cooney announce that MTS would be participating in the international American Public Transportation Association (APTA) Bus Rodeo on April 5 - 8, 2025. She also noted that she attended the Transit Transportation Task Force in Sacramento and hoped that in the fall, the committee would have a draft report available. She stated that the committee has traction with Transportation Development Act (TDA) reform requests in California with media and advocacy groups. Finally, she announced her upcoming attendance at the SANDAG Board where they will discuss the Downtown Stopover project and offer additional background on the project to SANDAG representatives.

Chair Whitburn noted that the Ad Hoc Sustainable Transit Committee would meet after the Board meeting. He honored the memory of Leon Williams, a regional leader and former Chair of MTS.

29. Remainder of Public Comments Not on The Agenda

There were no additional public comments.

ADJOURNMENT

30. Next Meeting Date

The next regularly scheduled Board meeting is April 17, 2025 at 9 a.m.

31. Adjournment

The meeting was adjourned at 11:24 a.m.

/S/ Stephen Whitburn

Chairperson

San Diego Metropolitan Transit System

Filed by:

Approved as to form:

/S/ Dalia Gonzalez

Clerk of the Board

San Diego Metropolitan Transit System

/S/ Karen Landers

General Counsel

San Diego Metropolitan Transit
System

Attachment: A. Roll Call Sheet

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS
ROLL CALL

MEETING OF (DATE): March 13, 2025 CALL TO ORDER (TIME): 9:07 a.m.
 RECESS: _____ RECONVENE: _____
 CLOSED SESSION: _____ RECONVENE: _____
 PUBLIC HEARING: _____ RECONVENE: _____
 ORDINANCES ADOPTED: _____ ADJOURN: 11:24 a.m.

JURISDICTION	BOARD MEMBER	ALTERNATE	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
City of Chula Vista	Fernandez <input checked="" type="checkbox"/>	Preciado <input type="checkbox"/>	9:19 a.m.	11:24 a.m.
City of Chula Vista	McCann <input checked="" type="checkbox"/>	Preciado <input type="checkbox"/>	9:07 a.m.	10:45 a.m.
City of Coronado	Downey <input type="checkbox"/>	Fleming <input checked="" type="checkbox"/>	9:07 a.m.	11:24 a.m.
County of San Diego	Montgomery Steppe <input checked="" type="checkbox"/>	VACANT <input type="checkbox"/>	9:15 a.m.	11:24 a.m.
City of El Cajon	Goble (Vice-Chair) <input checked="" type="checkbox"/>	Ortiz <input type="checkbox"/>	9:07 a.m.	11:24 a.m.
City of Imperial Beach	Leyba-Gonzalez <input checked="" type="checkbox"/>	Aguirre <input type="checkbox"/>	9:07 a.m.	11:24 a.m.
City of La Mesa	Dillard <input checked="" type="checkbox"/>	Arapostathis <input type="checkbox"/>	9:19 a.m.	11:24 a.m.
City of Lemon Grove	Mendoza <input checked="" type="checkbox"/>	Faiai <input type="checkbox"/>	9:23 a.m.	11:24 a.m.
City of National City	Bush <input checked="" type="checkbox"/>	Rodriguez <input type="checkbox"/>	9:07 a.m.	11:24 a.m.
City of Poway	Vaus <input type="checkbox"/>	De Hoff <input type="checkbox"/>	ABSENT	ABSENT
City of San Diego	Moreno <input type="checkbox"/>	Campbell <input type="checkbox"/>	ABSENT	ABSENT
City of San Diego	Elo-Rivera <input checked="" type="checkbox"/>	LaCava <input type="checkbox"/>	9:12 a.m.	11:24 a.m.
City of San Diego	Gloria <input type="checkbox"/>	Foster <input checked="" type="checkbox"/>	9:07 a.m.	11:24 a.m.
City of San Diego	Whitburn (Chair) <input checked="" type="checkbox"/>	Lee <input type="checkbox"/>	9:07 a.m.	11:24 a.m.
City of Santee	Hall <input checked="" type="checkbox"/>	Koval <input type="checkbox"/> Minto <input type="checkbox"/>	9:07 a.m.	11:24 a.m.

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