

MINUTES
MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
EXECUTIVE COMMITTEE

April 9, 2026

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

1. Roll Call

Chair Whitburn called the Executive Committee meeting to order at 9:02 a.m. A roll call sheet listing Executive Committee member attendance is attached as Attachment A.

2. Public Comment

There were no Public Comments.

3. Approval of Minutes

Vice Chair Goble moved to approve the minutes of the March 12, 2026, MTS Executive Committee meeting. Chair Whitburn seconded the motion, and the vote was 4 to 0 in favor with Board Member Fernandez, Board Member Montgomery Steppe and Board Member Moreno absent.

[Clerks Note: Agenda noted action would approve the March 19, 2026, Executive Committee meeting however, the minutes approved were for the March 12, 2026, Executive Committee meeting]

DISCUSSION ITEMS (ITEMS 5 AND 6 TAKEN OUT OF ORDER)

4. Fiscal Year (FY) 2027 Operating Budget Discussion (Gordon Meyer)

Gordon Meyer, MTS Manager of Financial Planning, presented on the FY 2027 Operating Budget Discussion. He presented on: FY 2027 operating budget financial sustainability, budget development process, passenger fare revenue, other operating revenue, sales tax revenues, Federal Transit Administration (FTA), Senate Bill (SB) 125, other subsidy revenue, revenue summary and service levels, expense assumptions for personnel, purchased transportation, outside services, energy, other and expenses summary. He reviewed the consolidated revenues less expenses, preliminary 5-year forecast without fare increase, and preliminary 5-year forecast with fare increase and budget development next steps.

Public Comment

Christopher – Provided a verbal statement to the Board during the meeting. Christopher stated that he was calling as a San Diego resident and on behalf of an anonymous employee, saying that comments made by Board Member Dillard at the last Board Meeting harmed employee morale. He argued that most staff earned under \$80,000 and that a wage freeze would worsen conditions and risk workforce loss, calling for her resignation. Christopher also criticized Board Member Elo-Rivera for policies he said increased resident costs, questioned his stance on wage freezes, and called for his resignation. He concluded by thanking the Board and urging support for employees.

Sara Ochoa – Provided a verbal statement to the Board during the meeting. Sara thanked staff efforts and urged that fare increases or service cuts remain a last resort, emphasizing that reliance of many residents on public transit. She also raised equity concerns about transit funding solutions, offering support for future revenue measures.

Minola Clark Manson – Provided a verbal statement to the Board during the meeting. Minola stated that many riders could not afford fare increases and urged the Board to preserve routes and treat the fare hikes as a last resort. She noted that economic challenges could increase transit reliance while higher fares might reduce ridership, and thanked the Board.

Committee Comment

Board Member Dillard proposed replacing the proposed 0% growth in non-union personnel costs with a lump sum payment as follows:

Eligible non-union employees would receive a one-time lump sum payment equal to 4% of their annual salary, limited to full-time staff with at least one year of service, and exclude executive roles and salaries over \$200k. The payment does not affect base salary or benefits and would be issued around Thanksgiving, with a follow-up report to the Board on fiscal and workforce impacts.

Board Member Dillard stated that the proposal aimed to direct resources toward lower-paid employees, support retention, and avoid long-term cost increases, estimating savings of about \$4M over five years.

Vice Chair Goble asked whether the increase in ridership in March was related to rising gas prices. Mr. Meyer stated that rising gas prices were believed to be a contributing factor to increased ridership, though the data was preliminary, and noted that ridership had risen across both Trolley and bus services. Vice Chair Goble recalled that when gas prices previously exceeded \$5.00 per gallon, ridership had also increased, and noted uncertainty about how long such trends would last, expressing hope that gas prices would decline.

Vice Chair Goble asked for clarification on a negative reserve figure shown on Slide 17, noting confusion from an accounting perspective and requesting an explanation of how the negative amount should be interpreted. Mr. Meyer explained that the negative reserve figure reflected contributions from two self-funded reserves, including the San Diego and Arizona Easter (SD&AE) Department and For Hire Vehicle Administration (FHVA). He clarified that while some reserves were used to balance budgets, excess revenues in the SD&AE department resulted in a net contribution to reserves.

Vice Chair Goble referenced Slide 20 and noted that many unrepresented employees were in bus and rail operations. He asked how staff planned to achieve zero expense growth, including whether it could involve balancing wage increases with reductions in positions. Sharon Cooney, MTS Chief Executive Officer (CEO), explained that achieving zero expense growth would involve a range of tiered strategies, including potential position freezes, adjustments based on operational needs, and maintaining appropriate pay structures to avoid supervisory compression. She added that flexibility would be necessary to balance these factors and meet budget targets.

Vice Chair Goble requested future data comparing security costs per thousand passengers to other agencies, noting a concern that security presence may be higher than necessary at times.

Vice Chair Goble raised concerns about the legality of non-pensionable lump-sum payments and emphasized the importance of treating the organization as a unified team. He stated that he did not support the proposed motion and instead advocated for at least a 3% wage increase pool to be distributed across employees.

Board Member Moreno thanked staff for the presentation and expressed appreciation for securing the Caltrans Planning Grant to conduct the Otay Mesa study. Mr. Meyer stated that the

total grant awarded was \$500k, with \$300k planned for FY27 and the remainder for FY28. Mr. Thompson stated that the Request for Proposal (RFP) process to select a vendor was ongoing. He announced Beverly Neff, MTS Manager of Planning and Reporting, as the project lead, and noted that the study was expected to begin in October. Board Member Moreno advocated for the creation of a Budget Committee to further examine the details of the budget. She highlighted potential opportunities to pursue flexible TransNet major corridor capital funds to support MTS.

Board Member Moreno expressed uncertainty about the motion on the floor and requested clarification, while supporting flexibility for the CEO in allocating raises. She also noted concerns about staff retention, competitiveness, and the high cost of living, including that the MTS CEO's compensation was lower than the NCTD CEO despite MTS being a larger agency.

Board Member Montgomery Steppe thanked staff for the presentation and acknowledged the extensive work involved, noting that upcoming studies and community input would help inform budget decisions. She suggested exploring additional revenue options through land value capture strategies, such as assessment district and enhanced infrastructure financing districts, and requested further evaluation, potentially as part of the mid-year budget adjustments. Ms. Cooney explained that many of the suggested revenue strategies originated from the Transit Transformation Task Force report and noted that most would require state legislative action to be implemented. Board Member Montgomery Steppe expressed interest in a deeper Board discussion on revenue strategies from the Transit Transformation Task Force, including potential legislative advocacy, while noting the need for further evaluation before taking action.

She stated that she was not ready to take a position on the motion on the floor due to its complexity but emphasized the importance of exploring all options, particularly in light of potential fare increases affecting lower-income riders, and supported continuing the discussion.

Vice Chair Goble asked staff what the total cost would be for implementing a 3% wage increase pool. Mr. Thompson responded that it would be an approximately \$1.5M pool. Vice Chair Goble stated that he believed \$1.5M could be identified within a \$400M+ budget to provide equitable raises and reinforce employees' sense of value. Vice Chair Goble asked staff to return to the full Board with an additional option that included the cost of a 3% wage increase pool for unrepresented employees, allowing the Board to compare and decide between proposals. He also acknowledged the financial strain on lower-income riders, emphasizing the fare increases and sales tax measures disproportionately impact them and should be considered carefully.

Board Member Elo-Rivera thanked Mr. Meyer for the presentations and sought confirmation that the proposed FY27 Operating Budget did not include fare increases or service reductions. Mr. Meyer clarified that the FY27 Operating Budget did not include fare increases or major service reductions, but did incorporate minor service efficiency adjustments that had been outlined in the presentation. Board Member Elo-Rivera asked what additional opportunities were not yet included in the budget but could potentially be implemented in the next fiscal year. Ms. Cooney explained that staff were pursuing multiple potential revenue opportunities, including discussions with San Diego Association of Governments (SANDAG) regarding TransNet funding while also monitoring uncertain federal funding changes. She also noted that the fare study would be presented to the Board and was not yet included in the FY27 budget, emphasizing that many factors remained uncertain and could require future budget amendments. Ms. Cooney added that a phased approach to potential fare increases was being considered to allow flexibility depending on future funding outcomes.

Board Member Elo-Rivera emphasized the importance of minimizing impacts on riders, stating that he wanted to ensure the Board had exhausted all options before considering fare

increases, particularly for financially vulnerable populations. He also highlighted the importance of maximizing non-fare revenue and carefully evaluating agency expenses.

Board Member Elo-Rivera addressed the motion, clarifying that his concern focused on higher-earning positions and the need to balance internal compensation decisions with potential burdens on riders. He suggested presenting multiple options to the Board, including both the proposed motions from Vice Chair Goble and Board Member Dillard and possibly a third option from staff, to allow for further analysis and informed decision-making. Karen Landers, MTS General Counsel, requested the opportunity for staff to confer with Board Member Dillard offline to clarify details of her motion and ensure accurate representation and analysis when presenting back to the Board.

Ms. Cooney suggested bringing the proposal back to the Executive Committee at a later meeting to allow more time to review, rather than advancing it immediately to the full Board. She emphasized the complexity of the proposal and the need for careful consideration. She also highlighted the importance of allowing executive leadership flexibility to manage to the budget, noting that operational needs require nuanced decision making to support workforce stability and service delivery.

Board Member Elo-Rivera acknowledged the financial challenges faced by both employees and riders, he apologized for any prior miscommunication, and emphasized his intent to minimize impacts on those struggling with the cost of living. He supported presenting multiple motions to the Board and possibly a hybrid approach. He reiterated the importance of ensuring the Board could demonstrate that all efforts were made to avoid burdening riders or employees.

Board Member Dillard expressed appreciation for the discussion and stated that her motion was intended to balance financial responsibility with the needs of riders, particularly underserved populations. She mentioned the importance of demonstrating accountability and ensuring that all possible measures were taken before placing additional burden on riders. Board Member Dillard acknowledged uncertainty around external funding and the agency's financial challenges, and reiterated her desire to work collaboratively with staff and Board Members to refine her motion and reach a balanced solution.

Board Member Fernandez stated that he would like to see Board Member Dillard's motion in writing and have time to review it before taking a vote. He also supported Board Member Moreno's suggestion to form a Budget Committee, emphasizing the need to address the agency's structural deficit. Board Member Fernandez acknowledged morale concerns for both employees and riders, stressing the importance of shared sacrifice and teamwork across the organization.

Chair Whitburn emphasized that the Board's discussion appropriately centered on riders, while noting that delivering high quality service required valuing and retaining skilled staff across all levels of the organization. He stated that staff were not the cause of the agency's financial challenges and cautioned against blanket pay freezes that could harm operations. Chair Whitburn expressed support for bringing multiple options back to the Executive Committee for further review, including various proposals discussed and affirmed that decisions should balance supporting riders and ensuring employees feel valued.

Action Taken

No action taken. Informational item only.

5. Baltimore Junction and Euclid Avenue Planning Study (Heather Furey and Brent Boyd)

Heather Furey, MTS Senior Director of Capital Projects, and Brent Boyd, MTS Director of Planning & Scheduling, presented on the Baltimore Junction and Euclid Avenue Planning Study and background.

Public Comment

There were no Public Comments.

Committee Comment

Board Member Montgomery Steppe asked for clarification on the Euclid Avenue planning study, noting cost differences among alternatives and inquiring whether community and stakeholder feedback had favored Alternative One. Ms. Furey responded that the data reflected how alternatives were evaluated overall, noting that while Alternative One may have been a community preference, additional community input would be needed as the project moved forward. Board Member Montgomery Steppe noted the significant cost differences between project alternatives and observed that lower cost options may score higher due to budget considerations, despite other factors. She expressed interest in continued discussion and future progress on grade separation improvements.

Board Member Dillard expressed support for the project, particularly its benefits for La Mesa, and highlighted ongoing concerns about graffiti along the corridor. She requested that future improvements consider long term solutions, such as landscaped barriers, to help deter vandalism and enhance the area's appearance. Ms. Furey noted that the project was still in early stages and that environmental design improvements, such as those suggested, could be considered for incorporation.

Action Taken

No action taken. Informational item only.

6. E Street Affordable Component Transit-Oriented Development (TOD) Project (E St TOD Project) – Disposition and Development Agreement (Karen Landers)

Karen Landers, MTS General Counsel, presented on E Street Affordable Component Transit-Oriented Development (TOD) Project (E St TOD Project – Disposition and Development Agreement). She presented on: Joint development with City of Chula Vista, Surplus Land Act (SLA) Exception, Joint RFP status, joint TOD project components, Eden Housing - affordable component, project phasing – MTS requirements, project phasing – CV phases, and staff recommendation.

Public Comment

There were no Public Comments.

Committee Comment

Board Member Fernandez expressed strong support for the project, highlighting its alignment with leveraging agency assets to advance housing and transit goals. He recommended Board approval of the agenda item.

Board Member Moreno expressed strong support for the project, describing it as a transformative investment for the South Bay and praising staff and partners involved. She mentioned the importance of addressing the housing crisis and commended the developers

work in the community, while also supporting broader infrastructure improvements such as grade separations. Board Member Moreno asked about plans for bathroom accessibility at the project site. Sean Myott, MTS Manager of Real Estate Assets, confirmed that restrooms were included as part of the project and would remain in place during initial development. He added that while final restroom details in the master plan were still to be determined, facilities would be maintained as part of the overall project. Board Member Moreno expressed appreciation for addressing parking concerns for transit riders and stated her support for the project and seconded the motion and congratulated those involved.

Chair Whitburn echoed support for the project and expressed appreciation for the work completed by staff and partners.

Karen Landers acknowledged the presence of David Graham, the City of Chula Vista Director of Economic Development, and noted his support throughout the project.

Action Taken

Board Member Fernandez moved to forward a recommendation to the San Diego Metropolitan Transit System (MTS) Board of Directors to: 1) Authorize the Chief Executive Officer to execute a Disposition and Development Agreement with Bayview Family Housing LP for the Est TOD Project (DDA); and 2) Authorize the Chief Executive Office to take all actions necessary to fulfill MTS's obligations under the DDA, including, but not limited to executing a Ground Lease and related regulatory agreements for the project. Board Member Moreno seconded the motion, and the vote was 7 to 0 in favor.

7. Real Estate and Joint Development Program Status Update (Sean Myott)

Sean Myott, MTS Manager of Real Estate Assets, presented on Real Estate and Joint Development Program Status Update. He presented on: City of San Diego TOD sites, 47th St./Creekside Apartments (1987), Morena Linda Vista/Arrive Mission Valley (2007), Encanto-62nd St./Villa Encantada (2018), Grantville/ShoreLine & Union Grantville (2023/4), TOD & Ridership – Grantville, Rancho Bernardo/Skyline (2026), 12th & Imperial Ave. Transit Center TOD, Beyer Boulevard, E Street/Bayview Point, Grossmont/The District (2010), Spring Street, publicly available data, residential home/unit and revenue totals.

Public Comment

There were no Public Comments.

Committee Comment

Vice Chair Goble asked what challenges were preventing the El Cajon site from successfully advancing to completion. Mr. Myott explained that challenges with advancing the El Cajon Transit Center site were partly due to its location outside designated qualified census tracts, which limited access to affordable housing incentives. He noted that nearby areas did qualify, but anticipated mapping changes had not occurred, affecting project viability and noted that the mapping changes come from the State. Vice Chair Goble stated that further work would be needed to address the mapping changes with the state.

Chair Whitburn expressed appreciation for the progress on transit-oriented development and highlighted its importance in addressing the region's high cost of living, particularly housing. He noted recent declines in rental prices and emphasized that increasing housing supply, especially affordable housing near transit, helped improve affordability and access. Chair Whitburn added that these efforts benefited both the community and the agency through increased ridership and revenue, and commended staff for advancing the program.

Action Taken

No action taken. Informational item only.

OTHER ITEMS

8. Review of Draft April 16, 2026 Board Agenda

Sharon Cooney stated that *Agenda Item 16, Fiscal Year (FY) 2027 Operating Budget Discussion* would be removed from the April 16, 2026 Board meeting and brought back to the May 14, 2026 Executive Committee meeting for further review. She also noted that previously deferred items might be put on the April 16, 2026 agenda to replace that item. Chair Whitburn agreed that deferring the item would allow more time in May for a thorough discussion of the budget.

Board Member Elo-Rivera sought clarification on whether action would be required at April 16, 2026 Board meeting for *Agenda Item 17, Recommended Changes to Regional Comprehensive Fare Ordinance*. Ms. Cooney clarified that it would require a vote at the following week's Board meeting. Board Member Elo-Rivera emphasized the importance of evaluating non-fare revenue opportunities, particularly through major events and partnerships, and stated that he would need clear justification before supporting any fare-related decisions.

9. Staff Communications and Committee Member Communications

There was no Other Staff Communications and Business discussion.

10. Next Meeting Date

The next Executive Committee meeting is scheduled for May 14, 2026, at 9:00 a.m.

11. Adjournment

The meeting was adjourned at 11:56 a.m.

/s/ Stephen Whitburn
Chairperson
San Diego Metropolitan Transit System

/s/ Lucia Mansour
Clerk of the Board
San Diego Metropolitan Transit System

Attachment: A. Roll Call Sheet

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
EXECUTIVE COMMITTEE

ROLL CALL

MEETING OF (DATE): April 9, 2026 CALL TO ORDER (TIME): 9:02 a.m.
 RECESS: _____ RECONVENE: _____
 CLOSED SESSION: _____ RECONVENE: _____
 PUBLIC HEARING: _____ RECONVENE: _____
 ORDINANCES ADOPTED: _____ ADJOURN: 11:56 a.m.

REPRESENTING	BOARD MEMBER		ALTERNATE		PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
Chair	Whitburn	<input checked="" type="checkbox"/>	No Alternate	<input type="checkbox"/>	9:02 a.m.	11:56 a.m.
City of San Diego	Elo-Rivera	<input checked="" type="checkbox"/>	Whitburn	<input type="checkbox"/>	9:02 a.m.	11:56 a.m.
County of San Diego	Montgomery Steppe	<input checked="" type="checkbox"/>	Aguirre	<input type="checkbox"/>	9:04 a.m.	11:33 a.m.
East County	Dillard	<input checked="" type="checkbox"/>	Hall	<input type="checkbox"/>	9:02 a.m.	11:56 a.m.
SANDAG Transportation Committee	Moreno	<input checked="" type="checkbox"/>	Fernandez	<input type="checkbox"/>	9:08 a.m.	11:56 a.m.
South Bay	Fernandez	<input checked="" type="checkbox"/>	Downey	<input type="checkbox"/>	9:05 a.m.	11:56 a.m.
Vice Chair	Goble	<input checked="" type="checkbox"/>	No Alternate	<input type="checkbox"/>	9:02 a.m.	11:56 a.m.

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