

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

September 11, 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 09:06 a.m. A roll call sheet listing Board member attendance is attached as Attachment A.

2. Public Comment

Miguel Aguirre – Provided a verbal statement to the Board during the meeting. Miguel Aguirre expressed frustration with the issue of illegal transportation activity, known as wildcatting at the San Ysidro station, calling it a growing public safety concern. Miguel urged support for a joint City–MTS RFP and called on the Board to take decisive action to resolve this long-standing public safety concern. Miguel explained that unlicensed drivers were aggressively soliciting travelers immediately after they exited U.S. Customs, often operating in violation of traffic and safety rules. Miguel criticized the current layout of MTS rented kiosks, stating that their disorganization left travelers confused and vulnerable.

Jose Sahasun – Provided a verbal statement to the Board during the meeting. Jose Sahasun introduced himself as the president of the Border Transportation Council. Jose highlighted the Council's longstanding goal to combat wildcatting and promote fair, lawful transportation services. Jose stated that last year's anti-wildcatting awareness campaign by the City of San Diego, MTS, and the District Attorney's Office had failed to curb the problem, which he said had reached an all-time high. Jose urged the Board to support a joint City-MTS RFP to address the issue and emphasized that the current situation enabled transportation-related crimes that affected travelers across San Ysidro and beyond.

Cristian Fuentes – A resident of San Ysidro made a verbal statement to the Board during the meeting. Cristian Fuentes expressed frustration about public safety and cleanliness near the San Ysidro station, noting that the area often smelled of urine and fecal matter. He supported the idea of issuing an RFP to bring in proper property management and emphasized the need for better oversight. Cristian also commended the efforts of the local Business Improvement District to uplift the community and voiced his support for maintaining and improving the MTS station to ensure a cleaner, safer environment for San Ysidro residents.

Leslie Luna – Provided a verbal statement to the Board during the meeting. Leslie Luna introduced herself as the Director of Operations for LAZ parking. Leslie stated that LAZ was the largest parking operator at the San Diego border, managing several lots in San Ysidro and Otay Mesa. Leslie voiced support for Miguel Aguirre's petition calling for a joint City of San Diego and MTS RFP to enhance public safety, mobility, and parking operations. Leslie noted that during an August 15th multi-agency meeting, there was consensus on the need for new solutions. Leslie described wildcatters as dangerous and threatening, sharing that her car tires had been slashed. She urged Board members to visit the site themselves and reaffirmed LAZ's commitment to supporting an RFP.

Eric Lopez – Provided a verbal statement to the Board during the meeting. Eric Lopez introduced himself as the Vice President of San Ysidro Transportation Council and owner of Futura Net Bus Lines. Eric expressed frustration with lack of shelter as well as passenger confusion at the kiosk near McDonald's. He reported that wildcatters misled and blocked passengers, sometimes claiming his company no longer existed. He urged action to end these growing safety issues.

CONSENT ITEMS

3. **Approval of Minutes**

Action would approve the July 10, 2025 Board of Directors meeting minutes.

4. **CEO Report**

Agenda Item will be provided prior to Board Meeting.

5. **On-Call Job Order Contracting (JOC) Railroad Signals, Overhead Catenary Systems, and Track Work Construction Services – Contract Award**

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL432.0-25, with HMS Construction, Inc. (HMS), for on-call railroad general electrical, communication, and traffic signal construction services, in the amount of \$2,500,000.00 for one (1) year beginning October 1, 2025.

6. **On-Call Job Order Contracting (JOC) Railroad General Electrical, Communication, and Traffic Signal Construction Services – Contract Award**

Action would Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL431.0-25, with Advanced Railway Innovations (ARI), for on-call railroad general electrical, communication, and traffic signal construction services, in the amount of \$3,000,000.00, for one (1) year beginning October 1, 2025.

7. **Federal Fiscal Year (FFY) 2024 (SANDAG Cycle 13) Federal Transit Administration (FTA) Section 5310 Enhanced Mobility for Seniors and Individuals with Disabilities – Grant Award**

Action would 1) Accept the FFY 2024 Section 5310 Enhanced Mobility for Seniors and Individuals with Disabilities Cycle 13 awarded by the San Diego Association of Governments (SANDAG) in the amount of \$848,860.86 for paratransit vehicle procurement; and 2) Authorize \$418,359.84 in local matching funds to fully fund the purchase of six (6) Americans with Disabilities Act (ADA) paratransit vehicles.

8. **Fiscal Year (FY) 2025 Trolley Track Improvements – Contract Award**

Action would authorize the Chief Executive Officer (CEO) to: 1) Execute the base bid to MTS Doc. No. PWL433.0-25, with Domestic Rail Solutions Corp (DRS), a Disadvantaged Business Enterprise (DBE), for the FY25 Trolley Track Improvements in the amount of \$5,451,950.41; 2) Transfer \$523,058.47 from the Miscellaneous Capital account (1009128701) in the Fiscal Year 2026 Capital Improvement Program (CIP) to Cost Center 370016-571142 to provide funding to remove the sidings in contract alternates A-1 through A-5; 3) Authorize the CEO to execute contract alternates A-1 through A-5, in the amount of \$523,058.47, bringing total expenditure authority to \$5,975,008.88; and 4) Authorize the CEO to execute change orders totaling up to 15% of the base bid and alternates, in the amount of \$896,251.33, bringing the total expenditure authority to \$6,871,260.21.

9. Janitorial Services – Contract Amendments

Action would 1) Ratify MTS Doc. No. G2613.6-22 (Amendment 6) with NMS Management Inc. (NMS), a Disadvantaged Business Enterprise (DBE), in the amount of \$51,689.98; 2) Ratify MTS Doc. No. G2613.7-22 (Amendment 7), in the amount of \$69,334.11; 3) Ratify MTS Doc. No. G2613.8-22 (Amendment 8), in the amount of \$26,266.70; and 4) Authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G2613.8-22 (Amendment 9) with NMS, in the amount of \$98,393.40, for an updated total contract amount of \$13,131,385.92.

10. Propane Fueling Services – Contract Amendment

Action would 1) Ratify MTS Doc. No. B0760.1-24 (Amendment 1) with Suburban Propane Partner, LP (Suburban), in the amount of \$71,672.94; and 2) Authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0760.2-24 (Amendment 2) with Suburban, to add \$1,906,186.88 in additional funds for an estimated increase in ridership.

11. Beyer Blvd Slope Improvement – Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc No. PWL439.0-25, with Hazard Construction Co., in the amount of \$4,072,592.00 plus 10% contingency to provide construction services for the Beyer Blvd Slope Improvement Project.

12. Fixed Route, Paratransit, and Minibus Services – Contract Amendments

Action would authorize the Chief Executive Officer (CEO) to: 1) Execute MTS Doc. No. B0708.6-20, with Transdev North America (Transdev), in the amount of \$9,514,848.00 for a \$2.00 per hour wage increase for frontline employees for the provision of fixed-route, express, and Bus Rapid Transit (BRT) bus services at the East County and South Bay Divisions through June 30, 2031; 2) Ratify MTS Doc. No. B0703.10-20 with First Transit, Inc. (First Transit) in the amount of \$62,614.63 for the purchase of four wireless battery-powered mobile shop lifts for use at the Copley Park Division; and 3) Execute MTS Doc. No. B0703.16-19, with First Transit in the amount of \$2,505,054.00 for a \$2.00 per hour wage increase for frontline employees for the provision of paratransit and fixed-route bus services through June 30, 2030.

13. Proposed Revisions to Taxicab Advisory Committee (TAC) Guidelines

Action would adopt the proposed revisions to the TAC Guidelines.

14. Orange Line Improvement Project Phase 2 Design Services – Work Order Amendment (WOA)

Action would authorize the Chief Executive Officer (CEO) to execute WOA356-AE-06.08 under MTS Doc. No PWL356.0-22, with Pacific Rail Enterprise, Inc. (PRE), a Women Owned Business Enterprise (WBE) and Small Business (SB), in the amount of \$257,931.52 for additional civil and signal design services for Phase 2 of the Orange Line Improvement Project.

15. Blue Barn Underground Storage Tanks (UST) Closure – Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc No. PWL433.0-25, with Whillock Contracting, Inc. (Whillock) in the amount of \$250,552.00, for the closure of three (3) UST and related work at the San Ysidro Freight Yard.

16. Employee Recognition Platform – Contract Award

Action would authorize the Chief Executive Officer (CEO) to: 1) Execute MTS Doc No. G2982.0-25, with Awardco, Inc., to provide Employee Recognition Platform software in the estimated amount of \$277,193.00 for up to six (6) years; 2) Exercise the option years, at the CEO's discretion; and 3) Transfer funds from MTS departmental budgets to fund MTS's Awardco funding account, which will be used to pay the actual cost of awards selected and redeemed by employees through the platform.

17. Bus Furniture Installation, Maintenance, and Advertising Services – Contract Award

Action would 1) Authorize the Chief Executive Officer (CEO) to execute MTS Doc. G3112.0-26, with Clear Channel Outdoor, LLC (Clear Channel), to provide bus shelter installation, maintenance, and advertising services for ten (10) base years with five (5) 1-year options; 2) Authorize the CEO to execute MTS Doc. G3113.0-26 with BriceHouse Outdoor, Inc. (BriceHouse) to provide bus bench installation, maintenance, and advertising services for ten (10) base years with five (5) 1-year options; and 3) Exercise the option years at the CEO's discretion.

18. Public Announcement (PA) System Survey – Orange, Green, and UC San Diego Blue Line – Work Order

Action would authorize the Chief Executive Officer (CEO) to execute Work Order WOA355-AE-53 under MTS Doc No. PWL355.0-22 with Psomas, in the amount of \$281,090.96 to provide survey services for the Orange, Green, and UC San Diego Blue Line PA System Survey.

19. Investment Report – Quarter Ending June 30, 2025

20. Light Rail Vehicle (LRV) 5027 Structural and Body Repair Services - Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1701.0-25, with Siemens Mobility, Inc., for the provision of LRV 5027 Structural and Body Repair Services, for fourteen (14) months, in the amount of \$1,997,346.52.

21. Cloud Permitting Software – Contract Award

Action would authorize the Chief Executive Officer (CEO) to: 1) Execute MTS Doc. No. G2902.0-24 with GeoCivix, LLC (GeoCivix) to provide Cloud Permitting Software in the amount of \$343,250.00 for a contract period of one (1) year implementation with three (3) base years and two (2) 1-year options service period; and 2) Exercise the option years of the agreement at the CEO's discretion.

22. Fiscal Year (FY) 2026 Transportation Development Act (TDA) Claim

Action would adopt Resolution Nos. 25-07, 25-08, and 25-09 approving FY 2026 TDA Article 4.0, 4.5, and 8.0 claims allocating \$127,968,234.00 in TDA revenues for MTS.

Public Comment

There were no Public Comments.

Board Comment

There were no Board Comments.

Action Taken

Board Member Hall moved to approve Consent Agenda Item Nos. 3 to 10 and 12 to 22. Board Member Downey seconded the motion, and the vote was 12 to 0 in favor with Board Member Bush, Board Member Montgomery Steppe and Board Member Vaus absent.

Board Member Hall moved to approve Consent Agenda Item No. 11. Board Member Downey seconded the motion, and the vote was 11 to 0 in favor with Board Member Bush, Board Member Montgomery Steppe and Board Member Vaus absent and Board Member Leyba-Gonzalez abstaining.

DISCUSSION ITEMS:

23. MTS Financial Sustainability (Mike Thompson)

Sharon Cooney, MTS CEO, opened the presentation explaining that without changes, the agency faced a \$120 million annual deficit by fall 2028, growing to \$145 million the following year. Ms. Cooney said a high-level strategy was being proposed to extend resources and delay the fiscal cliff until 2030, buying time to find a permanent solution. She noted that several efforts were already underway, including a comprehensive operations analysis (COA), a SANDAG fare study, advocacy for new state and federal revenue, and exploration of local funding options. Ms. Cooney emphasized that the Board was not voting to implement changes now but providing policy direction to stabilize finances.

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

Public Comment

Maria Cortez – Provided a verbal statement to the Board during the meeting. Maria Cortez expressed concern about a proposed fare increase, saying it would disproportionately harm underprivileged families and children who rely on MTS services. She acknowledged recent improvements such as rapid transit, bus lanes, and senior discounts, generally expressed support, but urged the Board to conduct more community outreach, consider a ballot measure, and work with SANDAG before moving forward with any fare increases.

Board Comment

Chair Whitburn explained that the Executive Committee had unanimously agreed to advance staff's recommendation as a planning measure, though not all supported each item. Chair Whitburn stressed the importance of preparing a plan to maintain service levels until a possible revenue measure could be considered by voters. Chair Whitburn said he opposed fare increases and service cuts but emphasized that riders valued service quality and frequency above all. He highlighted recent gains in customer satisfaction and warned against reversing progress. He clarified that no immediate changes would occur until the Board had more financial clarity and state or federal funding opportunities were explored.

Board Member Elo-Rivera thanked staff and acknowledged the agency's fiscal challenges, stressing the need for a balanced approach that protected riders and communities. He opposed fare increases or service cuts as first steps, noting that most riders were low-income and would be disproportionately harmed. Board Member Elo-Rivera urged exhausting state and federal funding opportunities, innovative revenue sources, and ongoing studies before considering fare increases. Board Member Elo-Rivera emphasized equity and access, calling transit a lifeline for vulnerable residents. Board Member Elo-Rivera moved to approve staff recommendations 1, 2, and 4, remove recommendation 3 (seek 10% increase in fare revenues), and amend recommendation 5 to exclude service cuts until the COA and equity analyses were complete.

Vice Chair Goble said the staff recommendations used wording that was too definitive, such as "seek" or "target." He suggested alternatives like "evaluate feasibility," noting that until more information was available, the Board should avoid committing to specific measures. Vice Chair Goble stated that fare revenue must remain part of the discussion. He pointed out that the \$72 monthly pass, equivalent to about \$2 per day, had not increased since 2009 while inflation had risen nearly 50%. Vice Chair Goble questioned whether long-term discounts should continue unchanged and suggested that fare adjustments could be structured in different ways, not necessarily across the board. He explained that he could not support a motion removing fare increases entirely and asked whether Board Member Elo-Rivera would consider amending his motion to include evaluating different kinds of fare increases. Vice Chair Goble added that the public would expect riders to contribute if a revenue measure were proposed, such as a sales tax increase, and would need to see that participation as part of a fair plan. He concluded by reiterating that fare increases should remain on the table as a realistic option in balancing the budget.

Board Member Elo-Rivera responded that his motion did not rule out evaluating fare structures, but he opposed moving forward with fare increases before exhausting every other option. Board Member Elo-Rivera said he worried that raising fares would become the "easiest" choice and stressed the importance of being explicit that it must be a last resort. He emphasized that he could not face constituents who relied on transit and say with integrity that all alternatives had been explored before increasing fares. Board Member Elo-Rivera insisted the Board should first maximize state and federal support, pursue innovative revenue sources, and complete the SANDAG fare equity study and MTS's operational analysis.

Vice Chair Goble maintained that he could not support a motion that excluded fare increases, while Board Member Elo-Rivera confirmed he preferred delaying fare actions until other funding options had been fully considered.

Board Member Elo-Rivera added that if necessary, staff could direct SANDAG to delay its fare study to align with this approach.

Board Member Downey said the intent was to soften the language in staff's recommendations so it would not sound as though the Board was directing immediate action. Board Member Downey wanted staff to retain flexibility to study all options, gather results from ongoing analyses, and later present the Board with a range of choices that could be adjusted. Board Member Downey supported recommendations 1 and 2 as written, for recommendation 3, she proposed changing the wording to "review options up to a 10% increase in fare revenues" to establish a ceiling without committing to a fixed increase. She said this would allow staff to examine options without exceeding that threshold. Board Member Downey emphasized that she did not want to stop SANDAG's fare study, nor did she want to see fare increases or service

cuts implemented prematurely. Instead, her goal was to keep every option available for staff to study, while ensuring the Board retained flexibility to choose the most balanced approach once full information was available.

Board Member Mendoza said she opposed a fare increase but noted that data in the staff report showed most MTS riders were low-income, heavily dependent on transit, and often lacked household vehicles. Board Member Mendoza said this reinforced her concerns about raising fares. She stated she wanted SANDAG's fare study to continue and agreed with Director Downey's approach to review options rather than commit to specific increases.

Board Member Foster said he was taken aback by the substitute motion. Board Member Foster stated that Board Member Elo-Rivera's intent was clear ensuring the Board made the best-informed decision possible, but key information was still missing. Acting without it, he said, was "putting the cart before the horse." Board Member Foster noted that 70% of MTS riders were low-income, making fare increases particularly harmful. He also raised concerns about broader policy changes, such as eliminating parking requirements and increasing housing density near transit lines, which he said heavily affected his district with three Trolley stops along its main corridors. Board Member Foster argued that raising fares prematurely, without exhausting alternatives or completing ongoing studies, would be unjust to the communities most impacted. He urged colleagues to pause, gather all information, and ensure decisions were fully informed. He concluded by stating that he could not support the substitute motion.

Board Member Moreno thanked staff for their work on a difficult financial situation and understood the urgency of addressing MTS's deficit but had deep concerns about how the proposal would impact working families, seniors, and students. Board Member Moreno opposed a proposed 10% fare increase, calling it a significant burden for struggling families, and said fare hikes should be a last resort. She also opposed delaying or cutting service, noting that her district already faced long waits, crowded buses, and limited late-night service. She warned that reducing service would worsen inequities and undermine efforts to rebuild ridership. Regarding staff's proposal to shift \$225 million from capital projects to operations between FY27–30, she requested a list of which projects would be cut. She questioned whether this would eliminate bus shelters, safety upgrades, or long-promised improvements, stressing that such tradeoffs should be transparent. Board Member Moreno touched on the assumed 2028 revenue measure, saying she did not want to rule it out but argued that polling today would not reflect voter sentiment in 2028. She recalled how Elevate 2020 had positioned the agency for SB125 funding and urged the Board to pursue more targeted engagement with state and federal officials before asking riders to pay more or accept less service. She highlighted the federal mandate for a "state of good repair" and suggested MTS should quantify its funding gap and directly lobby congressional representatives. Board Member Moreno also opposed the recommendation to re-amortize the San Diego Transit Corporation's (SDTC) pension liability over 20 years, describing herself as fiscally cautious and warning against changing the current 6% investment assumption that she had previously advocated. She concluded by stressing that short-term fixes like fare hikes, service delays, and capital raids would undermine long-term equity and sustainability. She called for reinstating a budget committee to examine such issues in greater detail. Board Member Moreno stated she could not support the current motion but would bring forward her own amendments if another motion came to the floor.

Ms. Cooney emphasized that the proposal was only a strategy, not an immediate set of actions. She confirmed that all budgeting, capital project approvals, pension reports, and fare scenarios would return to the Board for separate policy decisions. She said the strategy simply allowed

staff to continue pursuing options to extend the fiscal cliff and gain more time. If new state funding became available, staff would not recommend fare increases or service cuts. She described the process as fluid and ongoing, meant to keep the Board positioned to achieve a balanced budget.

Board Member Moreno asked whether SANDAG was moving forward with a fare increase or only a fare study. She said she did not recall voting on it and questioned why the study would proceed without Board input. Ms. Cooney clarified that in February 2025, the Board directed staff to work with SANDAG to proceed with the fare study, which included various scenarios. She explained this was part of the broader budget strategy previously presented to both the Budget Development Committee and the Board.

Board Member Hall asked whether MTS could reject a fare increase if SANDAG's study recommended one. He wanted to know if MTS had the authority to decline or if SANDAG's decision would be binding. Ms. Cooney mentioned that SANDAG oversees the Regional Comprehensive Fare Ordinance. Karen Landers, MTS General Counsel, mentioned that historically, when SANDAG changed its ordinance, MTS revised its own to match. While MTS could provide input throughout the process, it was unlikely the agency could fully opt out. She emphasized that the ongoing SANDAG fare study was not a foregone conclusion of raising fares. Instead, it examined fare structures, impacts, and community responses, and would include outreach and analysis. MTS would have the opportunity to review and comment on the findings before SANDAG took action. She added that if MTS voted against pursuing the study, SANDAG could still move forward, especially since the North County Transit District (NCTD) was also a participant.

Vice Chair Goble asked whether a 10% fare increase could be applied flexibly, with some fares rising more and others less. He also asked if the SANDAG study would measure whether riders might accept modest fare increases in exchange for avoiding service cuts. Ms. Cooney confirmed the study would examine multiple fare scenarios, including small changes like a 10-cent increase on single rides. While the study itself did not specifically trade off fares versus service cuts, staff noted that outreach indicated many riders preferred paying slightly more to preserve essential routes, since most were transit dependent.

Chair Whitburn thanked colleagues for a robust discussion and noted that while there was general agreement on desired outcomes, there were differing perspectives on how to get there. He said his biggest concern was ensuring MTS had a clear plan and retained control over its future. Chair Whitburn observed that some staff recommendations were outside the Board's control. For example, shifting funds from the CIP to operations (item 2) had limited potential beyond \$50 million, and relying on regional, state, or federal funding (item 4) depended on outside actors. By contrast, the Board did control opportunities to explore revenue increases and operational savings, which were essential for maintaining service until a ballot measure could be considered in 2028. Chair Whitburn acknowledged the tension between not raising fares, not cutting service, and still protecting financial stability. He recognized Board Member Elo-Rivera leadership on cost of living issues and agreed that riders were struggling with affordability, but he also stressed that many riders were transit dependent and could not afford service cuts. He said the agency should take pride in increasing ridership and customer satisfaction and concluded by emphasizing that the decision ahead was ultimately a policy choice for the Board.

Board Member Mendoza clarified that MTS did have input on SANDAG's fare decisions, noting that MTS had representation on the SANDAG Board. She emphasized that Board members' colleagues served there as well, meaning any fare changes would involve input from MTS representatives.

Board Member Mendoza asked what would happen if neither the substitute motion nor the original motion passed, warning colleagues to consider this before voting. Chair Whitburn responded that if the motion passed, the path forward would be clear, but if it failed, the Board would address next steps afterward. He admitted it was not a definitive answer but the most realistic one for the moment.

Board Member Leyba-Gonzalez clarified that the MTS representative on the SANDAG Board served only in an advisory capacity without voting rights. He described the role as only observational.

Action Taken - Substitute Motion

Board Member Downey moved that the MTS Board of Directors provide the following direction to staff: 1) Target revenue measure for November 2028 ballot. 2) Plan on shifting \$50M in flexible funding from the FY 2027-2030 Capital Improvement Program to the Operating budget. 3) Review options up to a 10% increase in fare revenues. 4) Seek additional funding from regional, state, and/or federal sources. 5) Review options for up to a \$15M in annual operational savings beginning with the FY 2027 Operating budget. Board Member Mendoza seconded the motion. The vote failed with seven (7) Board Members opposed and five (5) in favor with Board Member Bush, Board Member Montgomery Steppe and Board Member Vaus absent.

Board Member Elo-Rivera asked staff to clarify the difference between standard, minor service adjustments and the broader service cuts being debated. He noted some confusion on whether the motion would prevent staff from making routine operational changes. Ms. Cooney explained that results from the COA could allow small service adjustments before the full study was completed. These "minor changes," defined under Board Policy 42, could be made without Board approval and would not be considered major service cuts. Ms. Landers confirmed that Policy 42 already authorized such adjustments, while major changes required Board action. Board Member Elo-Rivera clarified that his motion was not intended to restrict staff's existing authority under Policy 42. Instead, it sought to prevent expanded service reductions being treated as part of the financial strategy before studies and Board review were complete. He emphasized his intent was to ensure the Board not staff alone considered major changes.

Board Member Moreno asked whether the motion could pause SANDAG's fare study. Staff clarified that while MTS could convey the Board's preference, SANDAG's process would continue regardless. Moreno expressed frustration at the lack of clarity and suggested sending the item back to the Executive Committee for further review.

Chair Whitburn asked Ms. Cooney about potential delays. Ms. Cooney responded there would be no negative impact, as the CIP development process extended into November.

Board Member Moreno spoke in support of the motion, urging the Board to first review which capital projects would be shifted into operations and to clarify details of recommendation five. She also called for more discussion on MTS's role in the SANDAG fare study to ensure a clear approach.

Amended Motion

Board Member Hall moved to refer the MTS Financial Sustainability strategy item back to the Executive Committee for further review and clarification before returning it to the Board. Board Member Dillard seconded the motion, and the vote was 12 to 0 in favor with Board Member Bush, Board Member Montgomery Steppe and Board Member Vaus absent.

24. Transit Operations Insourcing Feasibility Study Project Update – Cost Projections (Russ Chisholm and James Gerken with Transportation Management Design (TMD), Inc. and Mike Daney)

Mike Wygant, MTS Chief Operating Officer (Bus), Russ Chisholm, TMD Project Principal, and James Gerken, TMD Project Manager, presented on Transit Operations Insourcing Feasibility Study Project Update – Cost Projections. They provided details on: project overview, service performance recap, labor representation recap, insourcing workforce impacts recap, project cost impacts, cost projection – methodology discussion, cost projection – labor, non-labor, comparison, long-term outlook, and next steps.

Public Comment

Salvador Abrica – Representing Teamsters Local 542 at Copley Park made a verbal statement to the Board during the meeting. Salvador Abrica addressed MTS's possible insourcing of services from Transdev. Salvador noted his union has a collective bargaining agreement in place until March 2026 and argued that unions had always been independent, with separate supervision. Salvador opposed shifting members to ATU or IBEW, stating that existing agreements should remain in force.

Board Comment

Vice Chair Goble asked whether ending the Transdev contract before its scheduled expiration would create early exit costs. Vice Chair Goble stressed the importance of understanding whether such termination costs were factored into the financial projections. Mr. Wygant explained that while the contract did include provisions for early termination, doing so could result in demobilization costs. Mr. Chisholm explained that these potential expenses were not included in the current financial model, which assumed Transdev contracts would run through their full terms without midstream termination. Vice Chair Goble noted that if MTS planned to insource services earlier than the contract's natural end date, the termination costs should be explicitly reflected in projections. He recommended that contract end dates and related costs be detailed in the final report. Ms. Cooney agreed that the next phase of analysis would address these issues.

Board Member Dillard thanked staff for the presentation and noted that the report did not include an analysis of the broader economic impacts of insourcing. She said such impacts could include the creation of new jobs, circulation of wages within the local economy, and new business opportunities in the region. Board Member Dillard suggested that future research incorporate this perspective so the Board could fully understand both the financial and economic benefits to cities, districts, and the county. Board Member Dillard emphasized that these impacts were an essential part of evaluating the proposal.

Chair Whitburn thanked staff for their presentation and said the Board looked forward to receiving the next update.

Action Taken

No action taken. Informational item only.

25. Comprehensive Operational Analysis (COA) and OnTrack Update (Brent Boyd and Russ Chisholm & Melissa Sather, TMD)

Brent Boyd, MTS Director of Planning & Scheduling, Russ Chisholm, TMD Project Principal, and Melissa Sather, TMD Project Manager, presented on the Comprehensive Operational Analysis (COA) and OnTrack Update. They provided details on: COA overview, why analyze the MTS transit network, market assessment goals, who rides MTS, how people travel in the service area, when people travel (weekday and weekend), when people travel relative to MTS service, why people travel, changes in market conditions, service evaluation goals, ridership by route, transit access, how service performs by route, subsidy per passenger boarding, summary findings, and next steps.

Public Comment

There were no Public Comments.

Board Comment

There were no Board Comments.

Action Taken

No action taken. Informational item only.

26. Fiscal Year (FY) 2025 Annual Performance Monitoring Report (Brent Boyd and Matthew Grace)

Brent Boyd, MTS Director of Planning & Scheduling, presented on Fiscal Year (FY) 2025 Annual Performance Monitoring Report. He provided details on: Board Policy 42, Policy 42 evaluation criteria, total ridership by month, total ridership by quarter, change by mode, ridership distribution by mode, passengers per revenue hour, on-time performance, financial metrics, major changes in FY25, Copper Line, expected benefit of Copper Line, Route 910 Blue Line Overnight Express, total passengers, ridership recovery vs national trends, ridership by metro area, farebox recovery, subsidy per passenger, financial stats by bus route category, and financial stats vs national trends.

Public Comment

There were no Public Comments.

Board Comment

There were no Board Comments

Action Taken

No action taken. Informational item only.

27. Grants Administration Report (Kena Teon and Julia Tuer)

The Board deferred the staff report for this item.

OTHER ITEMS:

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

There were no Chair, Board Member, or CEO communications.

29. Remainder of Public Comments Not on The Agenda

There were no additional public comments.

CLOSED SESSION

30. Public Comment for Closes Session

There were no public comments.

The Board convened to Closed Session at 11:45 a.m.

31. Closed Session Conference with Legal Counsel – Liability Claim / Significant Exposure to Litigation Pursuant to California Government Code Section 54956.9(d)(2)

Government Tort Claim: Liane Monson (MTS Claim No. TL-09-6490-24)

Closed Session Reconvening

The Board reconvened to Open Session at 11:59 a.m.

Karen Landers, General Counsel, reported the following oral report of final actions taken in Closed Session:

The Board received a report and gave instructions to legal counsel.

ADJOURNMENT

32. Next Meeting Date

The next regularly scheduled Board meeting is October 16, 2025 at 9:00 a.m.

33. Adjournment

The meeting was adjourned at 12:00 p.m.

/s/ Stephen Whitburn

Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

/s/ Lucia Mansour

Clerk of the Board
San Diego Metropolitan Transit System

/s/ Karen Landers

General Counsel
San Diego Metropolitan Transit System