

MINUTES
MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
EXECUTIVE COMMITTEE

September 04, 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 Executive Committee meeting to order at 09:08 a.m. A roll call sheet listing Executive Committee member attendance is attached as Attachment A.

2. Public Comment

Alex Wong – Provided a verbal statement to the Board during the meeting. Alex Wong urged MTS to continue planning for five-minute frequencies on the Mid-Coast and Green Lines, despite current budget challenges. He warned against abandoning long-term goals due to temporary financial issues, noting that Trolley ridership was rising and funding conditions would improve. He mentioned that the proposed airport Trolley branch would reduce frequencies on the Mid-Coast, Green, and Blue Lines, which are already experiencing rapid growth. Wong cited the University City update, which projects 50,000 new residents and 72,000 new jobs, as further justification for expanded service. Instead of an airport Trolley, he recommended a people mover or bus rapid transit, both of which, he said, would operate as frequently or more so—without impacting existing Trolley lines.

Marco Espinosa – Provided a verbal statement to the Board during the meeting. Marco Espinosa stated that he had not planned to speak but felt compelled to comment after hearing the previous speaker. He expressed concern that the speaker may have sounded like AI, which he believed should not be valid for public comment. However, he clarified that he did not know who the caller actually was.

3. Approval of Minutes

Board Member Hall moved to approve the minutes of the June 12, 2025, MTS Executive Committee meeting. Chair Whitburn seconded the motion, and the vote was 5 to 0 in favor with Board Member Dillard and Board Member Elo-Rivera absent.

DISCUSSION ITEMS

4. MTS Financial Sustainability (Mike Thompson)

Mike Thompson, MTS Deputy Chief Financial Officer, presented on MTS Financial Sustainability. He discussed: budget history, industry-wide challenges, steps taken to address fiscal cliff, current five-year projection summary, financial sustainability, recommended strategies, revised projection summary, and staff's recommendation.

Public Comment

David Hardy – Provided a written statement to the Board prior to the meeting. David Hardy expressed his input on the budget challenges facing MTS. The full written comment is provided in the September 04, 2025, Final Meeting Packet.

Alex Wong – Provided a written and verbal statement to the Board both during and prior to the meeting. Alex Wong urged delaying the zero-emission bus transition while prioritizing service frequency and state of good repair projects. Alex supported a 10–20% fare increase over service cuts and recommended postponing a 2028 ballot measure, and instead seeking state funding through legislation.

Committee Comment

Board Member Montgomery Steppe thanked staff for presenting a thoughtful set of strategies but stated she could not support a fare increase. She explained that many vulnerable residents were expected to lose benefits such as healthcare, food stamps, and housing assistance in the coming year. Because a significant share of Trolley riders are low-income, she believed a fare hike would add undue financial pressure on working families. She expressed concern about moving forward with a ballot measure in 2028, arguing that it was not forward-thinking or innovative. Instead, she urged staff to explore alternative, non-regressive funding solutions, such as new tax structures or targeted pass programs for certain groups of riders, like bus rapid transit users. While she understood the financial logic behind fare increases, she framed her opposition as a moral stance, emphasizing the need for creative, equitable approaches to support transit without burdening low-income riders.

Vice Chair Goble thanked staff for a thorough presentation but expressed concern that the public would be cynical about new tax measures, often perceiving government as already taxing too much and not delivering efficiencies. He argued that voters would likely ask what sacrifices MTS itself was making in exchange for requesting additional revenue. He raised the issue of service cuts and questioned whether the agency should consider them as part of its funding strategy. Sharon Cooney, MTS Chief Executive Officer (CEO), emphasized avoiding broad service reductions and instead pursuing efficiencies, administrative savings, pension adjustments, and other cost controls. Vice Chair Goble stressed that if MTS pursued a two-thirds majority tax measure in 2028, the public would expect to see meaningful internal trade-offs, not just financial shifts. He concluded that the possibility of service cuts should be addressed openly before 2031 and incorporated into the 2028 ballot initiative discussion to demonstrate accountability and shared responsibility.

Board Member Hall asked when the last fare study had been conducted. Mr. Thompson responded that it took place in 2020 before the launch of Pronto, which introduced free transfers but did not change monthly pass prices. Board Member Hall observed that the proposed 10% fare increase, equating to about 25 cents and \$8 million annually, would only delay financial challenges by a year, leaving MTS in the same position by 2031. While he supported staff's efforts, he suggested considering a phased increase, such as adding 25 cents to the one way ticket cost for two years followed by another 25 cents if needed. However, Board Member Hall acknowledged that this alone would not solve the problem and anticipated the need to consider route cuts or redesigns. Board Member Hall stated he did not favor service reductions but recognized that without significant new revenue, difficult decisions would be unavoidable. Mr. Thompson referenced the ongoing Comprehensive Operational Analysis (COA), which is expected to return in the spring with recommendations, including potential major service cuts if no new funding is identified. He concluded by emphasizing that any strategy must align with the fiscal reality approaching in 2031.

Board Member Montgomery Steppe asked whether adopting staff's current recommendations before completing the COA would be premature. Ms. Cooney responded that a COA workshop

was scheduled for October, which would guide future decisions on strategic versus broad service adjustments. Ms. Cooney clarified that any near-term service changes would fall under the Board's policy for minor adjustments, such as reducing frequency on underperforming routes or shortening service hours and would not conflict with the COA. Board Member Montgomery Steppe also asked about data comparing choice riders and non-choice riders, noting the importance of designing fare strategies that avoid blanket increases and instead consider ability to pay. Board Member Montgomery Steppe suggested exploring creative approaches that might place more burden on those who could better afford it, rather than disproportionately impacting low-income riders. Ms. Cooney explained that Title VI and environmental justice analyses, led by SANDAG, focus primarily on income and minority impacts, not rider choice. Board Member Montgomery Steppe reflected on past Title VI findings, recalling that about 75% of riders are low-income. Board Member Montgomery Steppe noted the results often felt counterintuitive, as the analysis could justify fare increases even when a majority of riders were low-income. Board Member Montgomery Steppe thanked staff and reiterated her concern about ensuring equitable solutions.

Chair Whitburn raised questions about fare revenues, asking whether projected increases had to come solely from a fare hike or if they could also result from higher ridership and ensuring more riders actually paid fares. Ms. Cooney and Mr. Thompson explained that assumptions for organic growth in fare revenue and increased compliance were already built into the budget forecast, though modeling the exact impact was difficult given ridership elasticity. Chair Whitburn also asked whether the fare study would consider targeted discounts for groups with less ability to absorb an increase, citing current discounts for seniors, riders with disabilities, and Medicare recipients. Chair Whitburn referenced earlier comments from Board Member Montgomery Steppe about tailoring increases to capacity to pay. Ms. Cooney responded that SANDAG had previously studied reduced-fare programs for categories such as low-income riders, veterans, and community college students, though it was unclear if these scenarios would be included in the current study.

Board Member Hall noted that MTS was in a relatively stronger position approaching the fiscal cliff compared to other agencies and asked what measures peer systems had taken. Mr. Thompson reported that other agencies implemented dramatic service cuts and fare increases: Southeastern Pennsylvania Transportation Authority (SEPTA) cut 40% of service and raised fares by 25%, Dallas raised fares over 20% while cutting service, and San Francisco's MUNI announced 5–7% across-the-board service reductions. Board Member Hall expressed concern that he did not want MTS to repeat those examples, especially the severe disruptions seen in Philadelphia, where school access was heavily impacted. He aligned with earlier comments stressing urgency, saying that the sooner MTS acts, the better, as he did not expect a federal bailout. Ms. Cooney viewed proactive action as the best way to avoid deeper cuts later and supported efforts to create a longer runway for solutions, even if the exact future strategy was uncertain.

Vice Chair Goble framed the challenge as finding ways to generate more revenue within the current ridership model, and he emphasized the importance of increasing ridership as part of the solution. Drawing an analogy to Chick-fil-A's customer culture, he argued that success goes beyond product quality and efficiency, it is about building a welcoming, positive experience. He noted that small gestures, such as the "Thank you for riding with us" banner at the El Cajon Transit Station, contribute to fostering a culture of appreciation that encourages people to ride. Vice Chair Goble highlighted the popularity of the Santa Train, which sells out quickly each

December, and suggested exploring similar special event trains tied to holidays or community events (e.g., Independence Day or Comic-Con) to attract more riders. He stressed that enhancing the experience and culture of transit, alongside maintaining a system that is safe and clean, could play a key role in boosting ridership. He encouraged staff to consider marketing strategies and creative events that would make Trolley and bus trips feel more engaging and enjoyable for the public.

Board Member Dillard raised a question related to parking policy and ridership incentives. She referenced a recent public announcement that parking meter rates around Petco Park would increase to \$10 per hour within a half-mile radius. She suggested that MTS could capitalize on such policies through marketing efforts, possibly in coordination with the City of San Diego, to encourage drivers to consider transit as a cheaper and more practical alternative. She emphasized that part of the challenge was changing behavior, as people often defaulted to driving without considering costs. Highlighting higher parking prices near transit corridors, she argued, might encourage more people to “think twice” and choose the Trolley instead. Ms. Cooney responded that they were exploring such strategies but cautioned that every rider comes with an associated subsidy cost. While special events like Comic-Con could generate strong fare revenue, the system as a whole still required subsidy. Ms. Cooney noted that the agency faced a \$120 million deficit, which could not realistically be solved through ridership growth alone, even with substantial passenger increases.

Chair Whitburn agreed with the point raised about transit being an effective way to avoid traffic congestion and parking costs, emphasizing that these long-standing benefits were even more relevant today. He encouraged continuing to highlight the efficiency, affordability, and reduced stress of taking transit as part of ongoing communication.

Chair Whitburn turned to the action item and noted that the Board had not yet introduced a motion and proposed possible pathways: either moving forward with portions of the staff recommendation, specifically items 1, 2, 4, and 5, which he identified as less contentious and more immediate; or forwarding the full package to the Board without a recommendation. Chair Whitburn also reminded members that a fare study was already underway, which could help guide decisions. Ms. Cooney referenced Slide 13 to emphasize that the proposed strategy was flexible and could be adjusted up or down across the highlighted items. She clarified that even if the Board approved the staff recommendation at this stage, each item would still return for a decision point, such as through the fare study approval or the Capital Improvement Program (CIP) approval process.

Board Member Montgomery Steppe reiterated her opposition to a fare increase, citing reasons she had previously outlined. However, she acknowledged that the recommendations represented a strategic framework and agreed that the issue deserved a full Board discussion. While she maintained her stance against fare hikes, she stated she would support the motion to move the recommendations forward procedurally. She added that she might be unable to attend the Board meeting next week and wanted her position entered into the record.

Action Taken

Board Member Hall moved to forward a recommendation to the Board of Directors to provide the following direction to staff: 1) Target revenue measure for November 2028 ballot; 2) Plan on shifting \$50 million in flexible funding from the Fiscal Year (FY) 2027 through FY 2030 Capital Improvement Programs (CIP) to the Operating Budget; 3) Seek minimum of 10% increase in fare revenues; 4) Seek additional funding from regional, state, and/or federal sources; and 5)

Target \$15 million in annual operational savings beginning with the FY 2027 Operating Budget. Vice Chair Goble seconded the motion, and the vote was 6 to 0 in favor with Board Member Elo-Rivera absent.

5. Orange Line Improvement Project Update (Heather Furey and Consultant T.Y. Lin)

Heather Furey, MTS Director of Capital Projects, and Gabi Brocklehurst, T.Y. Lin Project Manager, presented on Orange Line Improvement Project Update. They presented on: Project overview, schedule, funding, project funding by phase, Senate Bill (SB) 125 funding for Phase 1, Transit and Intercity Rail Capital Program (TIRCP) funding for Phase 2 and cost controls, risk management, top risks, communications, outreach activities, open house public outreach events, project updates: Phase 1, Francis St. conduit work area, 32nd St. and Commercial conduit work, special track plan inspection, construction labor reporting, Phase 2 updates, owner furnished equipment, contractor pre-qual procurement, other MTS projects: Baltimore Junction & Euclid grade study, SELT lighting, and next steps.

Public Comment

There were no Public Comments.

Committee Comment

Board Member Dillard asked about the budget amendment of approximately \$257,000.00 for Pacific Rail Enterprises, seeking clarification on whether such costs were included in the original \$151.2 million budget or added on top of it. Specifically, she asked if the original budget included a contingency allowance to cover unforeseen expenses and change orders. Ms. Furey confirmed that the original \$151.2 million budget did include contingency funding. She explained that the amendment would not increase the overall budget total, as contingencies were intended to absorb such adjustments. Ms. Furey added that while the amount of contingency varied by project phase with less available for Phase 1 and more for Phase 2 due to construction bids, they could return at a future meeting with the exact breakdown of contingency amounts per phase.

Board Member Montgomery Steppe expressed appreciation for the presentation, adding a personal note of support for the Orange Line, where she had first started her work. She thanked staff for their efforts.

Action Taken

No action taken. Informational item only.

OTHER ITEMS

6. Review of Draft September 11, 2025 Board Agenda

7. Other Staff Communications and Business

There was no Other Staff Communications and Business discussion.

8. Committee Member Communications and Other Business

Vice Chair Goble thanked Brian Riley, MTS Rail Chief Operating Officer (COO), and his team for their efforts at 32nd and Harbor, in front of the military installation where 50,000–55,000 car

trips per day pass through the gate. He noted that their involvement helped improve traffic flow in and out of the base, contributing positively to quality of life and military readiness. He expressed appreciation for Mr. Riley's personal engagement and leadership on the issue.

9. Next Meeting Date

The next Executive Committee meeting is scheduled for October 2, 2025, at 9:00 a.m.

10. Adjournment

The meeting was adjourned at 10:20 a.m.

s/ Stephen Whitburn

Chairperson

San Diego Metropolitan Transit System

/s/ Lucia Mansour

Clerk of the Board

San Diego Metropolitan Transit System

Attachment: A. Roll Call Sheet

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
EXECUTIVE COMMITTEE

ROLL CALL

MEETING OF (DATE): September 4, 2025 CALL TO ORDER (TIME): 9:08 a.m.
 RECESS: _____ RECONVENE: _____
 CLOSED SESSION: _____ RECONVENE: _____
 PUBLIC HEARING: _____ RECONVENE: _____
 ORDINANCES ADOPTED: _____ ADJOURN: 10:20 a.m.

REPRESENTING	BOARD MEMBER	ALTERNATE	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
Chair	Whitburn <input checked="" type="checkbox"/>	No Alternate <input type="checkbox"/>	9:08 a.m.	10:20 a.m.
City of San Diego	Elo-Rivera <input type="checkbox"/>	Whitburn <input type="checkbox"/>	Absent	Absent
County of San Diego	Montgomery Steppe <input checked="" type="checkbox"/>	VACANT <input type="checkbox"/>	9:08 a.m.	10:20 a.m.
East County	Vaus <input type="checkbox"/>	Hall <input checked="" type="checkbox"/>	9:08 a.m.	10:20 a.m.
SANDAG Transportation Committee	Dillard <input checked="" type="checkbox"/>	Fernandez <input type="checkbox"/>	9:20 a.m.	10:20 a.m.
South Bay	Fernandez <input checked="" type="checkbox"/>	Fleming <input type="checkbox"/>	9:08 a.m.	10:20 a.m.
Vice Chair	Goble <input checked="" type="checkbox"/>	No Alternate <input type="checkbox"/>	9:08 a.m.	10:20 a.m.

SIGNED BY THE CLERK OF THE BOARD: /s/ Lucia Mansour