



Policies and Procedures No. 50

Board Approval: 2/12/2026

SUBJECT:

ENGINEERING AND CONSTRUCTION EXPENSE COST RECOVERY FOR
PLAN REVIEW, REAL ESTATE ACTIONS, AND RIGHT OF ENTRY PERMITS

PURPOSE:

It is the intent of MTS to recover engineering, construction, real estate, legal, consultant, and administrative expenses incurred in support of actions from public agencies and private parties that impact MTS and San Diego and Arizona Eastern (SD&AE) facilities and property.

BACKGROUND:

Public agencies and private parties request access to MTS and SD&AE (collectively MTS) Right-of-Way Corridors and fee property for various reasons. Some requests are for temporary access with minimal impact on MTS facilities or operations. Other requests can have a significant impact on MTS facilities and may include placement of permanent third-party facilities within the right-of-way. The various requests burden MTS staff time and incur costs which should be reimbursed by the requestor. MTS staff time and costs include plan reviews by internal MTS staff and engineering consultants, real estate entitlement processing, legal review, construction inspection, documentation, and closeout. This policy will formalize procedures for MTS staff to process requests for entry and various real estate actions and to recover costs incurred by the agency in this effort.

POLICY:

MTS will recover expenses incurred for engineering plan review, real estate entitlements, and Right of Entry Permit (ROE Permit) reviews and inspections according to the following criteria:

- 50.1 Access-Only ROE Permit Requests. These requests for access to MTS facilities have minimal to no impact and are typically for limited duration



ROE Permits with no real estate entitlement required. The staff effort is light, and a fixed fee is charged to the applicant. Access Only ROE Permit fees are shown in Attachment A. Durable ROE Permits may be granted to entities who have a continuous and long-term need to access the MTS Right-of-Way Corridors for non-intrusive maintenance.

- 50.2 Engineering Plan Review or Construction Right of Entry Permit Requests. Engineering Plan Review or Construction ROE Permit requests require significant internal MTS staff time as well as external contracted engineering support. MTS staff and MTS contractor time often include multiple iterations of plan reviews, field meetings, interagency coordination, California Public Utilities Commission approvals, and on-site construction monitoring. A standard Engineering Plan Review and Construction ROE Permit Fee (Attachment A) is assessed in addition to reimbursement of all MTS contracted engineering review, flagging, security, bus bridge, and any other costs directly related to the request.
- 50.3 Fee Deposit. Engineering Plan Reviews and Construction ROE Permits require MTS to pay the up-front cost of engineering consultant, flagging, security, and bus bridge services. To ensure payment and insulate MTS from excess risk, MTS reserves the right to request a deposit before evaluating an Engineering Plan Review or issuing a Construction ROE Permit. The deposit would be based on a reasonable estimate of all MTS costs and approved by the Chief Executive Officer (CEO) or designee. Unspent deposit funds will be returned to the requestor once the permit review process and/or project construction is complete, as applicable.
- 50.4 Real Estate Entitlements. Entitlements are required when a third party places a permanent improvement on, over, or under MTS owned property or the MTS Right-of-Way Corridor. Entitlement costs are based on the value of the land right plus a one-time setup fee. Entitlements are broken into minor and major categories and fees are shown in Attachment A.

Minor entitlements don't materially conflict with regular MTS current or future operations and the third party signs a standard entitlement agreement. Staff effort is light, and the entitlement land value is low. Major entitlements require unique entitlement agreements in exchange for fair market value. Staff time is significant and entitlement value is variable.

To the extent applicable, the procedures outlined in Chapter 7 (Appraisals) of the Caltrans Right of Way Manual and the Uniform Standards of Professional Appraisal Practice by The Appraisal Foundation will be applied when determining the value of the major entitlement.

- 50.5 Waiver of Fees. Fees may be waived at the discretion of the CEO or designee. Examples of fee waivers are when a pre-existing reciprocal fee waiver agreement is in place between the requestor and MTS or when the project has a significant positive benefit to MTS and/or the community such that an MTS contribution to the project in the form of a fee waiver is warranted.
- 50.6 Biennial Fee Increases. All fees are subject to a biennial increase based on the U.S. Bureau of Labor Statistics Consumer Price Index all items in San Diego-Carlsbad, CA, all urban consumers, not seasonally adjusted. In the event of a deflationary event, fees will remain at their current levels. Increases will be rounded to the nearest ten dollars.
- 50.7 ROE Permit Website. MTS will maintain a ROE Permit website for permit and real estate entitlement applications. The ROE Permit website will list instructions and common guidelines for permit and entitlement requests. Requestors are required to fill out an application on the ROE Permit website for all permit and entitlement requests. The ROE Permit website address is: <https://www.sdmts.com/business-center/permits/right-entry>

Attachments: A. List of fees

Original Policy approved on 10/16/03.

Policy revised on 5/13/04.

Policy revised on 2/21/13.

Policy revised on 2/12/26.

Attachment A
Effective 3/1/2026

Permit Fee Structure

Access Only ROE Permit	\$1,500 one-time fee
Engineering Plan Review	\$7,300 one-time fee plus reimbursement of MTS engineering consultant costs and applicable MTS costs* related to the review
Construction ROE Permit	\$7,300 one-time fee plus reimbursement of MTS engineering consultant costs and applicable MTS costs* related to the permit
Durable ROE Permit	\$3,000 one-time fee

Real Estate Fee Structure

Minor Real Estate Entitlement	\$2,300/year + \$800 one-time setup fee
Major Real Estate Entitlement Value	Fair Market Value + \$2,000 one-time setup fee

* Applicable MTS costs may include flagging, bus bridge, security, passenger support representative, power shut down, and other operational support resources related to the permit or project.