
San Diego Regional Building Authority (SDRBA)

Meeting Agenda

June 26, 2025 at 8:30 a.m.

In-Person Participation:

James R. Mills Building, 1255 Imperial Avenue, 10th Floor [Bay View Library](#), San Diego CA 92101

NO.	ITEM SUBJECT AND DESCRIPTION	ACTION
1.	Roll Call	
2.	Approval of Minutes Action would approve the May 17, 2024 meeting Minutes.	Approve
DISCUSSION AND REPORT ITEMS		
3.	Election of San Diego Regional Building Authority (SDRBA) Officers Action would 1) Elect a Chair and Vice Chair for the SDRBA and; 2) Elect Joann Delgado or her substitute, as the Secretary of the SDRBA Commission.	Approve
4.	James R. Mills Building – Adoption of Operating Budget and Capital Improvement Projects for Fiscal Year 2025/2026 (FY25/26) Action would 1) Approve the proposed FY 25/26 James R. Mills Building Operating Budget (Attachment A) and authorize the Executive Officer to approve the expenditure of \$5,612,585 in accordance therewith; and 2) Approve the proposed FY 25/26 James R. Mills Building Capital Improvement Budget and authorize the Executive Officer to approve the expenditure of \$1,803,458 from the Capital Reserve Account.	Approve
5.	Adoption of Meeting Schedule for 2026 Action would adopt Resolution No. 2025-01 designating dates and times for regular meetings of The San Diego Regional Building Authority in 2026.	Approve
6.	Future of SDRBA Action would provide feedback to staff on need to continue the Joint Powers Agreement.	Possible Action
7.	Mills Building – Authorization to Amend Padres Parking Lease Action would authorize the Executive Director to negotiate and execute a Parking Lease Amendment with the Padres, LP, subject to approval of the San Diego Metropolitan Transit System (MTS) and the County of San Diego (County).	Approve

OTHER ITEMS

8. Public Comments

San Diego Regional Building Authority (SDRBA)

9. Commissioner Member Comments

10. Next Meeting Date: To be determined

11. Adjournment

ASSISTANCE FOR PERSONS WITH DISABILITIES: Contact the Clerk of the Board office at 619-398-9561 or lucia.mansour@sdmts.com with questions or to request meeting material information in an alternative format. To the extent reasonably possible, requests for accommodations, assistance or disability-related accommodations should be submitted at least 72 hours in advance of the meeting so that arrangements may be made. An area in the front of the room is designated for individuals requiring the use of wheelchair or other accessible devices.

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MINUTES

May 17, 2024

1. Roll Call

Vice Chair McCann called the meeting to order at 1:01 p.m. Authority members present included Commissioner Montgomery Steppe and Vice Chair McCann with Chair Vargas absent.

2. Approval of Minutes

Vice Chair McCann moved for approval of the minutes of the January 26, 2024, San Diego Regional Building Authority (SDRBA) meeting. Commissioner Montgomery Steppe seconded the motion, and the vote was 2 to 0 in favor with Chair Vargas absent.

3. James R. Mills Building – Adoption of Operating Budget and Capital Improvement Projects for Fiscal Year 2024/2025 (FY24/25)

Marko Medved, SDRBA Executive Officer outlined: the division of assets, operating expenses and budget, capital improvement expenses and budget, parking revenue, direct owner expenses, revenue contribution.

Action Taken

Vice Chair McCann moved to 1) Approve the proposed FY 24/25 Operating Budget (Attachment A) and authorize the Executive Officer to approve the expenditure of \$5,156,433 in accordance therewith; and 2) Approve the proposed FY 24/25 Capital Improvement Budget (Attachment B) and authorize the Executive Officer to approve the expenditure of \$1,854,757 from the Capital Reserve Account. Commissioner Montgomery Steppe seconded the motion, and the vote was 2 to 0 in favor with Chair Vargas absent.

4. Award of Property Management Agreement for James R. Mills Building and Autopark

Mr. Medved explained the length of the prior management contract with Colliers, the competitive procurement process and the parameters of the new contract with Ryan Companies US.

Vice Chair McCann asked staff to highlight the positives of the newly selected property management firm and contract. Brianda Diaz, MTS Procurement Specialist who led the procurement process, explained that Ryan Companies showcased new and innovative ideas, inspection procedures, additional security measures and emergency preparedness response plans, information technology experience, and maintenance perspective.

Commissioner Montgomery Steppe was concerned that there may be a disconnect between best value and quality of service. She acknowledged the competitive maintenance and operation proposal, compared to other bidders. She asked what caused the contract to be re-solicited. Ms. Diaz clarified that the original 16 year base of the contract was performed and a 6 month extension was approved by the SDRBA to allocate enough time to perform the solicitation for the new contract. Commissioner Montgomery Steppe asked about how the

building goes about working with subcontractors. Karen Landers, MTS General Counsel, stated that building management follows MTS contracting protocols and procedures. Leslie Cusworth, Colliers Building Manager, stated that building management works with third party vendors that adhere to MTS procurement protocols.

Vice Chair McCann acknowledged that competitive procurements are important for good quality contracted services.

Action Taken

Commissioner Montgomery Steppe moved to 1) Authorize Executive Officer of the SDRBA to execute Contract Doc. No. G2732.0-23 24 (in substantially the same format as Attachment A, B, C), the Property Management Agreement between Ryan Companies US Inc. (Ryan Companies) and SDRBA, for a contract term of ten (10) base years with two (2) 3-year options; 2) Authorize Executive Officer the authority to execute option years, at its discretion; and 3) Authorize Executive Officer to execute Amendment 6 to Contract Doc. No G1233.0-09 (in substantially the same format as Attachment D), with Colliers International Real Estate Management Services (CA), Inc. (Colliers) through September 30, 2024 to provide additional transition time. Vice Chair McCann seconded the motion, and the vote was 2 to 0 in favor with Chair Vargas absent.

5. Public Comments

There were no public comments.

6. Commissioner Member Comments

There were no member comments.

7. Next Meeting Date

The next San Diego Regional Building Authority meeting is to be determined.

8. Adjournment

The meeting adjourned at 1:15 p.m.

Chairperson
San Diego Regional Building Authority

Attachment: Roll Call Sheet

San Diego Regional Building Authority (SDRBA)

ROLL CALL

MEETING OF (DATE): May 16, 2024

CALL TO ORDER (TIME) 1:01 p.m.

RECESS _____

RECONVENE _____

ADJOURN 1:14 p.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
McCann	<input checked="" type="checkbox"/>	1:01 p.m.	1:14 p.m.
Montgomery Steppe	<input checked="" type="checkbox"/>	1:01 p.m.	1:14 p.m.
Vargas	<input type="checkbox"/>	ABSENT	ABSENT

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

San Diego Regional Building Authority (SDRBA)

Agenda Item No. 3

June 26, 2025

SUBJECT:

Election of San Diego Regional Building Authority (SDRBA) Officers

RECOMMENDATION:

That the SDRBA Commission:

- 1) Elect a Chair and Vice Chair for the SDRBA and;
- 2) Elect Joann Delgado or her substitute, as the Secretary of the SDRBA Commission.

BUDGET IMPACT:

None.

DISCUSSION:

The Joint Powers Agreement (JPA) establishing the San Diego Regional Building Authority (SDRBA) requires the SDRBA Commission to elect a Chair, Vice Chair, and Secretary. Article III, Section 2 of the SDRBA Rules and Regulations states that:

Section 2. Election of Officers. The Chair, Vice Chair and Secretary shall be chosen by the Commission and each shall hold office until he or she shall resign or shall be removed, shall resign or otherwise shall be disqualified to serve or his or her successor shall be elected and qualified to serve.

The duties of the Officer positions are described in the Rules and Regulations as follows:

Section 5. Chair. The Chair shall preside at all meetings of the Commission and exercise and perform such other powers and duties as may be from time to time assigned to him or her by the Commission or be prescribed by these Rules and Regulations.

The Chair shall also be the chief corporate officer of the Authority and shall, subject to the control of the Commission, have general supervision, direction and control of the business and officers of the Authority. The Chair shall preside at all meetings of the Commission. The Chair shall be ex officio member of all standing committees, and shall have the general powers and duties of management usually vested in the office of Chair of a public corporation and shall have such other powers and duties as may be prescribed by the Commission or by these Rules and Regulations.

Section 6. Vice Chair. In the absence of the Chair, the Vice Chair shall perform all the duties of the Chair and when so acting shall have all the powers of and be subject to all of the restrictions upon the Chair. The Vice Chair shall have such other powers and perform such other duties as may from time to time be prescribed for them, respectively, by the Commission or by these Rules and Regulations.

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Section 7. Secretary. The Secretary shall keep or cause to be kept a book of minutes at the principal office or at such other place as the Commission may order, of all meetings of the Commissioners, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Commissioners' meetings and the proceedings thereof. The Secretary shall give or cause to be given notice of all meetings of the Commission of the Authority, shall keep the corporate records in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Commission or these Rules and Regulations.

Under the SDRBA bylaws, the Commission holds at least one regular meeting each May, and then schedules special meetings as necessary. The SDRBA Commission membership in 2024 included County Supervisor Nora Vargas, County Supervisor Monica Montgomery Steppe, and MTS Board Member John McCann. County Supervisor Nora Vargas resigned from the Board of Supervisors effective January 1, 2025, which also left her SDRBA Commission seat vacant.¹

SDRBA officers were last elected on October 17, 2023, when former SDRBA Commissioner Nora Vargas was elected as Chair and former SDRBA Commissioner John McCann was elected as Vice Chair. As neither Commissioner Vargas nor Commissioner McCann are on the current SDRBA Commission, a new election of these offices is necessary. Further, the role of Secretary has been filled by the MTS Clerk of the Board, Dalia Gonzalez. Ms. Gonzalez resigned this position effective May 15, 2025. Therefore, the Secretary position is also vacant.

MTS proposes that the Secretary position be filled by MTS Deputy Clerk of the Board/Executive Assistant to the General Counsel, Joann Delgado.

Today's action would elect a Chair, Vice Chair, and Secretary for the SDRBA.

¹ At the time that the JPA was entered into in 1987, MTS (then known as MTDB) was a public entity with a board set by statute (Pub. Util. Code section 120000 et seq) and the San Diego Trolley Inc. (SDTI) was a non-profit corporation wholly owned by MTS to operate the trolley. SDTI had a separate and distinct board of directors at that time, including one member that was appointed by the County. Section 2.03 of the JPA states that the SDRBA Commission shall be administered by three (3) commissioners and provides that "The Board of Supervisors of the County shall appoint two (2) Commissioners, one (1) of which shall be a Supervisor who serves on the Board of Directors of [SDTI] and the other which shall be a supervisor who serves on the Board of Directors of MTDB." The third Commissioner would be a member of the MTDB board, appointed by MTDB. In 2007, the SDTI and MTDB/MTS boards were consolidated to be the same 15 members. Since that time, the County has appointed its primary and alternate MTS board members to be its 2 designated SDRBA commissioners. The County's primary and alternate members on the MTS Board must meet the requirements of Pub. Util. Code section 120051 and 120051.6(a) – the supervisors from the two districts with the greatest percentage of their incorporated area that is within MTS's jurisdictional boundary. The two qualifying districts are District 1 and District 4. Although District 3 has the highest percentage of incorporated area in the County (83.7%), it is split between the MTS (56.3%) and NCTD (43.7%) jurisdictional boundaries, causing it to rank third under the statutory criteria for membership on the MTS board.

San Diego Regional Building Authority (SDRBA)

Agenda Item no. 4

June 26, 2025

SUBJECT:

James R. Mills Building – Adoption of Operating Budget and Capital Improvement Projects for Fiscal Year 2025/2026 (FY25/26)

RECOMMENDATIONS:

- 1) Approve the proposed FY 25/26 James R. Mills Building Operating Budget (Attachment A) and authorize the Executive Officer to approve the expenditure of \$5,612,585 in accordance therewith; and
- 2) Approve the proposed FY 25/26 James R. Mills Building Capital Improvement Budget (Attachment B) and authorize the Executive Officer to approve the expenditure of \$1,803,458 from the Capital Reserve Account.

DISCUSSION:

The James R. Mills Building located at 1255 Imperial Avenue (Mills Building) is jointly operated by the County of San Diego (County) and San Diego Metropolitan Transit System (MTS) through ground lease, lease, and sublease agreements with the San Diego Regional Building Authority (SDRBA). The SDRBA is a joint powers authority created by the County and MTS to fund, construct, maintain, and operate the Mills Building.

Under the lease agreements, MTS controls the trolley infrastructure, station areas, a portion of the first-floor retail spaces, most of the eighth floor, and the ninth and tenth floor office areas. County controls the office areas on the second through seventh floors and portions of the first and eighth floors. The parking garage is shared proportionately by the County and MTS. County and MTS pay for individual monthly employee parking spaces, and additional revenue is generated from the garage for daily and special event parking, including an agreement with the Padres for 300 spaces during each Padres home game and some Petco Park special events.

The SDRBA has a property management contractor (Ryan Companies US, Inc. (Ryan Co)) to handle day-to-day operations and maintenance of the Mills Building. Administrative support and oversight is provided by representatives of MTS and the County.

Under Section 5.01(b) the Lease between SDRBA and the County, the SDRBA is responsible for calculating the "Common Costs" owed by County to operate and maintain the Mills Building property. Today's actions would approve the budgets for Mills Building operations and capital improvement projects for FY 25/26.

Mills Building Budget and Expense Overview

The Mills Building Budget is made up of five major categories of expenses and revenue:

1. Operating Expenses. This includes expenses related to property management, janitorial, landscaping, security, utilities, parking, and general repairs and maintenance activities for the

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Mills Building. Under the MTS-County sublease 2nd amendment, MTS pays 35.91% and County pays 64.09% of Operating Expenses.

2. Capital Improvement Expenses. This includes costs for Mills Building Capital Improvements and major repair projects. Under the MTS-County sublease 2nd amendment, MTS pays 35.91% and County pays 64.09% of Capital Improvements. Some projects are in process and may have funding from prior fiscal years. The Capital Improvements totaling \$1,803,458 in the FY 25/26 budget reflect new projects or additional funding for existing projects.
3. Parking Revenue. This is a credit for actual parking revenue from daily parking fees, monthly parking fees for MTS or County employees, the Padres parking lease, and special event parking fees. This credit is used to reduce the required Operating Expense contribution from County and MTS. Based on historical agreements and ownership shares of the garage, which are memorialized in the lease agreements, parking revenue is allocated as follows: MTS 24.95% and County 75.05%.
4. Direct Owner Expenses. This includes expenses that are solely related to either the County's occupancy or MTS's occupancy. They are not split according to the Operating Expenses proportionate share percentage, but are added to either the County or MTS costs shares as appropriate.
5. Unbudgeted Interest Income. This is a credit for unbudgeted interest income as of February 28, 2025. This credit is used to reduce Operating Expense contributions from MTS and the County under the MTS-County sublease 2nd amendment. The credit will be apportioned according to each agency's operating cost share: MTS (35.91%) and County (64.09%).

FY25/26 Mills Building expenses subject to the County/MTS proportionate share allocation are calculated by the following formula:

	+/-		MTS %	County %
Line A	+	Operating Expenses	35.91%	64.09%
Line B	+	Capital Improvement Expenses	35.91%	64.09%
Line C	=		<i>Mills Building Expense Subtotal</i>	
Line D	(-)	Parking Revenue	24.95%	75.05%
Line E	(-)	Unbudgeted Interest Income	35.91%	64.09%
Line F	=		<i>Total Mills Building Expenses Subject to Proportionate Share</i>	
Line G	+	Direct Owner Expenses	Actual \$	Actual \$
Line H	=	Total Mills Building Expenses	<i>MTS Total Mills Building Expenses</i>	<i>County Total Mills Building Expenses</i>

FY 25/26 Operating Budget (Attachment A)

The proposed total Operating Expense budget for FY25/26 totals \$5,612,585. Annual Operating Expenses have increased by approximately 8.85% over the annual Operating Expenses for FY24/25. The primary reasons for the increases are the following: new property management agreement, added one new unarmed security guard and additional

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x-ray training, mandated union wage increases for security and janitorial staff, rubbish removal increases. These increased cost centers are offset by decreases/savings in utilities, phone costs, and pest control.

The proportionate distribution of shared operating expenses is \$2,015,479 (MTS) and \$3,597,106 (County).

FY 25/26 Direct Owner Expense:

Direct Owner Expenses of \$1,584,625 are allocated to MTS \$23,035 and County \$1,561,590 according to their respective use. These costs generally relate to additional utilities, trash collection, cleaning, and security for MTS or County units.

FY 25/26 Capital Improvement Program Budget (Attachment B)

Proposed Capital Improvements in FY 25/26 total \$1,803,458 (Attachment B). Proposed Capital Improvement items for FY 25/26 include:

- upgrading analog cameras;
- additional expansion joint repairs in the clocktower area;
- additional funds for remodel of the restrooms and HVAC ancillary (Air Handler Units and VAV ducting and heating valves) equipment to take advantage of economies of scale;
- replace first floor glass windows with bullet resistant glass;
- EV charging stations and garage roof top solar consultant; and
- replacement of garage entrance and exit pedestrian doors along with the mechanical room doors due to age and weather corrosion.

In addition, three capital projects have been refunded/credited totaling \$667,600 that were previously funded:

- \$120k engineering consultant to remove concrete pedestrian bench/barrier project. Staff has reassessed the need for this project and deemed it unnecessary at this time.
- \$417.6k lobby remodel came in under budget.
- \$130k consultant for new main water boilers. These costs are unneeded because this analysis was included in an overall facility assessment report that was completed.

The proportionate distribution of shared FY 25/26 Capital Improvement Program expenses is \$647,622 (MTS) and \$1,155,836 (County).

Actual Parking Revenue Received:

Total Parking Revenue to be deducted from building operating costs is \$2,081,862. This number reflects total actual parking revenue of \$2,012,752 through February 2025 for FY24/25; and \$69,111 Excess Revenues from Feb 2024 – June 2024 in FY 23/24.

The proposed parking revenue credit is shared according to the agencies' negotiated parking revenue formula: MTS is allocated 24.95%, or \$519,425; the County is allocated 75.05%, or \$1,562,438.

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FY 25/26 Rebate/Credit Unbudgeted Interest Income Received:

Interest income has been calculated by Ryan Companies based on their financial management practices under the new contract that was approved last year. This includes sweeping SDRBA funds into a money market account each day, allowing interest to be earned. Since interest income was not calculated in prior budgets, for this budget year, interest income up to February 28, 2025 has been calculated (\$218,600) and is proposed to be deducted from building operating costs to serve as a credit against the amounts owed by MTS and the County to fund the 25/26 budget.

The proportionate distribution of shared interest income credit is \$78,499 (MTS) and \$140,101 (County).

Estimated Actuals for FY 24/25 Budget

The actual budget performance for the FY 24/25 Mills Building Operating and Capital Expenditure budget is trending approximately \$185,000 (3.6%) over budget compared to the adopted budget. This is mostly due to the new property management contract that added services and additional security personnel that were authorized during the budget year.

FINAL BUDGET SUMMARY

The above budget categories and proportionate shares are set forth in table format below:

Line	+/-	Expenses and Parking Revenue	Current Budget FY 24/25	Estimated Actuals FY 24/25	Proposed Budget FY25/26
A	+	Project Operating Expense	\$ 5,156,433	\$ 5,340,567	\$ 5,612,585
B	+	Total Capital Improvements	\$ 1,854,757	\$ 1,854,757	\$ 1,803,458
C	=	<i>Mills Building Expense Subtotal</i>	\$ 7,011,190	\$ 7,195,324	\$ 7,416,043
D	-	Less: Parking Revenue	\$ (2,311,537)	\$ (2,311,537)	\$ (2,081,862)
E	-	Less: Unbudgeted Interest Income	\$ -	\$ -	\$ (218,600)
F	=	<i>Mills Building Expenses Subject to Proportionate Share</i>	\$ 4,699,653	\$ 4,883,787	\$ 5,115,581
G	+	Direct Owner Expenses	\$ 1,708,279	\$ 1,708,279	\$ 1,584,625
H	=	<i>Total Mills Building Opex and CIP Budget</i>	\$ 6,407,932	\$ 6,592,066	\$ 6,700,206

For the FY 25/26 Mills Building Opex and CIP Budget, the MTS and County cost shares are allocated as follows:

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Line	+/-	Expenses and Parking Revenue	Proposed Budget FY25/26	MTS Share FY 25/26	County Share FY 25/26
A	+	Project Operating Expense	\$ 5,612,585	\$ 2,015,479	\$ 3,597,106
B	+	Total Capital Improvements	\$ 1,803,458	\$ 647,622	\$ 1,155,836
C	=	<i>Mills Building Expense Subtotal</i>	\$ 7,416,043	\$ 2,663,101	\$ 4,752,942
D	-	Less: Parking Revenue	\$ (2,081,862)	\$ (519,425)	\$ (1,562,437)
E	-	Less: Unbudgeted Interest Income	\$ (218,600)	\$ (78,499)	\$ (140,101)
F	=	<i>Mills Building Expenses Subject to Proportionate Share</i>	\$ 5,115,581	\$ 2,065,177	\$ 3,050,404
G	+	Direct Owner Expenses	\$ 1,584,625	\$ 23,035	\$ 1,561,590
H	=	Total Mills Building Opex and CIP Budget	\$ 6,700,206	\$ 2,088,212	\$ 4,611,994

The final cost shares for the FY 24/25 and FY 25/26 budgets are estimated as follows:

TOTAL COST SHARES (Operating Expense, Parking, Capital Improvements and Direct Expenses)			
	Current Budget FY24/25	Estiamted Actuals FY24/25	Proposed Budget FY25/26
MTS Share	\$1,963,640	\$2,029,762	\$2,088,212
County Share	\$4,444,292	\$4,562,304	\$4,611,994
Total	\$6,407,932	\$6,592,066	\$6,700,206

Attachments

- A: Proposed FY 25/26 Operating Budget and Capital Expenditures
- B: Proposed FY 25/26 Capital Improvements
- C: FY 24/25 to FY 25/26 Current vs Proposed Budget
- D: Capital Expenditures Project Summary

James Mills Building
July 2025 Through June 2026
Project Sq. Ft. 183,245
Type: Office

Acct No	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026	Total
REVENUE (Ties to Income Schedule)													
RENT													
33110 MTS Retail Rent: A-Mart (3% Jan COLA CAP)	4,568	4,568	4,568	4,568	4,568	4,568	4,705	4,705	4,705	4,705	4,705	4,705	55,635
	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RENT	4,568	4,568	4,568	4,568	4,568	4,568	4,705	4,705	4,705	4,705	4,705	4,705	55,635
OPERATING EXP REIMB													
	0	0	0	0	0	0	0	0	0	0	0	0	0
33190 HHSA Reimbursed Utilities *(See Board Allocations)	30,225	30,225	30,225	30,225	30,225	30,225	30,225	30,225	30,225	30,225	30,225	30,225	362,705
33130 Trash Removal Reimb (A-Mart)	200	200	200	200	200	200	200	200	200	200	200	200	2,400
TOTAL OPERATING EXP REIMB.	30,425	30,425	30,425	30,425	30,425	30,425	30,425	30,425	30,425	30,425	30,425	30,425	365,105
PARKING INCOME													
34015.001 Parking Padres	0	0	0	0	0	0	0	0	521,375	0	0	0	521,375
34015.002 Parking Game Revenue (See Ace Parking)	130,000	125,000	140,000	0	0	0	0	0	40,000	130,000	150,000	120,000	835,000
34015.003 Parking- Monthly Parking (MTS & Other)(See Ace Parking)	12,100	12,100	12,100	12,100	12,100	12,100	12,100	12,100	12,100	12,100	12,100	12,100	145,200
34015.004 Parking-Daily (Transient) (See Ace Parking)	3,000	2,200	2,000	1,500	1,400	1,400	1,900	2,400	2,400	2,400	2,000	1,900	24,500
34015.005 Parking HHSA Monthly Parking *(See Board Allocations)	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	264,000
0	0	0	0	0	0	0	0	0	0	0	0	0	0
34015.006/38050 Retail Tenants (See Ace Parking)	450	450	450	450	450	450	450	450	450	450	450	450	5,400
34015.007 Parking Contribution MTS *(See Board Allocations)	440	440	440	440	440	440	440	440	440	440	440	440	5,280
Parking - Coupons (combined with monthly parking 4405-2000)	0	0	0	0	0	0	0	0	0	0	0	0	0
34015.009 Parking - Events (See Ace Parking)	32,000	11,000	3,600	7,000	7,500	14,000	5,000	0	0	0	0	0	80,100
TOTAL PARKING INCOME	199,990	173,190	180,590	43,490	43,890	50,390	41,890	37,390	598,765	167,390	186,990	156,890	1,880,855
OTHER INCOME													
33135.001 HHSA Dedicated Security/Janitorial/Pest Control Reimb *(Included in Board Allocations)	77,907	77,907	77,907	77,907	77,907	77,907	77,907	77,907	77,907	77,907	77,907	77,907	934,884
33135.002 MTS Dedicated 1st Floor Exp reimb *(Included in Board Allocations)	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	17,755
38020/35050 Interest Income	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Other Income*	0	0	0	0	0	0	0	0	0	0	0	0	0
33135.003 Contributions MTS-San Diego Opex *(Included in Board Allocations)	118,130	118,130	118,130	118,130	118,130	118,130	118,130	118,130	118,130	118,130	118,130	118,130	1,417,556
33135.004 Contributions San Diego County Opex *(Included in Board Allocations)	157,881	157,881	157,881	157,881	157,881	157,881	157,881	157,881	157,881	157,881	157,881	157,881	1,894,567
33135.005 Contributions MTS-San Diego-Capital *(Included in Board Allocations)	53,969	53,969	53,969	53,969	53,969	53,969	53,969	53,969	53,969	53,969	53,969	53,969	647,622
33135.006 Contributions-San Diego County-Capital *(Included in Board Allocations)	96,320	96,320	96,320	96,320	96,320	96,320	96,320	96,320	96,320	96,320	96,320	96,320	1,155,836
TOTAL OTHER INCOME	515,685	515,685	515,685	515,685	515,685	515,685	515,685	515,685	515,685	515,685	515,685	515,685	6,188,220
TOTAL REVENUE	750,668	723,868	731,268	594,168	594,568	601,068	592,705	588,205	1,149,581	718,205	737,805	707,705	8,489,816

Operating Expenses														Square Feet: 183,245	
														County	MTS
														64.09%	35.91%
														Cost	
														P.S.F.	
														0	0 \$ -
Administration															
51010	Payroll Building Manager	15,492	15,492	15,492	15,492	15,492	15,492	15,492	15,492	15,492	15,492	15,492	185,900	119,143	66,757 \$ 1.01
54094	Telephone	3,909	3,909	3,909	3,909	3,909	3,909	3,909	3,909	3,909	3,909	3,909	46,904	30,061	16,843 \$ 0.26
54030/54040/55010.0															
01,74020,74140	Office Supplies/Postage/Ancillary Costs per Ryan PMA	1,878	1,878	1,878	1,878	1,878	1,878	1,878	1,878	1,878	1,878	1,878	22,533	14,442	8,092 \$ 0.12
	Repairs & Maintenance	0	42	42	0	42	42	0	42	42	0	42	333	214	120 \$ 0.00
55010	Management Fees	11,342	11,342	11,342	11,342	11,342	11,342	11,342	11,342	11,342	11,342	11,342	136,110	87,233	48,877 \$ 0.74

Attachment A: Proposed FY 2019-2020
Operating Budget and Capital Expenditures

Att. A, AI 4, 06/26/2025

James Mills Building																	
July 2025 Through June 2026																	
Project Sq. Ft. 183,245																	
Type: Office																	
Acct No		Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026	Total			
55010.002	Tenant Relations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-
	Other Administrative Expenses	24,265	8,750	8,750	8,750	8,750	8,798	8,750	8,750	45,279	8,750	8,750	8,750	157,096	100,683	56,413	\$ 0.86
Total Administrative		56,886	41,413	41,413	41,371	41,413	41,461	41,371	41,413	77,942	41,371	41,413	41,413	548,877	351,775	197,102	\$ 3.00
General Building																	
61610/61630	Engineers Payroll	24,662	24,662	24,662	24,662	24,662	24,662	24,662	24,662	24,662	24,662	24,662	24,662	295,942	189,669	106,273	\$ 1.62
61880/61860	Repairs & Maintenance	8,392	13,101	5,842	9,092	6,742	8,542	9,092	6,742	5,642	8,392	6,742	5,642	93,965	60,222	33,743	\$ 0.51
61810	Pest Control	7,013	391	391	691	391	391	7,013	391	391	691	391	391	18,536	11,880	6,656	\$ 0.10
61890	Painting	3,600	0	500	3,600	0	500	3,600	0	500	3,600	0	500	16,400	10,511	5,889	\$ 0.09
	Tools & Equipment	300	0	0	300	0	0	300	0	0	300	0	0	1,200	769	431	\$ 0.01
62310/62320	Plumbing	6,402	2,697	10,953	5,337	2,697	3,987	15,308	2,802	3,602	4,602	2,802	4,442	65,630	42,062	23,568	\$ 0.36
62210	Roof	0	0	0	0	0	0	2,414	4,800	0	0	0	0	7,214	4,623	2,591	\$ 0.04
Total General Building		50,369	40,851	42,348	43,682	34,492	38,082	62,389	39,397	34,797	42,247	34,597	35,637	498,887	319,737	179,150	\$ 2.72
Janitorial																	
61410.001/002/003/0																	
04	Cleaning Contract	50,667	50,667	50,667	50,667	50,667	52,667	50,667	50,667	50,667	50,667	52,555	51,915	613,138	392,960	220,178	\$ 3.35
61450	Cleaning Supplies	9,044	9,044	9,044	9,044	9,044	9,044	9,044	9,044	9,044	9,044	9,044	9,044	108,528	69,556	38,972	\$ 0.59
61470	Refuse Removal	7,640	7,640	7,640	7,640	7,640	7,640	8,022	8,022	8,022	8,022	8,022	8,022	93,972	60,227	33,745	\$ 0.51
61430	Window Washing Contract	0	0	0	0	0	0	0	0	9,152	10,748	61,600	0	81,500	52,233	29,267	\$ 0.44
Total Janitorial		67,351	67,351	67,351	67,351	67,351	69,351	67,733	67,733	76,885	78,481	131,221	68,981	897,138	574,976	322,162	\$ 4.45
Electrical & Lighting Systems																	
62110	Electrical Supplies	350	200	200	350	200	200	350	200	200	350	200	200	3,000	1,923	1,077	\$ 0.02
62120,62130	Electrical Repairs & Maintenance	310	310	310	310	310	310	25,060	310	6,310	310	310	310	34,470	22,092	12,378	\$ 0.19
Total Electrical		660	510	510	660	510	510	25,410	510	6,510	660	510	510	37,470	24,015	13,455	\$ 0.20
Elevator																	
61710.001	Elevator Contract	3,593	5,370	3,593	3,593	3,593	3,593	3,593	5,370	3,593	3,593	3,593	3,593	46,670	29,911	16,759	\$ 0.25
61720	Elevator Repair & Maintenance	1,800	1,600	1,800	1,600	6,600	1,600	1,800	1,600	2,000	1,600	2,400	1,600	26,000	16,663	9,337	\$ 0.14
61710.002/61730	Elevator Telephone Lines	497	497	497	497	497	497	497	497	497	497	497	497	5,960	3,820	2,140	\$ 0.03
Total Elevator		5,890	7,467	5,890	5,690	10,690	5,690	5,890	7,467	6,090	5,690	6,490	5,690	78,630	50,394	28,236	\$ 0.40
HVAC																	
62010	HVAC Contract Service	9,675	3,948	3,948	15,448	8,316	7,433	3,948	3,948	3,948	3,948	3,948	3,948	72,459	46,439	26,020	\$0.40
62030	HVAC Materials & Supplies	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000	9,614	5,387	\$0.08
62020	HVAC Repairs & Maintenance	4,550	4,550	4,550	4,550	14,550	4,550	4,550	4,550	42,550	4,550	4,550	4,550	102,600	65,756	36,844	\$0.56
62030	HVAC Water Treatment	490	490	490	490	490	490	490	490	490	490	490	490	5,877	3,767	2,110	\$0.03
Total HVAC		15,965	10,238	10,238	21,738	24,606	13,723	10,238	10,238	48,238	10,238	10,238	10,238	195,936	125,575	70,361	\$ 1.04
Landscape & Grounds																	
62410	Landscape Contract	1,057	1,057	2,657	1,057	1,057	8,509	1,089	1,089	2,689	1,089	1,089	2,689	25,131	16,107	9,025	\$ 0.14
62430	Landscape Materials & Supplies	5,750	165	750	3,250	750	750	3,250	750	750	3,250	750	750	20,915	13,404	7,511	\$ 0.11
62430	Landscape Repairs & Maintenance	250	250	250	6,450	250	250	250	250	250	250	250	250	9,200	5,896	3,304	\$ 0.05
Total Landscape		7,057	1,472	3,657	10,757	2,057	9,509	4,589	2,089	3,689	4,589	2,089	3,689	55,246	35,407	19,839	\$ 0.30
Parking Expenses																	
62675.001/014	Operating Expenses (Ace Parking)	38,859	44,574	40,084	19,159	19,159	20,384	19,659	27,674	43,038	38,859	39,149	40,084	390,682	250,388	140,294	\$ 2.13
62675.002	Parking-Electrical Supplies & Repairs	100	100	100	100	100	100	100	100	100	100	100	100	1,200	769	431	\$ 0.01
62675.003	Parking- Elevator Expenses	2,041	2,041	3,721	2,041	2,041	3,721	2,041	2,041	3,721	2,041	2,041	3,721	31,209	20,002	11,207	\$ 0.17
62675.004	Parking Fire/Life/Safety	320	320	320	320	320	320	8,330	520	320	320	320	320	12,054	7,725	4,328	\$ 0.07
62675.005	Landscape & Grounds	1,027	4,327	527	1,027	527	527	1,027	527	527	1,027	527	527	12,124	7,770	4,354	\$ 0.07
62675.006	Pest Control	95	575	95	95	575	95	95	575	95	95	575	95	3,060	1,961	1,099	\$ 0.02
62675.007	Parking-Materials & Supplies	50	50	2,050	50	730	2,050	50	50	2,050	50	730	2,050	9,960	6,383	3,577	\$ 0.05
62675.008	Parking-Repairs & Maintenance	600	1,350	350	900	150	150	6,850	600	900	150	150	1,350	13,500	8,652	4,848	\$ 0.07
62675.009	Parking-M&S Parking Equipment	45	45	45	45	45	45	45	45	45	45	45	45	540	346	194	\$ 0.00
62675.01	Parking-Sweeping & Steam Cleaning	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	43,800	28,071	15,729	\$ 0.24
62675.011	Parking-Security Contract	59,342	46,293	46,293	44,076	36,341	35,261	45,583	36,466	36,466	56,992	47,875	47,875	538,865	345,359	193,507	\$ 2.94
62675.012	Electricity- Auto park	7,738	7,301	7,699	7,150	6,007	6,372	6,309	6,510	7,323	5,692	6,046	6,579	80,726	51,737	28,989	\$ 0.44
62675.013	Water-Auto park	212	168	168	168	153	153	153	155	196	197	197	197	2,116	1,356	760	\$ 0.01
Total Parking		114,080	110,794	105,102	78,781	69,798	72,828	93,891	78,913	98,431	109,217	101,405	106,593	1,139,835	730,520	409,315	\$ 6.22
Security/Fire/Safety																	
62560.003	SFS- Telephone/Alarm	217	217	1,210	1,642	217	1,210	217	217	1,210	1,642	217	1,210	9,426	6,041	3,385	\$ 0.05

Attachment A: Proposed FY 2019-2020
Operating Budget and Capital Expenditures

James Mills Building

July 2025 Through June 2026

Project Sq. Ft. 183,245

Type: Office

Acct No		Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026	Total			
62560.001/002	SFS- Contract Service	167,516	131,938	125,467	153,718	128,987	146,641	158,050	129,011	129,011	158,050	129,011	129,011	1,686,413	1,080,822	605,591	\$ 9.20
62560.004	SFS-Materials & Supplies	1,050	2,150	225	225	1,775	225	1,025	1,775	225	225	1,775	225	10,900	6,986	3,914	\$ 0.06
62560.005	SFS-Permits/Testing	6,856	292	3,192	2,266	292	1,122	4,569	5,022	292	2,266	292	5,022	31,479	20,175	11,304	\$ 0.17
62560.006	SFS Repairs & Maintenance	5,500	1,500	1,500	1,500	1,500	1,500	5,670	7,329	1,500	1,500	1,500	1,500	31,999	20,508	11,491	\$ 0.17
Total Security/Fire/Safety		181,139	136,097	131,594	159,350	132,771	150,698	169,530	143,354	132,238	163,682	132,795	136,968	1,770,218	1,134,532	635,685	\$ 9.66
Utilities																	
61010	Electricity-Common Area	35,162	40,295	32,192	27,299	22,395	21,310	18,545	18,823	18,878	19,576	22,493	34,890	311,860	199,871	111,989	\$ 1.70
61030	Gas	568	450	564	1,182	1,835	2,892	3,446	3,630	2,595	1,086	950	904	20,103	12,884	7,219	\$ 0.11
61110	Water- Building	4,518	5,758	6,011	4,954	4,525	3,798	4,257	4,390	5,074	5,322	4,703	5,074	58,385	37,419	20,966	\$ 0.32
Total Utilities		40,248	46,503	38,767	33,435	28,756	28,000	26,248	26,843	26,548	25,985	28,147	40,869	390,348	250,174	140,174	\$ 2.13
TOTAL OPERATING EXPENSES		539,644	462,695	446,870	462,816	412,445	429,852	507,289	417,956	511,368	482,160	488,904	450,588	5,612,585	3,597,106	2,015,479	\$ 30.63
Net Operation Income		211,024	261,173	284,399	131,353	182,124	171,216	85,416	170,249	638,213	236,045	248,901	257,118	2,877,231	1,844,017	1,033,214	\$ 15.70
Capital Expenses																	
12700.101	Capital	150,288	150,288	150,288	150,288	150,288	150,288	150,288	150,288	150,288	150,288	150,288	150,288	1,803,458	1,155,836	647,622	\$ 9.84
Total Capital		150,288	150,288	150,288	150,288	150,288	150,288	150,288	150,288	150,288	150,288	150,288	150,288	1,803,458	1,155,836	647,622	\$ 9.84
Direct Owner Expenses (not calculated on 64.09%/35.91% split) *															Based on actual allocations, not % splits:		
66070.001	HHSA Additional Security & Cleaning Expenses	92,585	69,678	69,678	91,851	71,678	69,678	94,475	71,777	71,777	88,153	71,777	71,777	934,884	934,884		\$ 5.10
66080.001	County Electric (floors 2-9)	34,442	34,173	32,867	31,268	29,948	30,168	27,337	26,433	27,066	27,410	29,557	32,036	362,705	362,705		\$ 1.98
66070.002/66080.002	MTS & 1st Floor Tenants	1,662	1,575	1,370	1,385	1,298	1,409	1,583	1,329	1,268	1,398	1,570	1,907	17,755		17,755	\$ 0.10
	County portion City Maint Assoc.	0	0	0	0	0	0	0	0	0	0	0	0	0	0		\$ -
	HHSA Monthly Parking	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	264,000	264,000		\$ 1.44
	MTS Monthly Parking	440	440	440	440	440	440	440	440	440	440	440	440	5,280		5,280	\$ 0.03
Total Tenant Direct Owner Expenses		151,130	127,866	126,356	146,945	125,365	123,695	145,835	121,979	122,551	139,400	125,344	128,160	1,584,625	1,561,590	23,035	\$ 8.65
Total Direct Owner and Capital		301,418	278,154	276,644	297,233	275,653	273,983	296,123	272,267	272,839	289,688	275,632	278,448	3,388,083	2,717,426	670,657	\$ 18.49
Adjusted Cash Flow after Direct and Capital		-90,394	-16,981	7,755	-165,880	-93,529	-102,767	-210,707	-102,018	365,374	-53,643	-26,731	-21,330	-510,852			
															-510,852		

*Direct Owners Expenses are not calculated on a split and are charges attributed 100% to either MTS or the County.

James R Mills Building

Budget for 2025-2026

For all other years, see hidden rows and columns

Project	Job #	2024/2025	2025/2026	Status	Notes:
9190 BUILDING IMPROVEMENTS Security Camera Upgrades© And Software Upgrades And Add New Intercom system/Camera System X Ray & Metal Detector © Repairs For Expansion Joints In Plaza Sidewalks Electrical Tracing of Individual Floors to Identify Floor Breakers DWS isolation valves and access panels restrooms per floor Engineering Consultant to remove Concrete stairs (at the pedestrian gate) Remodel Restrooms (6 Floors) and architectural fees. Bullet Resistent 1st floor glass/windows replacement					
	#015	\$ 157,000	\$ 142,100	Proposed/up coming	Security Cameras - upgrade analog cameras to digital, add an additional 8 cameras and add new card readers interior and exterior of the garage. Added voice announcers and additional card readers on exterior mechanical and Auto Park doors.
	#014	\$ 53,587		WIP	Xray new equipment for the lobby. To be installed and completed in April 2025.
	#048	\$ 58,900	\$ 61,200	Proposed/up coming	Caulking of expansion joints Contract awarded. Continued safety precaution for caulking of expansion joints for clock tower plaza. To be completed in August 2025, and is ongoing each year.
	#067	\$ 138,500		WIP	Electrical Tracing Contract awarded, to be completed August 2025. Identify breakers for each floor on panels.
	#068	\$ 35,000		WIP	DWS isolation valves and access panels to be combined with the remodel of restrooms.
	#063		\$ (120,000)	Voided	Engineering Consultant to remove Concrete stairs (at the pedestrian gate) - Hiring a consultant to review security challenges of loitering and better pedestrian traffic analysis to remove these concrete stairs ingress and egress at the pedestrian walkthrough at the auto park. To be reconsidered in the future.
	#069	\$ 625,000	\$ 991,258	Proposed/up coming	Restrooms remodel 3 floors to coincide with air handler. Architect will be submitting plans to the city for approval after 2025/2026 Board approval to combine an additional 3 (for a total of 6) restrooms to take advantage of economies of scale.
			\$ 357,000	Proposed/up coming	
			\$ 1,431,558		
TOTAL 9190 BUILDING IMPROVEMENTS					
LOBBY UPRADES Space Planner And Construction Management Fees Lobby (Job #009, 031 & 055) came in under budget and returning funds.					
	#009	\$ 78,220		WIP	Space planner and construction management fees – Additional space planning for project management fees and city and state permits. 24/25/26 for space planning for the restrooms design and & window washing stage project management and administration processing.
	#009		\$ (417,600)	Complete	Lobby Remodel (Job #009, 031 & 055) came in under budget and returning funds less 10% contingency due to the change in management companies (\$464,000*.90%)
		\$ 78,220	\$ (417,600)		
TOTAL LOBBY UPRADES					
HVAC Updgrades Consultant For New Main Water Boilers HVAC Ancillary Equipment Replacement Per Consultant For AHU And Chilled Water Valves (3 Floors) HVAC Ancillary Equipment Replacement Per Consultant For Vav, Ducting And Heating Valves (3 Floors)					
	#050		\$ (130,000)	Voided	Main water boilers consultant was not necessary as we had the facility assessment review to analyse the necessity.
	#057	\$ 191,250	\$ 229,500	Proposed/up coming	HVAC implementation of air handler unit and chilled water valves for 3 floors per consultant report due to the age of the asset. (previous funded year - WIP) 3 floors of restrooms remodel to coincide with air handler. Architect will be submitting plans to the city for approval after 2025/2026 Board approval to combine an additional 3 (for a total of 6) restrooms to take advantage of economies of scale.
	#058	\$ 166,800	\$ 292,000	Proposed/up coming	HVAC implementation of VAV, ducting and heating valves for 3 floors per consultant report due to the age of the asset. (previous funded year - WIP) 3 floors of restrooms remodel to coincide with air handler. Architect will be submitting plans to the city for approval after 2025/2026 Board approval to combine an additional 3 (for a total of 6) restrooms to take advantage of economies of scale.
		\$ 358,050	\$ 391,500		
TOTAL HVAC UPGRADES					
AUTOPARK IMPROVEMENTS Auto Park Signage Program (moved to Job#004) Auto Park Interior Painting (moved to Job#004) Consultant for Roof Top solar panels and EV Charging Stations Doors & Frames parking Garage (3). Added 2025/2026 firepump room and MPOE new doors					
	#004	\$ 120,000		WIP	MTS garage electrical signage Update and replace.
	#004	\$ 71,000		Complete	Paint 6th floor upper deck all red paint. Complete.
	#024		\$ 200,000	Proposed/up coming	Charging stations to the Auto Park add additional charging stations to the Auto Park and rooftop solar panels. In order to make this improvements, we will need a consultant to research electrical and structural requirements.
	#070	\$ 92,500	\$ 81,680	Proposed/up coming	Pedestrian garage doors replace pedestrian garage doors and fire pump room door and add badge access to rear pedestrian door.
		\$ 283,500	\$ 281,680		
TOTAL AUTOPARK IMPROVEMENTS					
LANDSCAPE IMPROVEMENT Monument Plaza Upgrade Landscape, Lighting And Way Finding					
	#043	\$ 32,000		WIP	Monument Signage & Landscape to duplicate new monument for Imperial with both tenants branding
TOTAL LANDSCAPE IMPROVEMENTS					
FLS UPGRADES Additional FLS Code Compliance (Additional Interior Signage/Evacuation Plan Per Fire Marshall) GFI 3 Year Certification And Electrical Repairs GFI testing and calibration (every 5 years budgeted in 22/23) \$71,320 Includes full building shut down.					
	#010	\$ 35,000	\$ 45,000	Proposed/up coming	Additional FLS (Fire Life Safety) code compliance - annual allowance for Fire Marshall inspections
	#061		\$ 71,320	Proposed/up coming	GFI 3 Year Certification needed
		\$ 35,000	\$ 116,320		
TOTAL FLS UPGRADES					
TOTAL BUILDING CAPITAL					
		\$ 1,854,757	\$ 1,803,458		

ATTACHMENT C
MILLS BUDGET FY 24-25 TO FY 25-26 COMPARISON: CURRENT VS. PROPOSED

PROJECT OPERATING EXPENSE CATEGORIES:	2024/2025 Budget	2025/2026 Budget	DIFFERENCES \$	DIFFERENCE %	NOTES
	(Budget)	(Proposed Budget)	(Budget to Budget)	(Budget to Budget)	
	\$ -	\$ -	\$ -		
ADMINISTRATION and ENGINEERING EXPENSE	\$ 398,025	\$ 548,877	\$ (150,851)	37.90%	Increase due to new Ryan PMA & 4% increase in wages, and audit fees added.
GENERAL BUILDING	\$ 436,337	\$ 498,887	\$ (62,550)	14.34%	Increase due to new Ryan PMA & 4% increase in wages for engineers, add'l glass repair, offset by reduced contract for waterless urinal service & mainline jetting.
JANITORIAL	\$ 762,620	\$ 897,138	\$ (134,518)	17.64%	Increase due to union mandated wage increases, refuse removal rate increase, and new drone technology window washing.
ELECTRICAL & LIGHTING SYSTEM	\$ 16,594	\$ 37,470	\$ (20,876)	125.81%	Increase due to annual infrared testing and exterior light poles ultrasound testing.
ELEVATORS	\$ 113,874	\$ 78,630	\$ 35,244	-30.95%	Decrease due to new digital technology which decreases maintenance because it's now a web-based system, and a renegotiated contract rate.
HVAC SYSTEM	\$ 200,616	\$ 195,936	\$ 4,680	-2.33%	
LANDSCAPE & GROUNDS	\$ 59,042	\$ 55,246	\$ 3,795	-6.43%	
PARKING EXPENSES	\$ 1,062,378	\$ 1,139,835	\$ (77,457)	7.29%	Increases due to wage increases for security (union manadated) & parking staff, higher R & M costs; offset by reducing OT security hours, lower utilities and phone costs.
SECURITY/FIRE/SAFETY	\$ 1,655,711	\$ 1,770,218	\$ (114,507)	6.92%	Increases due to adding (1) new guard, wage increases for security (union mandated), add'l gatewatch staffing & new tactical enhanced multi-threat vests; offset by decreases due to purchase of new Xray machine.
UTILITIES	\$ 451,235	\$ 390,348	\$ 60,887	-13.49%	Variance is due to refined utility budget process based on tracking capabilities and 5-year analytical data.
			\$ -		

(equals) TOTAL PROJECT OPERATING EXPENSE	\$ 5,156,433	\$ 5,612,585	\$ 456,153	8.85%	8.85% increase in the 25/26 budget for all building & auto park expenses due to wage increases for security, janitorial, & parking staff, administrative wages & new PMA mgmt agreement, general building: offset by decreases in utility costs & SFS.
Less: ACTUAL PARKING REVENUE RECEIVED	\$ 2,311,537	\$ 2,081,862	\$ (229,674)	-9.94%	Decrease in actual parking revenues totaling variance of (\$229.7k) is due to: •(\$372.6k) less excess revenues from PY Reconcile (actuals vs. reforecast). •\$128k less projected game revenues in 25/26 •12.5k Offset by Padres lease increases.
(plus) DIRECT OWNER BILLINGS	\$ 1,708,279	\$ 1,584,625	\$ (123,654)	-7.24%	Decreases due to utility costs lower resulting from refined utility budget process based on tracking capabilities and 5-year analytical data, bed bug treatment reductions, & reducing OT hours on certain shifts; offset by wage increases for security & janitorial (union mandated).
Less: UNBUDGETED INTEREST INCOME THRU 2/28/25	\$ -	\$ 218,600	\$ 218,600	100.00%	Refund/credit 24/25 actual interest income thru 2/8/25
(equals) OWNERS OPERATING CONTRIBUTION	\$ 4,553,175	\$ 4,896,748	\$ 343,573	7.55%	Owners Operating Contribution is greater than PY due to 8.89% operating expense increase, and decrease in PY parking revenues credit; offset by less owner direct expenses
(plus) OWNERS CAPITAL PROJECTS CONTRIBUTION + AMENDED	\$ 1,854,757	\$ 1,803,458	\$ (51,299)	-2.77%	Capex decreased overall FY 25-26 by (\$51.3k) (2.77%). Actual new capital jobs are up 33.23%, but this is offset by three jobs voided totaling (\$667.6k) (returning all but 10% of lobby remodel under budget to reserve for bathroom architects 1st 3 floors, and water boiler and concrete stairs consultants).
Restore Operating Reserves due to a Parking Revenue shortfall	\$ -	\$ -	\$ -		

(equals) ANNUAL OWNER'S EXPENSE	\$ 6,407,932	\$ 6,700,206	\$ 292,274	4.56%	Owner's Annual Expense increased 7.97% due to: Increase in Expenses: •Opex increased 8.85% Offset by decreases: •Capex (CIP) decreased 2.77% •Parking Revenues decreased 9.94% •Direct Owner Expense decreased 7.24%
(minus) CAPITAL RESERVE ACCOUNT DRAW DOWN	\$ -	\$ -			
(minus) OPERATING ACCOUNT TRANSFER		\$ -			
(equals) TOTAL PROJECTED NET PROJECT EXPENSE	\$ 6,407,932	\$ 6,700,206	\$ 292,274	4.56%	Owner's Annual Expense increased 7.97% due to: Increase in Expenses: •Opex increased 8.85% Offset by decreases: •Capex (CIP) decreased 2.77% •Parking Revenues decreased 9.94% •Direct Owner Expense decreased 7.24%

Attachment "D" - Capital Expenditure Project Summary

Proposed and/or upcoming projects		Job #
1	Additional FLS (Fire Life Safety) code compliance - annual allowance for Fire Marshall inspections	010
2	Security Cameras & Xray upgrade: Upgrade analog cameras to digital, an additional 8 cameras and add new card readers interior and exterior of the garage, and new X-ray modern technology for the lobby. Added voice announcers and additional card readers on exterior mechanical and Auto Park doors.	015
3	EV Charging station & Roof Top Solar Panels: To add additional charging stations to the Auto Park and rooftop solar panels. In order to make this improvements, we will need a consultant to research electrical and structural requirements.	024
4	Building restrooms hands free faucets , hands free flush valves – Additional funds to complete auto flush and hands free sinks for floors 2,3,4 and 5	039
5	Repairs For Expansion Joints In Plaza Sidewalks: caulking necessary for safety of pedestrians. Contract Awarded. To be completed in August 2025, and is ongoing each year.	048
6	HVAC: implementation of air handler unit (AHU) and chilled water valves for 6 floors per consultant report due to the age of the asset. HVAC implementation of air handler unit and chilled water valves for 3 floors per consultant report due to the age of the asset. (previous funded year - WIP) 3 floors of restrooms remodel to coincide with air handler. Architect will be submitting plans to the city for approval after 2025/2026 Board approval to combine an additional 3 (for a total of 6) restrooms to take advantage of economies of scale.	057
7	HVAC: implementation of VAV, ducting and heating valves for 6 floors per consultant report due to the age of the asset. HVAC implementation of VAV, ducting and heating valves for 3 floors per consultant report due to the age of the asset. (previous funded year - WIP) 3 floors of restrooms remodel to coincide with air handler. Architect will be submitting plans to the city for approval after 2025/2026 Board approval to combine an additional 3 (for a total of 6) restrooms to take advantage of economies of scale.	058
8	Remodel Restrooms (6 Floors): 3 floors of restrooms remodel to coincide with air handler. Architect will be submitting plans to the city for approval after 2025/2026 Board approval to combine an additional 3 (for a total of 6) restrooms to take advantage of economies of scale.	069
9	Doors & Frames parking Garage (3) (Job #070): the pedestrian doors to be replaced and card access to be installed. Added 2025/2026 firepump room and MPOE new doors	070
10	Bullet Resistent 1st floor glass/windows replacement	to assign
11	Fencing For Auto park Exterior Transformer - SW Side Of Auto park- Security fence needed.	to assign
Work in progress:		Job #
1	Auto Park Signage Program: to re-brand the garage with MTS updated imagery.	004
2	Upgrade Fire Control Panel	045
3	Exterior landscape auto park – Upgrade the exterior landscape of the garage for a more cohesive design with all California Native plant material.	052
4	Window washing stage repairs required – During resent inspections of the swing stage equipment for the building, it was brought to our attention by Sky rider and A-Plus Window some upgrades that the current equipment is in need in order to bring up to code compliance required by OSHA California.. These upgrades require repairs and replacement of critical equipment use to clean the glass and the safety of the workers utilizing the swing stage. (Exploring drone window washing opportunities which would void this project).	053
5	HVAC implementation of fresh air intake and exhaust fans on the roof per consultant report due to the age of the asset, combined with restroom remodel.	059
6	Engineering Consultant to remove Concrete stairs (at the pedestrian gate) - Hiring a consultant to review security challenges of loitering and better pedestrian traffic analysis to remove these concrete stairs ingress and egress at the pedestrian walkthrough at the auto park. Revisiting this project.	063
7	EMS Software upgrade - Emergency management proprietary system complete	064
8	HVAC Ancillary Equipment Replacement Per Consultant For Boiler Replacement, combined with restroom remodel.	065
9	HVAC Ancillary Equipment Replacement Per Consultant For Motors And VFDS For Central Plant, combined with restroom remodel.	066
10	Electrical Tracing of Individual Floors To Identify Floor Breakers	067
11	DWS isolation valves and access panels restrooms per floor	068
Completed		Job #
1	Clock tower refurbishment - Clock movements and face to be refurbished.	029
2	EMERGENCY MANAGEMENT SYSTEM	037
3	Paint Fire Pump room – floors and walls painted	041
4	Paint Chiller room - floors and walls painted	041
5	HVAC for the Fire control room – add supply and return to this room	042
6	Landscape Monument – to add directory signage and lighting and California Native plant material. (Contract executed, work in progress)	043
7	Monument Plaza Upgrade Landscape, Lighting And Way Finding: upgrade existing monument to mirror new image and brands.	043
8	Auto Park Security Camera Install	060
9	Gfi 3 Year Certification And Electrical Repairs	061
10	Asset assessment consultant review - Per SDRBA full overview of asset and recommendations for ten year capital plan. Awaiting County invoice.	062
11	Upgrade Allerton EMS System- Eliminate All Time Clocks.	064

San Diego Regional Building Authority (SDRBA)

Agenda Item No. 5

June 26, 2025

SUBJECT:

Adoption of Meeting Schedule for 2026

RECOMMENDATION:

That the Board of Commissioners adopt Resolution No. 2025-01 designating dates and times for regular meetings of The San Diego Regional Building Authority in 2026.

DISCUSSION:

The San Diego Regional Building Authority (SDRBA) bylaws require that the SDRBA Commission either hold its regular meeting on the same day as the County Board of Supervisor's first Land Use session (Wednesday) meeting in May of each year, or that it adopts a regular meeting schedule. (See Article II, Section 5.)

Because of historical schedule conflicts and time constraints for commissioners on the designated County Board of Supervisor's May Land Use meeting dates,¹ the following regular meeting schedule is proposed for the SDRBA Commission's 2026 calendar via Resolution No. 2025-02:

2026 SDRBA MEETING SCHEDULE
In-person and teleconference participation will be posted on the agenda of each respective meeting.
Thursday, May 14, 2026 at 8:30am
In the event a quorum cannot be reached on the above date, the Clerk of the SDRBA shall have the right to identify and publicly notice an alternate meeting date in May 2026, so long as such actions comply with the Brown Act

The proposed SDRBA meeting date coincides with the anticipated MTS Board of Directors meeting date for May 2026. The official MTS board meeting schedule will not be adopted until November or December 2025. MTS board meetings start at 9:00am, so the SDRBA meeting on this date would take place at the MTS offices during the thirty (30) minutes before the MTS meeting.

Attachments: A. Resolution No. 2025-01

¹ The Board of Supervisors meeting schedule for 2026 is not expected to be adopted until December 2025.

RESOLUTION NO. 2025-01

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE SAN
DIEGO REGIONAL BUILDING AUTHORITY DESIGNATING DATES AND
TIMES FOR REGULAR MEETINGS OF THE SAN DIEGO REGIONAL
BUILDING AUTHORITY IN 2026

WHEREAS, the San Diego Regional Building Authority (the "Authority") is a joint powers authority the County of San Diego (the "County") and San Diego Metropolitan Transit System (the "MTS") created to jointly finance, construct and manage the Mills Building property located at 1255 Imperial Avenue and as a means to finance other public capital improvements for its members; and

WHEREAS, section 2.04 (a) of the Joint Powers Agreement requires the Authority to have one regular meeting each year. The date, hour and place of the holding of regular meetings must be fixed by resolution;

NOW, THEREFORE, BE IT RESOLVED, that the Authority approves the proposed 2026 Meeting Schedule, to include one meeting on May 14, 2026 at 8:30 am, or on another date in May 2026 to be identified and publicly noticed by the Clerk of the Authority in compliance with the Brown Act.

PASSED AND ADOPTED, by the Authority this 30th day of May 2025, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

Attested:

Chairperson
San Diego Regional Building Authority

Secretary/Clerk of the Board
San Diego Regional Building Authority

RESOLUTION NO. 2025-01

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE SAN
DIEGO REGIONAL BUILDING AUTHORITY DESIGNATING DATES AND
TIMES FOR REGULAR MEETINGS OF THE SAN DIEGO REGIONAL
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WHEREAS, the San Diego Regional Building Authority (the "Authority") is a joint powers authority the County of San Diego (the "County") and San Diego Metropolitan Transit System (the "MTS") created to jointly finance, construct and manage the Mills Building property located at 1255 Imperial Avenue and as a means to finance other public capital improvements for its members; and

WHEREAS, section 2.04 (a) of the Joint Powers Agreement requires the Authority to have one regular meeting each year. The date, hour and place of the holding of regular meetings must be fixed by resolution;

NOW, THEREFORE, BE IT RESOLVED, that the Authority approves the proposed 2026 Meeting Schedule, to include one meeting on May 14, 2026 at 8:30 am, or on another date in May 2026 to be identified and publicly noticed by the Clerk of the Authority in compliance with the Brown Act.

PASSED AND ADOPTED, by the Authority this 30th day of May 2025, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

Attested:

Chairperson
San Diego Regional Building Authority

Secretary/Clerk of the Board
San Diego Regional Building Authority

Resolution No. 2025-01

San Diego Regional Building Authority (SDRBA)

Agenda Item No. 6

June 26, 2025

SUBJECT:

Future of SDRBA

RECOMMENDATION:

That the Board of Commissioners provide feedback to staff on need to continue the Joint Powers Agreement.

DISCUSSION:

The San Diego Regional Building Authority (SDRBA) was primarily created in 1987 to provide a financing vehicle to purchase property and construct what is today the James R. Mills office building and parking garage located at 1255 Imperial Avenue in San Diego, CA.

The project was jointly planned, funded, constructed, operated, and maintained by the County of San Diego (County) and San Diego Metropolitan Transit System (MTS). For the 1255 Imperial Ave project, MTS already owned the main office building and trolley station parcel, but the SDRBA purchased the parking garage parcel with funding contributed by County and MTS. Construction of the two structures was funded by a bond/certificates of participation transaction. The costs of that transaction were then paid by County and MTS according to proportionate shares set forth in lease documents related to the property.

	Lessor	Lessee	Obligations Transferred
<i>Ground Lease</i> Office building property	MTS	SDRBA	Gave SDRBA right to construct office building; SDRBA pays ground rent to MTS.
<i>Lease</i> Office building and Parking Garage	SDRBA	County	Gave County right to operate and maintain the office building and parking garage; transferred ground lease rent and bond/certificates of participation obligations to County; County has responsibility for all costs related to office building and parking garage.
<i>Sublease</i> Portions of Office building and Parking Garage	County	MTS	Gave MTS right to occupy certain portions of building and parking garage; obligation to pay proportionate share of costs to operate, maintain, and repay bonds for construction of the building assumed by County under the Lease with SDRBA.

The certificates of participation that were used to fund construction of the 1255 Imperial Avenue project were fully paid off in 2019. The only remaining connection of the SDRBA to the project is the long-term Ground Lease and Lease documents listed above.

Over the years, the SDRBA was also used by the County to fund other projects – such as a San Miguel Fire Protection District fire station and the County Operations Center (COC). However, the fire district project was fully repaid/refunded in 2020 and the COC project is expected to be refunded and then

San Diego Regional Building Authority (SDRBA) is a joint powers agency of the
County of San Diego and the San Diego Metropolitan Transit System (MTS)

San Diego Regional Building Authority (SDRBA)

refinanced with a non-SDRBA entity in 2025. At that time, there will be no outstanding debt obligations of the SDRBA.

A question for the SDRBA Commission is whether staff should prepare an analysis to recommend to the MTS and County governing boards that the SDRBA Joint Powers Agreement be terminated and the entity unwound. If that was the case, the Ground Lease / Lease / Sublease agreements would need to be revised to remove the SDRBA and simply leave in the existing agreements between County and MTS for operation and maintenance of the 1255 Imperial Avenue property.

Previously, on May 24, 2021 (AI 7), the SDRBA Commission authorized staff to negotiate amendments to the Mills Building Lease and Ground Lease with MTS and the County in order to simplify the administration of building operations. That negotiation has not yet taken place, but would be part of the above “Future of the SDRBA” analysis and efforts.

San Diego Regional Building Authority (SDRBA)

Agenda Item No. 7

June 26, 2025

SUBJECT:

MILLS BUILDING – AUTHORIZATION TO AMEND PADRES PARKING LEASE

RECOMMENDATION:

That the San Diego Regional Building Authority (SDRBA) Board of Commissioners authorize the Executive Director to negotiate and execute a Parking Lease Amendment with the Padres, LP, subject to approval of the San Diego Metropolitan Transit System (MTS) and the County of San Diego (County).

DISCUSSION:

In 2007, the SDRBA, County, and MTS entered into a parking lease with the Padres. The lease guarantees the Padres up to 300 parking spaces in the Mills Building parking garage for each Petco Park home game and up to 20 special events each calendar year. The Padres pay for the home games in one upfront payment every March. The rate is a 30% discount off of the rate charged at the neighboring Tailgate Park lot on Imperial Avenue and the P-1 (Padres Parkade) Garage on 10th Avenue (the agreed fair market “Comparison Set” in the lease). The lease was amended in 2019 to clarify the option terms, update the formula for calculating rent, and resolve a back rent dispute. (See SDRBA 4/16/19, Agenda Item 4.)

Under the Padres Parking Lease, the first 5-year option period begins next calendar year (January 1, 2026 to December 31, 2030). This also marks the first market adjustment date for the rental rate since the 2019 amendment. The market adjustment will increase the per space rental rate to the greater of 2.5% over the prior year’s rate, or 70% of the upcoming year’s Average Parking Rate at the Comparison Set lots.

The Padres have requested that the SDRBA, County, and MTS negotiate revisions to the lease that would:

- (1) allow the Padres to reduce their parking space allotment from 300 to 150 spaces [the current Lease gives the Padres the unilateral right to reduce their allotment to 167 spaces this upcoming year, and to further reduce their allotment every two years, to a minimum of 25 spaces];
- (2) have an option to add back spaces on a year-by-year basis [this issue is not currently addressed in the lease]; and
- (3) to base the market adjustment calculation on the prior year’s actual average parking rate at each comparison garage, as opposed to the “posted” game day rate anticipated for the upcoming year’s game schedule.

San Diego Regional Building Authority (SDRBA)

The revenue impact, if any, for the above lease changes would be directly borne by the County and MTS, since this revenue is used to offset the two agencies' costs to operate and maintain the Mills Building property. There is no financial impact on the SDRBA. Staff proposes that the SDRBA Board authorize the Executive Director to negotiate and execute a lease amendment with the Padres, subject to the County and MTS approving the lease changes under their individual agency policies and procedures.