



Executive Committee Agenda

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Live Verbal Public Comments:

Use the 'Raise Hand' icon every time you wish to make a public comment on an item. Raise your hand once the agenda item you wish to comment on has been called. In person public comments will be taken first, virtual attendees will be taken in the order in which they raise their hand. Requests to speak will not be taken after the public comment period ends, unless under the Chair's discretion. General Public Comment, at the beginning of the Board of Directors meeting only, will be limited to five speakers. Additional speakers with general public comments will be heard at the end of the meeting. Two-minutes of time is allotted per speaker, unless otherwise directed by the Chair.

Public Comments Made Via Zoom

1. Click the link found at the top of this instruction page
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4. Unmute yourself to speak

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4. The Clerk will call out the last 4 digits of your phone number to announce you are next to speak
5. Dial *6 to unmute yourself



Written Public Comments (before the meeting): Written public comments will be recorded in the public record and will be provided to MTS Board Members in advance of the meeting. Comments must be emailed or mailed to the Clerk of the Board* by 4:00pm the day prior to the meeting.



Translation Services: Requests for translation services can be made by contacting the Clerk of the Board* at least four working days in advance of the meeting.



In-Person Participation: In-person public comments will be heard first. Following in-person public comments, virtual attendees will be heard in the order in which they raise their hand via the Zoom platform. Speaking time will be limited to two minutes per person, unless specified by the Chairperson. Requests to speak will not be taken after the public comment period ends, unless under the Chair's discretion.

Instructions for providing in-person public comments:

1. Fill out a speaker slip located at the entrance of the Board Room;
2. Submit speaker slip to MTS staff seated at the entrance of the Board Room;
3. When your name is announced, please approach the podium located on the right side of the dais to make your public comments.

Members of the public are permitted to make general public comment at the beginning of the agenda or specific comments referencing items on the agenda during the public comment period. General Public Comment, at the beginning of the Board of Directors meeting only, will be limited to five speakers. Additional speakers with general public comments will be heard at the end of the meeting.



Assistive Listening Devices (ALDs): ALDs are available from the Clerk of the Board* prior to the meeting and are to be returned at the end of the meeting.



Reasonable Accommodations: As required by the Americans with Disabilities Act (ADA), requests for agenda information in an alternative format or to request reasonable accommodations to facilitate meeting participation, please contact the Clerk of the Board* at least two working days prior to the meeting.



***Contact Information:** Contact the Clerk of the Board via email at ClerkoftheBoard@sdmts.com, phone at (619) 398-9561 or by mail at 1255 Imperial Ave. Suite 1000, San Diego CA 92101.



Agenda del Comité Ejecutivo

Haga clic en el enlace para acceder a la reunión:

<https://www.zoomgov.com/j/1619530340>

Formas de Participar



Computadora: Haga clic en el enlace más arriba. Recibirá instrucciones para operar el navegador de Zoom o la aplicación de Zoom. Una vez que haya iniciado sesión en la reunión, tendrá la opción de participar usando el sistema de audio de su computadora o teléfono.

ID de la reunión
en Zoom

Funciones del Seminario En Línea:

 Levantar la mano	▶	Use la herramienta de levantar la mano cada vez que desee hacer un comentario público.
	▶	Los participantes pueden habilitar el subtitulado haciendo clic en el ícono CC. También puede ver la transcripción completa y cambiar el tamaño de letra haciendo clic en “configuración de subtítulos”. Estas herramientas no están disponibles por teléfono.
	▶	Este símbolo indica que usted se encuentra en silencio , haga clic en este ícono para quitar el silenciador de su micrófono.
	▶	Este símbolo indica que su micrófono se encuentra encendido . Haga clic en este símbolo para silenciar su micrófono.
	▶	La herramienta de chat deben usarla los panelistas y asistentes únicamente para asuntos “pertinentes a la reunión”, ya que comentarios realizados a través de esta herramienta no se conservarán como parte del registro de la reunión. Consulte el Comentario público verbal en vivo para obtener instrucciones sobre cómo hacer un comentario público.



Teléfono Inteligente o Tableta: Descargue la aplicación de Zoom y participe en la reunión haciendo clic en el enlace o usando el ID del seminario web (que se encuentra en el enlace).



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1. Si está participando en la reunión mediante audio de su teléfono y viendo la reunión en un dispositivo, marque el número indicado en la pestaña de llamada telefónica “unirse por audio” en la ventana emergente inicial e ingrese el ID de la reunión (que se encuentra en el enlace).
2. Si está participando solo por teléfono, marque: **+1-669-900-9128** o **+1-253-215-8782** e ingrese el ID de la reunión que se encuentra en el enlace, pulse #. Tendrá acceso al audio de la reunión, **pero NO podrá ver las presentaciones en PowerPoint.**



Comentarios Públicos Verbales en Vivo: Use la herramienta “levantar la mano” cada vez que desee hacer un comentario público sobre alguno de los artículos. Levante la mano una vez que el artículo de la agenda sobre el que desea comentar haya sido convocado. Los comentarios públicos en persona se escucharán primero, se escuchará a los asistentes virtuales en el orden en el que levanten la mano. No se aceptarán solicitudes para hablar después de que termine el periodo para hacer comentarios públicos, a menos de que el presidente determine de otra forma a su discreción. Comentarios públicos generales, únicamente al inicio de la reunión de la Junta de Directores, se limitarán a cinco personas que deseen hablar. Las personas adicionales que deseen aportar comentarios públicos generales podrán hacerlo al final de la reunión. Se otorga dos minutos de tiempo por persona que desee hablar, a menos de que el presidente instruya de otra forma. *(Consulte la página 2 para obtener instrucciones sobre cómo hacer un comentario público.)*

Comentarios Públicos a Través de Zoom

1. Haga clic en el enlace que se encuentra en la parte superior de esta página de instrucciones
2. Haga clic en el ícono de levantar la mano en el centro inferior de la plataforma
3. El secretario anunciará su nombre cuando sea su turno de hablar
4. Desactive el silenciador para que pueda hablar

Comentarios Públicos Realizados Únicamente por Teléfono

1. Marque el **+1-669-900-9128**
2. Ingrese el ID de la reunión en Zoom que se encuentra en el enlace y pulse #
3. Marque *9 para levantar la mano por teléfono
4. El secretario indicará los últimos 4 dígitos de su número de teléfono para anunciar que usted será el siguiente en hablar
5. Marque *6 para desactivar el silenciador



Comentarios Públicos por Escrito (Antes de la Reunión): Los comentarios públicos por escrito se registrarán en el registro público y se entregarán a los miembros de la Junta de MTS antes de la reunión. Los comentarios deben enviarse por correo electrónico o postal al secretario de la Junta* antes de las 4:00 p.m. el día anterior a la reunión.



Servicios de Traducción: Pueden solicitarse servicios de traducción comunicándose con el secretario de la Junta* por lo menos cuatro días hábiles antes de la reunión.



Participación en Persona: Los comentarios públicos en persona se escucharán primero. Después de los comentarios públicos en persona, se escuchará a los asistentes virtuales en el orden en el que levanten la mano a través de la plataforma de Zoom. El tiempo para hablar se limitará a dos minutos por persona, a menos de que el presidente especifique de otra forma. No se recibirán solicitudes para hablar después de que termine el periodo para hacer comentarios públicos, a menos de que el presidente determine de otra forma a su discreción.

Instrucciones para brindar comentarios públicos en persona:

1. Llene la boleta para personas que desean hablar que se encuentran en la entrada de la Sala de la Junta.
2. Entregue la boleta para personas que desean hablar al personal de MTS que se encuentra sentado en la entrada de la Sala de la Junta.
3. Cuando anuncien su nombre, por favor, acérquese al podio ubicado en el lado derecho de la tarima para hacer sus comentarios públicos.

Los miembros del público pueden hacer comentarios públicos generales al inicio de la agenda o comentarios específicos que hagan referencia a los puntos de la agenda durante el periodo de comentarios públicos. Los comentarios públicos generales únicamente al inicio de la reunión de la Junta de Directores, se limitarán a cinco personas que deseen hablar. Las personas adicionales que deseen aportar comentarios públicos generales podrán hacerlo al final de la reunión.



Dispositivos de Asistencia Auditiva (ALD, por sus siglas en inglés): Los ALD están disponibles con el secretario de la Junta* antes de la reunión y estos deberán ser devueltos al final de la reunión.



Facilidades Razonables: Según lo requerido por la Ley de Estadounidenses con Discapacidades (ADA, por sus siglas en inglés), para presentar solicitudes de información de la agenda en un formato alternativo o solicitar facilidades razonables para facilitar su participación en la reunión, por favor, comuníquese con el secretario de la Junta* por lo menos dos días hábiles antes de la reunión.



***Información de Contacto:** Comuníquese con el secretario de la Junta por correo electrónico en ClerkoftheBoard@sdmts.com, por teléfono al **(619) 398-9561** o por correo postal en **1255 Imperial Ave. Suite 1000, San Diego CA 92101.**



**Metropolitan
Transit
System**

Executive Committee Agenda

February 6, 2025 at 9:00 a.m.

In-Person Participation: James R. Mills Building, 1255 Imperial Avenue, 10th Floor Board Room, San Diego CA 92101

Teleconference Participation: (669) 254-5252; Webinar ID: 161 953 0340, <https://www.zoomgov.com/j/1619530340>

NO.	ITEM SUBJECT AND DESCRIPTION	ACTION
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1. **Roll Call**

2. **Public Comments**

This item has a two minute per speaker time limit. If you have a report to present, please give your copies to the Clerk of the Board.

3. **Approval of Minutes**

Action would approve the August 7, 2024 Budget Development Committee meeting Minutes and the December 12, 2024, Executive Committee meeting Minutes.

Approve

DISCUSSION ITEMS

4. **San Diego Transit Corporation (SDTC) Pension Investment Status (Jeremy Miller, with RVK Inc., and Mike Thompson)**

Informational

5. **San Diego Transit Corporation (SDTC) Employee Retirement Plan's Actuarial Valuation as of July 1, 2024 (Anne Harper and Alice Alsberghe with Cheiron Inc., and Mike Thompson)**

That the San Diego Metropolitan Transit System (MTS) Executive Committee receive the SDTC Employee Retirement Plan's (Plan) Actuarial Valuation as of July 1, 2024 (Attachment A) and forward a recommendation to the MTS Board of Directors to adopt the pension contribution amount of \$21,231,465 for fiscal year 2026.

Approve

6. **Comprehensive Operational Analysis (COA) & Potential Ballot Measure (Brent Boyd)**

That the San Diego Metropolitan Transit System (MTS) Executive Committee recommend that the Board of Directors authorize staff to:
1) Pursue a COA, to be completed by November 2026; and
2) Begin preliminary efforts on researching the feasibility of placing a transit sales-tax measure, for the MTS service area only (or parts thereof), on the ballot for the November 2026 general election.

Approve

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San Diego Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc. and San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations). MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego. MTS is also the For-Hire Vehicle administrator for multiple cities in San Diego County.



7. **Structural Budget Deficit Planning (Gordon Meyer)** Approve
- That the San Diego Metropolitan Transit System (MTS) Executive Committee forward a recommendation to the Board of Directors (Board) to take the following actions as part of building future operational and CIP budgets:
- 1) Exercise Innovative Clean Transit (ICT) Off-Ramp provisions (delay implementation) to provide maximum flexibility of capital funds in the short-term while minimizing impacts to State of Good Repair (SGR) projects
 - 2) Shift flexible funds from the Capital Improvement Program (CIP) to the operating budget beginning in FY 2026 with the following targets by FY: \$25 million in FY 2026; \$35 million in FY 2027; \$50 million in FY 2028
 - 3) Maintain service levels at January 2025 levels: Delay future Trolley service enhancements (7.5-minute Blue Line service) in FY 2026 and beyond and revise the Senate Bill (SB) 125 funding proposal; Delay \$22 million in future planned bus service enhancements in FY 2027 and FY 2028 and revise the SB 125 funding proposal

OTHER ITEMS

8. **Review of Draft February 13, 2025 MTS Board Agenda**
9. **Staff Communications and Committee Member Communications**
10. **Next Meeting Date: March 6, 2025**
11. **Adjournment**

MINUTES
MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BUDGET DEVELOPMENT COMMITTEE (BDC)

August 7, 2024

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

1. Roll Call

Chair Moreno called the Budget Development Committee meeting to order at 9:01 a.m. A roll call sheet listing Budget Development Committee member attendance is attached as Attachment A.

2. Public Comments

Sam Borinsky – Provided a written statement to the Committee prior to the meeting. Sam expressed support with MTS increasing late night Trolley frequencies to 15 minutes systemwide. The written comment is provided in the August 7, 2024, Final Meeting Packet.

Jacob Aguirre – Provided a written statement to the Committee prior to the meeting. Jacob urged MTS to not consider delaying the bus and Trolley service enhancements as part of the upcoming Budget Development Committee meeting. The written comment is provided in the August 7, 2024, Final Meeting Packet.

Samuel Sharp – Provided a written statement to the Committee prior to the meeting. Samuel expressed that it is very important for MTS to invest in increasing service networkwide. The written comment is provided in the August 7, 2024, Final Meeting Packet.

Lissette Wilensky – Provided a written statement to the Committee prior to the meeting. Lissette expressed support with MTS's decision to accelerate increasing late night Trolley frequencies to 15 minutes, systemwide. The written comment is provided in the August 7, 2024, Final Meeting Packet.

Alex Wong – Representing Ride SD made a verbal statement to the Committee during the meeting. Alex expressed the importance of implementing frequency on the Green Line to 7.5 minutes.

3. Approval of Minutes

Chair Moreno moved to approve the minutes of the May 8, 2024, MTS Budget Development Committee meeting. Board Member Whitburn seconded the motion, and the vote was 4 to 0 in favor with Board Member Montgomery Steppe absent.

DISCUSSION ITEMS

4. Senate Bill (SB) 125 Funding Update (Mike Thompson)

Mike Thompson, MTS Deputy Chief Financial Officer, presented on the SB 125 Funding Update. He gave an update on the timing of the SB 125 funding by fiscal year. He reviewed the original SB 125 Submitted Program, listing the Capital & Operations funding in the original plan. Due to shifts in funding, he proposed a revised approach to plan the spending around each payment MTS receives individually. Mr. Thompson covered the impact of the revised approach on the Transit and Intercity Rail Capital Program (TIRCP), he gave an overview on the first three

TIRCP payments and the TIRCP program totals. Mr. Thompson went over the Zero-Emission Transit Capital Program (ZETCP), including the original funding plan, the ZETCP revised funding plan, and the SB 125 Allocation Package.

Public Comment

Jack Moyle – Provided a written statement to the Committee prior to the meeting. Jack expressed support with MTS’s decision to accelerate increasing late night Trolley frequencies to 15 minutes systemwide. The written comment is provided in the August 7, 2024, Final Meeting Packet.

Alex Wong – Representing Ride SD made a written and verbal statement to the Committee both during and prior the meeting. Alex expressed support to MTS’s decision to accelerate increasing late night Trolley frequencies to 15 minutes systemwide. The written comment is provided in the August 7, 2024, Final Meeting Packet.

Vahan Hartooni – A resident of University Heights provided a written statement to the Committee prior to the meeting. Vahan expressed frustration of infrequent trains on the Blue Line to UTC, especially late at night. The written comment is provided in the August 7, 2024, Final Meeting Packet.

Evvan Burke – Provided a written statement to the Committee prior to the meeting. Evvan expressed support for accelerating late night Trolley frequencies. The written comment is provided in the August 7, 2024, Final Meeting Packet.

Maxwell G – Provided a written statement to the Committee prior to the meeting. Maxwell expressed support for SB 125 funds to be used for bus and Trolley frequency improvements. The written comment is provided in the August 7, 2024, Final Meeting Packet.

Alejandro Amador – Representing Casa Familiar made a verbal statement to the Committee during the meeting. Alejandro expressed concerns with cuts in Bus and Trolley enhancements and service. Alejandro asked staff to reconsider those cuts to increase ridership.

Carolina Martinez – Representing Environmental Health Coalition made a verbal statement to the Committee during the meeting. Carolina advocated for the Blue Line Overnight express to be a priority come January 2025.

Guthre Leonard – Provided a verbal statement to the Committee during the meeting. Guthre expressed that most crime happens at bus or Trolley stations rather than on the vehicles themselves. Guthre claimed that reducing frequency gives riders more time at stations, especially along the Mid-Coast corridor.

Committee Comment

Chair Moreno mentioned that the SB 125 package proposal obtained several projects and services such as the Orange Line Modernization project, Security Enhancements, Iris Rapid Operation, and the Blue Line Overnight Express is also going to receive full funding. Chair Moreno asked when the Blue Line Express Bus is expected to operate. Denis Desmond, MTS Director of Planning, stated that if the MTS Board approves the motion in September 2024, the Overnight Express Bus service will be implemented by January 2025.

Chair Moreno stated that the revised version of the SB 125 funding does not include funding for Otay Mesa Service or bus stop improvements and asked if the reduction delayed any of the

services that were proposed. Sharon Cooney, MTS Chief Executive Officer (CEO), stated that no specific improvements had been proposed for Otay Mesa, she added that staff would first create a comprehensive analysis. Mr. Desmond added that staff's goal is to look for additional planning grants for the necessary studies and to bring in a consultant to provide different scenarios on how to use those funds. Chair Moreno asked when the next planning grants were due. Mr. Desmond replied by the end of the year. Ms. Cooney mentioned that a discussion with San Diego Association of Governments (SANDAG) does need to occur to determine if they have funding sources available to them. Chair Moreno posed a scenario where no grants or funding from SANDAG is received. Ms. Cooney answered that it would then be brought to a Budget Development Committee meeting for discussion. Chair Moreno added that she had full trust in staff to find the funding, she mentioned that the structural deficit made her very uneasy. Chair Moreno stated that staff was very successful in obtaining the SB 125 funding because of the projects like Otay Mesa and border project, having those project be cut first, makes it difficult because those communities were used to obtain SB 125 funding.

Board Member Goble asked if staff knew how much money would be added to the budget if the Board decided to pursue an MTS half cent sales tax through a ballot measure. Mr. Thompson replied that MTS would receive approximately \$300M a year, similar to TransNet. Board Member Goble asked if MTS has an expiration on the use of SB 125 money. Ms. Cooney stated that the SB 125 funding had no expiration date.

Action Taken

Chair Moreno moved that the MTS BDC forward the following recommendation to the Board of Directors: 1) Approve the revised SB 125 Allocation Package proposal; 2) That Otay Mesa service and bus stop improvements be funded with grants or other sources, and 3) If such funds are not identified, staff shall return to the Budget Development Committee to identify capital improvement or operational budget sources. Board Member McCann seconded the motion, and the vote was 4 to 0 in favor with Board Member Montgomery Steppe absent.

5. Fiscal Year (FY) 2025 Capital Improvement Program (CIP) Update Mike Thompson

Mike Thompson, MTS Deputy Chief Financial Officer, presented on the FY 2025 CIP Update. He gave an overview of the FY2025-29 CIP unconstrained project list, FY 2025 CIP approved budget by year and the five-year summary. Mr. Thompson gave a detailed overview of the FY 2025 CIP project highlights, revenue vehicles, facility & construction projects, rail infrastructure projects, other equipment & installation projects, and other initiatives, and discussed the structural deficit strategies.

Public Comment

Maxwell G – Provided a written statement to the Committee prior to the meeting. Maxwell asked about additional information on “Future Southwestern Rapid” that was mentioned on the unconstrained projects list. The written comment is provided in the August 7, 2024, Final Meeting Packet.

Committee Comment

Board Member Whitburn thanked staff for both the SB 125 Funding Update and the FY 2025 CIP Update exercise. He mentioned that he does not want to use any CIP funds that have been previously allocated.

Board Member Goble asked that with a \$2M per year in operating costs for the Blue Line Express Overnight Bus, would there also be capital costs included to increase the fleet. Mr. Thompson clarified that the buses used for this route would primarily be overnight and the existing fleet is able to cover that service.

Chair Goble asked what happens if electric technology does not catch up as fast as what MTS is planning for capital spending. Ms. Cooney mentioned that at that point, hydrogen would bridge the gap, which would provide longer distances for some routes. Ms. Cooney added that if the technology does not improve significantly, it would no longer be a one for one bus transition. If that occurs, MTS will come back and ask the Board for direction on a two for one bus ratio, alternatively, MTS can ask the California Air Resources Board (ARB) for a delay in the ZEB transition, which is already built into the regulation as an alternative for policy making at the local level.

Mike Wygant Chief Operating Officer - Transit Services, provided an overview of hydrogen technology. He stated that staff is looking into hydrogen feasibility for the fleet. Mr. Wygant mentioned that currently, hydrogen is much more expensive to use.

Chair Moreno thanked staff for their presentation. Chair Moreno stated that addressing the State of Good Repair (SGR) takes precedent and feels confident that staff is keeping the Board on track regarding those efforts.

Chair Moreno asked if both the State Transit Assistance (STA) funding and the Transportation Development Act (TDA) is funding the CIP and the Operating Budget. Mr. Thompson mentioned that STA funding is mainly placed in the CIP budget and the Operating Budget has more TDA funding. Chair Moreno asked if it was normal for other agencies to put so much of their TDA and STA funding into CIP. Mr. Thompson stated that staff has not conducted those agency comparisons. He also mentioned the fund source was primarily viewed as an Operating Budget alone, whereas federal funds are adopted into the Capital Budget. Ms. Cooney added that other agencies such as LA Metro have different options because they have a sales tax.

Chair Moreno stated that 71% of funding going to SGR is very important but also 31% is a large sum of money that is being focused on the transition to clean transportation. Chair Moreno asked what amount is encumbered in CIP. Mr. Thompson mentioned that it is approximately \$800M in open projects, and about \$500M of that has been encumbered or spent. He noted approximately \$300M of that has not been spent yet. Chair Moreno asked staff to present this item to the Board as an informational item to foster ample discussion.

Chair Moreno mentioned that she did not hear bathrooms or the transit amenities policy allotments. Mr. Desmond mentioned that staff is starting the Scope of Work (SOW) for the transit amenities plan. He noted the monitoring report will also review the distribution of transit amenities policy, which is planned for presentation at the Executive Committee in September 2024. Ms. Cooney added that the transit amenities policy is being brought to the Executive Committee because there is a standing request to discuss this item, staff also believes that the Executive Committee could sit as a Transit Amenities Committee.

Chair Moreno asked if the funding received is earning interest. Mr. Thompson stated that in general, the interest of the TDA and STA funds are put into the Operating Budget, and with other funds, the interest has to stay within that specific fund. Ms. Cooney added that if the SB 125 check is received, the interest of those funds will be put into the Operating Budget.

Action Taken

Informational item only. No action taken.

OTHER ITEMS

6. Next Meeting Date

The next Budget Development Committee meeting is To Be Determined (TBD).

[Clerk's Note: For calendar year 2025, the Executive Committee will assume the duties of the Budget Development Committee]

7. Other Staff/Committee Member Communications and Business

There was no Committee Member Communications and Other Business discussion.

8. Adjournment

Chair Moreno adjourned the meeting at 10:24 a.m.

Chairperson
San Diego Metropolitan Transit System

Committee Clerk
San Diego Metropolitan Transit System

Attachment: A. Roll Call Sheet

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BUDGET DEVELOPMENT COMMITTEE MEETING

ROLL CALL

MEETING OF (DATE): 08/07/2024 CALL TO ORDER (TIME): 9:01 a.m.

ADJOURN: 10:24 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
MORENO (Chair) <input checked="" type="checkbox"/>	(no alternate) <input type="checkbox"/>	9:01 a.m.	10:24 a.m.
GOBLE <input checked="" type="checkbox"/>	(no alternate) <input type="checkbox"/>	9:01 a.m.	10:24 a.m.
MCCANN <input checked="" type="checkbox"/>	(no alternate) <input type="checkbox"/>	9:01 a.m.	10:24 a.m.
Montgomery-Steppe <input type="checkbox"/>	(no alternate) <input checked="" type="checkbox"/>	9:01 a.m.	10:24 a.m.
WHITBURN <input checked="" type="checkbox"/>	(no alternate) <input type="checkbox"/>	9:01 a.m.	10:24 a.m.

COMMITTEE CLERK: /s/ Lucia Mansour

MINUTES
MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
EXECUTIVE COMMITTEE
December 12, 2024

[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 9:01 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 November 7, 2024, MTS Audit Oversight and Executive Committee meeting. Chair Whitburn seconded the motion, and the vote was 6 to 0 in favor with Board Member Bush absent.

DISCUSSION ITEMS

4. 2025 State and Federal Legislative Program (Julia Tuer, Mark Watts, Peter Peyser)

Julia Tuer, MTS Manager of Government Affairs, Mark Watts, MTS State Legislative Representative and Peter Peyser, MTS Federal Legislative Representative, presented on the proposed 2025 Legislative Program. They outlined: legislative priorities, 2025 legislative program, legislative priorities, 2024 recap, 2025 proposals, state and federal legislative updates and staff's recommendation.

Public Comment

There were no Public Comments.

Committee Comment

Board Member Moreno supported the bill sponsored by California Transit Association (CTA) for assaults on transit workers. She asked about the transit funding for grade separation projects, and to identify the locations/intersections that are currently identified for grade separation improvements. Ms. Tuer replied that the current priority is grade separation. Any future project would be coordinated with SANDAG to determine the next regionally significant priority for grade separation. Board Member Moreno asked staff if SANDAG has a focus on any grade separations. Ms. Tuer replied that SANDAG does have a regional program priority list. Board Member Moreno asked if the Palomar Project already has funding. Ms. Tuer confirmed that it's the closest to begin construction, other projects are in the preliminary stages. Board Member Moreno praised the project and the importance of grade separation; she also acknowledged the San Ysidro Intermodal Transit Center, she talked about SANDAG's preliminary design choice and emphasized the importance of enhancing the transit station as critical for improving

accessibility and Transit reliability. Board Member Moreno made a motion that the San Ysidro Intermodal Transit Center project be placed on the list of Capital Projects that staff will be seeking funding for.

Vice Chair Goble asked Mr. Peyser to give his professional prediction about the new administration not supporting fleet electrification as strongly as previous administrations. Vice Chair Goble was concerned about grant conflicts for alternative fuel vehicles such as electric or hydrogen. He asked if his concern was true, will the agency require state assistance to comply with requirements and reduced federal funding. He also asked about reduced federal funding available for the state, should the agency be more attentive to favoring modes of alternative fuel, and consider pivoting in electric infrastructure, due to funding availability. Mr. Peyser replied that the federal government does not differentiate its funding between hydrogen and battery electric modes – they are both considered zero emission vehicles. He added that the administration has broad discretion about the split between the two alternative energy modes, but no current legislative preference, he acknowledged the competitiveness of applicants in discretionary grant programs. Vice Chair Goble expressed concern about the electrification of projects that are grant dependent and may require a last-minute pivot due to administration funding priorities. Sharon Cooney, MTS Chief Executive Officer, emphasized that the agency is monitoring potential regionalization of the programs.

Board Member Elo-Rivera asked about the urgency for inflation reduction funds that have not been spent down, he asked about the impacts to MTS. Ms. Tuer stated that agencies who have not obligated funds do run a risk of losing their funding. However, MTS has obligated all funds. Board Member Elo-Rivera clarified that he was concerned about projects that seemed promising, because they have not been obligated out of the federal government. Ms. Cooney replied that the agency did re-submit Clean Transit Advancement Campus (CTAC) project at the request of the administration for leftover funding. Ms. Tuer replied that the results will be available in mid-January, before the new administration. The agency will monitor all future programs and remain aggressive in their grant applications.

Action Taken

Board Member Moreno moved to forward a recommendation to the Board of Directors to approve the 2025 State and Federal Legislative Program with the inclusion of funding advocacy for the San Ysidro Intermodal Transit Center project. Board Member Bush seconded the motion, and the vote was 7 to 0 in favor.

5. Project Labor Agreement (PLA) Monitoring (Samantha Leslie and Katie Rich, The Solis Group)

Samantha Leslie, MTS Deputy General Counsel, and Katie Rich with the Solis Group presented on PLA Monitoring. They provided details on: PLA facts, local hire goal, covered projects

Public Comment

There were no Public Comments.

Committee Comment

Board Member Montgomery Steppe asked if the 30-day union notice requirement is applied to emergency projects. Ms. Rich replied that the requirement is applied to every PLA project. She explained there is a 30-day requirement to acknowledge a core employee, in this case, the contractor did not abide by it and is now paying penalties for non-compliance. Ms. Rich added that there is already another anticipated project with advance notice of the 30-day requirement, so when they begin work in the following month, there is already an opportunity for various stakeholders to onboard residents to the projects. Board Member Montgomery Steppe was concerned that with emergency projects, there are additional complications. She stated that she was unhappy with the local percentage of work hired and the importance of circulating money locally through these projects. Board Member Montgomery Steppe extended the Board's support to facilitate a successful project. She stated her commitment to continue and have conversations with the Building Trades to have local residents in the apprenticeship program. Karen Landers, MTS General Counsel, expressed it was unfortunate that the first PLA project was an emergency procurement, but that it identified several areas for improvement in communication between the MTS team and the contractor teams on how to follow the PLA requirements. For this specific emergency contract, a review of worker zip codes showed that the emergency contractor is based in Los Angeles and their workforce, while composed of union members, primarily resides outside of San Diego county. Ms. Leslie replied that staff will report on PLA results annually, per Board Policy 66. Board Member Montgomery Steppe restated her advocacy for local hires within the PLA program. Ms. Rich added that the 30-day requirement is for a specific form and will not delay people onboarding the project and starting work.

Vice Chair Goble asked if a compliance check is required for contractors to receive payment. Ms. Riche replied that it was. She stated that she asks MTS staff to check with the Solis Group, since the report that they generate will show contractors that are current or delinquent, along with local hire data. If there is an issue, MTS would know before payment is released. Vice Chair Goble asked if a contractor had a difference of opinion in compliance interpretation, how would that difference be settled. Ms. Rich replied that there are specific requirements on projects that require proof. If the Solis Group does not have those proof of documents, they would be deemed out of compliance. Vice Chair Goble asked if the items that The Solis Group is seeking compliance for are objective, measurable, and less subjective. Ms. Rich agreed. Vice Chair Goble praised the compliance check.

Board Member Bush agreed with Board Member Montgomery Steppe's prioritization for local hire as a benefit for the San Diego region.

Action Taken

No action taken. Informational item only.

OTHER ITEMS

6. Review of Draft December 19, 2024 Board Agenda

Recommended Consent Items

3. Approval of Minutes

Action would approve the November 14, 2024 Board of Directors meeting minutes.

4. CEO Report

5. Bridge Inspection Services – Work Order Agreement

Action would authorize the Chief Executive Officer (CEO) to execute Work Order WOA2497-CM23 under MTS Doc. No. G2497.0-21, with Jacobs Project Management Company (Jacobs), in the amount of \$1,020,332.06 to perform bridge inspection services for a period of twenty-one (21) months.

6. Approve Fiscal Year (FY) 2024-25 State Transit Assistance (STA) Claim and STA Interest Claim

Action would adopt Resolution No. 24-17 approving the FY 2024-25 STA claim.

7. Orange Line Improvement Project Phase 1 – Train Control Wire and Cable – Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1687.0-25, with Balfour Beatty Infrastructure, Inc. (Balfour), for the purchase of Train Control Wire and Cable for the Orange Line Phase 1 of the Orange Line Improvement Project (Project) in the amount of \$394,629.29 (inclusive of 7.75% CA Sales Tax).

8. Purchase of Tow Tractors – Contract Award

Action would 1) Authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0771.0-24, with Blue Angel International LLC (Blue Angel), a Small Business (SB), for the purchase of four (4) base tow tractors with two (2) optional tow tractors, in the amount of \$488,801.41 inclusive of 7.75% CA Sales Tax; and 2) Authorize the CEO to exercise the option quantities at CEOs discretion.

9. Americans with Disabilities Act (ADA) Bus Stop Upgrades Construction Services – Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWB415.0-25, with Fordyce Construction Inc., a Small Business (SB), for ADA upgrades to eight (8) bus stops, in the amount of \$255,805.50.

10. Wheel Truing Machine Removal Structural Design and Kearny Mesa Division (KMD) Parking Deck Structural Survey – Work Order Agreement

Action would authorize the Chief Executive Officer (CEO) to execute Work Order No. WOA352-AE-47 to MTS Doc No. PWL352.0-22, with HDR Engineering, Inc. (HDR), in the amount of \$251,534.57 for the Wheel Truing Machine Removal Design and KMD Parking Deck Structural Survey.

11. Revisions to MTS Board Policy No. 41, “Signature Authority”

Action would approve revisions to MTS Board Policy No. 41, “Signature Authority”.

12. San Diego State University (SDSU) Monitoring Services for Fire and Safety – Sole Source Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWL423.0-25 with Johnson Controls Fire Protection, LP (JCI), in the amount of \$345,492.00 for monitoring, inspection, maintenance and as-needed repair services of the fire and safety equipment at the SDSU Trolley Station for a period of five (5) years.

13. Operations Budget Status Report for October 2024

14. Municipal Separate Storm Sewer System (MS4) Support and As-Needed Best Management Practices (BMP) Repair and Consulting Services – Contract Amendment

Action would authorize the Chief Executive Officer (CEO) to execute Amendment No. 1 to MTS Doc. No. PWG367.0-23, with WSP USA (WSP), in the amount of \$241,340.35 for inspection, maintenance, and as-needed repair services of the drain insert BMPs at the Imperial Avenue Division (IAD) and Kearny Mesa Division (KMD) facilities as-needed repair and consulting services in accordance with Water Quality Order No. 2013-0001-DWQ for Storm Water Discharges from Small MS4s.

15. Enterprise Resource Planning (ERP) / Transit Asset Management (TAM) Software – Contract Amendment

Action would 1) Ratify Amendment Nos. 5 and 6 to MTS Doc. No. G1680.0-14, with SAP Public Services, Inc. (SAP), for the Calendar Year (CY) 2023-2024 contractual price increases based on Consumer Price Index (CPI) for a total amount of \$18,487.89; and 2) Execute Amendment No. 7 to MTS Doc. No. G1680.0-14, with SAP, for a two-year contract extension of perpetual SAP ERP and TAM licensing support in the amount of \$428,197.35.

16. PRONTO Fare Collection System – Contract Amendment

Action would 1) Ratify Amendment 18 to MTS Doc. No. G2091.0-18, with Innovations in Transportation, Inc. (INIT), in the amount of \$0; and 2) Authorize the Chief Executive Officer (CEO) to execute Amendment 19 to MTS Doc. No. G2091.0-18, with INIT, in the amount of \$1,439,125.00 (inclusive of 7.75% CA Sales Tax).

17. Purchase of Trackwork Turnouts for Yard A Track Improvements – Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1686.0-25, with Progress Rail Services Corporation (Progress Rail), for the purchase of Trackwork Turnouts for Yard A Track Improvements in the amount of \$3,284,290.04 (inclusive of 7.75% CA Sales Tax).

18. San Diego Transit Corporation (SDTC) Pension Plan Investment Consulting Services – Contract Award

Action would 1) Authorize the Chief Executive Officer (CEO) to execute MTS Doc No. G2914.0-24, with RVK, Inc., to provide SDTC Pension Plan Investment Consulting Services in the amount of \$1,203,707.33 for five (5) base years with five (5) 1-year options for a total of 10 years; and 2) Authorize the CEO to exercise the five (5) 1-year options at the CEO's discretion.

19. Emergency Repairs: 69th Street Track and Subgrade Repairs – Contract Award

Action would authorize the Chief Executive Officer (CEO) to: 1) Execute MTS Doc. No. PWL424.0-25, with Stacy and Witbeck, Inc. (Stacy and Witbeck), for the track and subgrade repairs at 69th Street in the amount of \$1,326,300.00; and 2) Authorize the CEO to execute change orders up to a 20% contingency in the amount of \$265,260.00 bringing the total expenditure authority to \$1,591,560.00.

20. 2025 State and Federal Legislative Program

Action would approve the 2025 State and Federal Legislative Program.

Chair Whitburn added the revised recommendation approved for the 2025 State and Federal Legislative Program to the consent calendar.

21. Other Staff Communications and Business

Ms. Cooney advertised the Holly Jolley Trolley event. She also announced the completion of an MTS sponsored mural installment on the I-5, near E St.

22. Committee Member Communications and Other Business

There was no Committee Member Communications and Other Business discussion.

23. Next Meeting Date

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

24. Adjournment

The meeting was adjourned at 10:15 a.m.

Chairperson
San Diego Metropolitan Transit System

Clerk of the Board
San Diego Metropolitan Transit System

Attachment: A. Roll Call Sheet

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
EXECUTIVE COMMITTEE MEETING

ROLL CALL

MEETING OF (DATE): December 12, 2024 CALL TO ORDER (TIME): 9:01 a.m.
 RECESS: _____ RECONVENE: _____
 CLOSED SESSION: _____ RECONVENE: _____
 _____ ADJOURN: 10:15 a.m.

REPRESENTING	MEMBER	EC ALTERNATE	PRESENT (time arrived)	ABSENT (time left)
AOC & EC Chair	Whitburn <input checked="" type="checkbox"/>	No Alternate <input type="checkbox"/>	9:01 a.m.	10:15 a.m.
AOC & EC Member	Elo-Rivera <input checked="" type="checkbox"/>	Joe LaCava <input type="checkbox"/>	9:03 a.m.	10:15 a.m.
AOC & EC Member	Montgomery Steppe <input checked="" type="checkbox"/>	Vargas <input type="checkbox"/>	9:01 a.m.	10:15 a.m.
AOC & EC Member	Frank <input checked="" type="checkbox"/>	Hall <input type="checkbox"/>	9:01 a.m.	10:15 a.m.
AOC & EC Member	Moreno <input checked="" type="checkbox"/>	Bush <input type="checkbox"/>	9:01 a.m.	10:15 a.m.
AOC & EC Member	Bush <input checked="" type="checkbox"/>	Leyba- Gonzalez <input type="checkbox"/>	9:17 a.m.	10:15 a.m.
AOC & EC Vice Chair	Goble <input checked="" type="checkbox"/>	No Alternate <input type="checkbox"/>	9:01 a.m.	10:15 a.m.

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



**Metropolitan
Transit
System**

Agenda Item No. 4

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
EXECUTIVE COMMITTEE

February 6, 2025

SUBJECT:

San Diego Transit Corporation (SDTC) Pension Investment Status (Jeremy Miller, with RVK Inc., and Mike Thompson)

INFORMATIONAL ONLY

Budget Impact

None at this time.

DISCUSSION:

San Diego Metropolitan Transit System (MTS) was created by state statute in 1975. Over the following two decades, MTS assumed responsibility for all public transit services within our jurisdictional area. This was achieved by MTS bringing three distinct entities under the MTS umbrella: MTS (administration employees such as Human Resources (HR), Finance, Planning, Marketing, Legal, Internal Audit, Information Technology (IT), Security, Capital Projects, and the Executive Office), San Diego Trolley, Inc. (SDTI) (employees operating and maintaining the Trolley System), and SDTC (employees operating and maintaining the bus system). Members of the MTS Board also serve as members of the governing boards for SDTI and SDTC. MTS Board meetings are considered consolidated meetings of all three entities.

MTS and SDTI employees participate in the statewide California Public Employee Retirement System (CalPERS). However, legacy SDTC employees participate in a private retirement plan that was created before the City of San Diego transferred the SDTC entity to MTS.

Today's presentation will relate to the private SDTC Employee Retirement Plan (Plan) that MTS is responsible for. The Plan has a pool of investments to fund the current and future pension benefit of the Plan members. In 2012, the Plan was closed to new represented members.

The Plan's investment advisor, Jeremy Miller from RVK, will provide the Board of Directors with an update as to the performance of the Plan as well as general capital market performance. RVK's pension investment performance analysis (Attachment A) for the Plan as of June 30, 2024, includes assets with a market value of \$193.7 million. During fiscal year 2024, the Plan's assets increased by approximately \$9.3 million, primarily due to positive market investment performance partially offset by benefit payments to retirees.

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San Diego Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc. and San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations). MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego. MTS is also the For-Hire Vehicle administrator for multiple cities in San Diego County.



The Plan's nine products achieved a combined investment return of 8.4% for the year. The Plan's returns over the past five and ten years were 4.8% and 4.3% respectively. Since inception (10/1/1982), the Plan's investments have returned 8.4%. The current actuarial target for the Plan is 6.0%.

/s/Sharon Cooney

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Mark Olson, 619.557.4588, mark.olson@sdmts.com

Attachment: A. RVK Pension Investment Performance Analysis



Monthly Investment Performance Analysis

San Diego Transit Corporation

Employees Retirement Plan

Period Ended: June 30, 2024



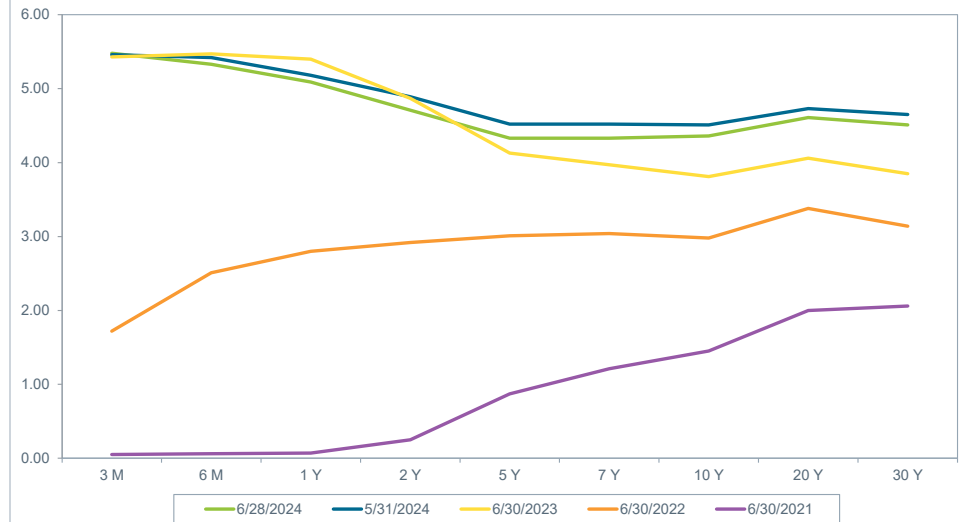
Capital Markets Review

General Market Commentary

- Global equity markets posted mixed results during June. In general, large cap stocks outperformed small cap stocks, and growth stocks outperformed their value counterparts, as tech-oriented and AI-related stocks continued to lead the way.
- Bonds traded higher for the month, as investors reacted favorably to easing inflation data and resulting rate cut expectations.
- US inflation, as measured by CPI, was flat in May while slowing to a rate of 3.3% year-over-year. The Fed's preferred inflation gauge, core PCE, slowed to 2.6%.
- As expected, the Federal Reserve kept its key interest rate unchanged for a 7th consecutive meeting. Notably, the Fed's updated forecast includes only one rate cut this year and four in 2025.
- Despite a mostly resilient economy, the job market is showing mixed signals, manufacturing activity remains contractionary, and consumer confidence dipped during the month. Overall, investors remain concerned about persistent high interest rates and an uncertain economic outlook.
- Equity markets posted mixed returns in June as the S&P 500 (Cap Wtd) Index returned 3.59% and the MSCI EAFE (Net) Index returned -1.61%. Emerging markets returned 3.94%, as measured by the MSCI EM (Net) Index.
- The Bloomberg US Aggregate Bond Index returned 0.95% in June, outperforming the 0.85% return by the Bloomberg US Treasury Intermediate Term Index. International fixed income markets returned -0.79%, as measured by the FTSE Non-US World Gov't Bond Index.
- Public real estate returned 2.89% in June and 3.90% over the trailing five-year period, as measured by the FTSE NAREIT Eq REITs Index (TR).
- The Cambridge US Private Equity Index returned 9.05% for the trailing one-year period and 16.12% for the trailing five-year period ending December 2023.
- Absolute return strategies returned 0.10% for the month and 8.56% over the trailing one-year period, as measured by the HFRI FOF Comp Index.
- Crude oil's price increased by 4.48% during the month and has increased by 15.43% YoY.

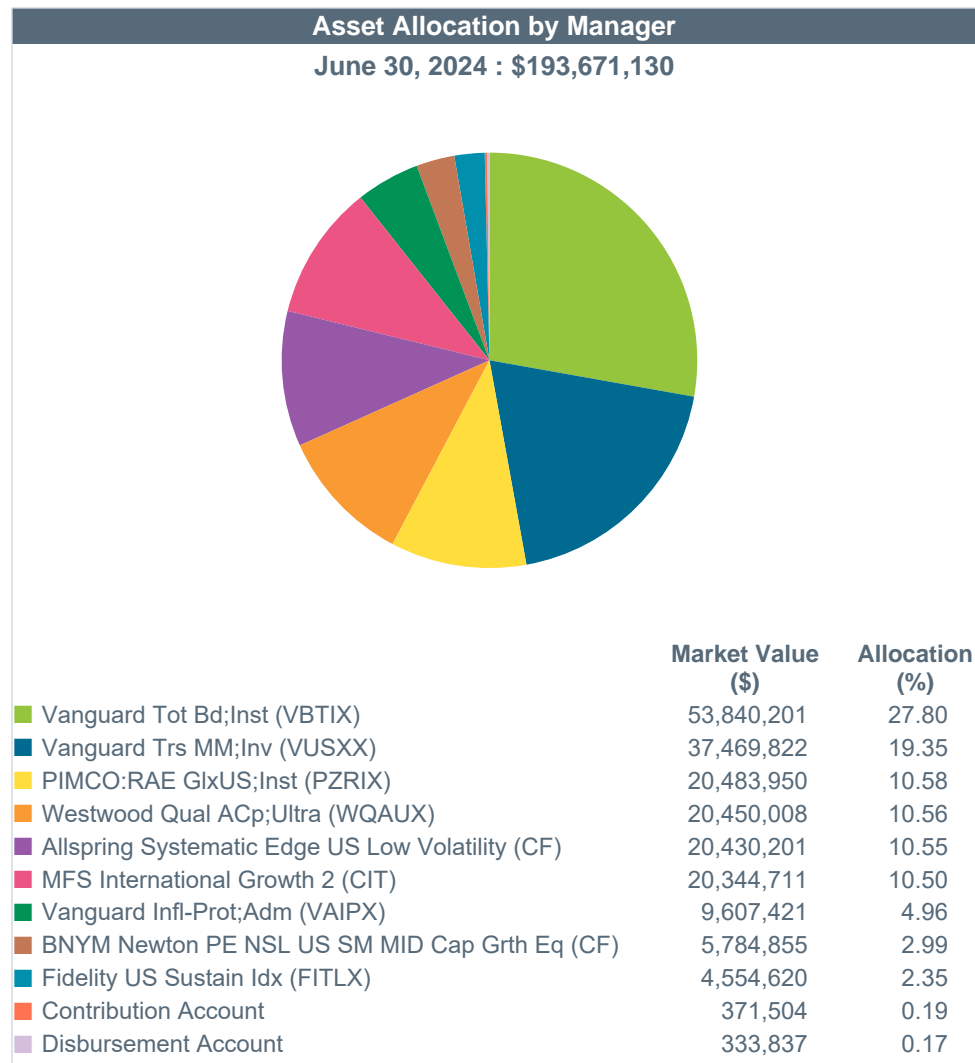
Economic Indicators	Jun-24	May-24	Jun-23	10 Yr	20 Yr	
Federal Funds Rate (%)	5.33	—	5.33	5.08	1.53	1.60
Breakeven Inflation - 5 Year (%)	2.24	▼	2.37	2.17	1.93	1.94
Breakeven Inflation - 10 Year (%)	2.27	▼	2.37	2.21	1.98	2.09
Breakeven Inflation - 30 Year (%)	2.29	▼	2.37	2.23	2.03	2.24
Bloomberg US Agg Bond Index - Yield (%)	5.00	▼	5.10	4.81	2.79	3.27
Bloomberg US Agg Bond Index - OAS (%)	0.39	▲	0.37	0.49	0.47	0.59
Bloomberg US Agg Credit Index - OAS (%)	0.88	▲	0.80	1.14	1.16	1.38
Bloomberg US Corp: HY Index - OAS (%)	3.09	▲	3.08	3.90	4.23	4.92
Capacity Utilization (%)	N/A	N/A	78.17	78.94	77.44	77.18
Unemployment Rate (%)	4.10	▲	4.00	3.60	4.76	5.84
PMI - Manufacturing (%)	48.50	▼	48.70	46.00	53.58	53.13
Baltic Dry Index - Shipping	2,050	▲	1,815	1,091	1,400	2,299
Consumer Conf (Conf Board)	100.40	▼	102.00	110.10	109.82	92.73
CPI YoY (Headline) (%)	3.00	▼	3.30	3.00	2.86	2.62
CPI YoY (Core) (%)	3.30	▼	3.40	4.80	2.92	2.43
PPI YoY (%)	2.60	▲	2.20	0.30	2.70	N/A
M2 YoY (%)	N/A	N/A	0.60	-3.80	6.80	6.46
US Dollar Total Weighted Index	124.52	▲	122.48	119.71	114.25	104.24
WTI Crude Oil per Barrel (\$)	82	▲	78	71	63	71
Gold Spot per Oz (\$)	2,337	▼	2,344	1,906	1,534	1,282

Treasury Yield Curve (%)



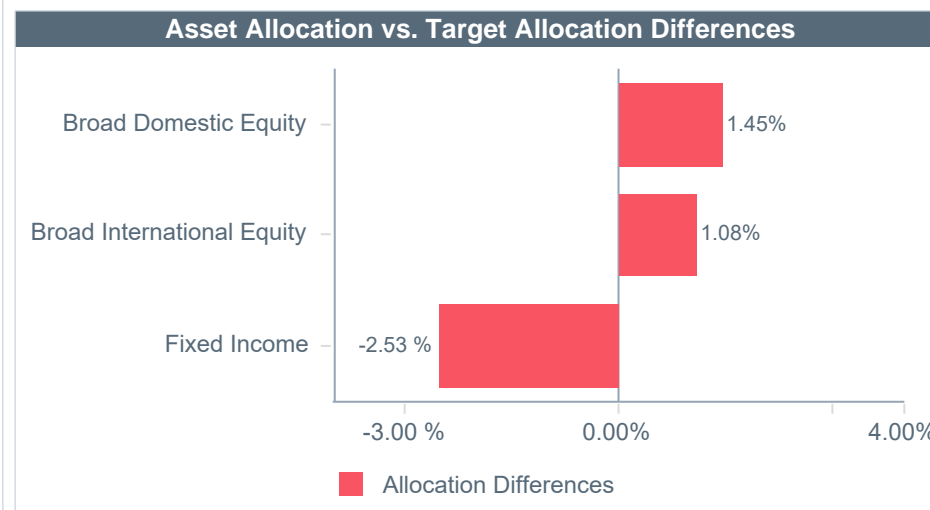
Treasury Yield Curve (%)	Jun-24	May-24	Jun-23	Jun-22	Jun-21
3 Month	5.48	5.46	5.43	1.72	0.05
6 Month	5.33	5.42	5.47	2.51	0.06
1 Year	5.09	5.18	5.40	2.80	0.07
2 Year	4.71	4.89	4.87	2.92	0.25
5 Year	4.33	4.52	4.13	3.01	0.87
7 Year	4.33	4.52	3.97	3.04	1.21
10 Year	4.36	4.51	3.81	2.98	1.45
20 Year	4.61	4.73	4.06	3.38	2.00
30 Year	4.51	4.65	3.85	3.14	2.06

Market Performance (%)	MTD	QTD	CYTD	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr
S&P 500 (Cap Wtd)	3.59	4.28	15.29	24.56	10.01	15.05	14.28	12.86
Russell 2000	-0.93	-3.28	1.73	10.06	-2.58	6.94	6.85	7.00
MSCI EAFE (Net)	-1.61	-0.42	5.34	11.54	2.89	6.46	5.73	4.33
MSCI EAFE SC (Net)	-3.04	-1.84	0.51	7.78	-3.35	4.19	3.74	4.29
MSCI EM (Net)	3.94	5.00	7.49	12.55	-5.07	3.10	3.54	2.79
Bloomberg US Agg Bond	0.95	0.07	-0.71	2.63	-3.02	-0.23	0.86	1.35
ICE BofAML 3 Mo US T-Bill	0.41	1.32	2.63	5.40	3.03	2.16	2.07	1.51
NCREIF ODCE (Gross)	-0.45	-0.45	-2.81	-9.26	1.90	3.16	4.36	6.41
FTSE NAREIT Eq REITs Index (TR)	2.89	0.06	-0.13	7.79	0.30	3.90	4.86	5.90
HFRI FOF Comp Index	0.10	0.49	4.68	8.56	2.08	4.79	4.32	3.48
Bloomberg Cmdty Index (TR)	-1.54	2.89	5.14	5.00	5.65	7.25	5.14	-1.29



Asset Allocation vs. Target Allocation

	Market Value (\$)	Allocation (%)	Target (%)
Broad Domestic Equity	51,219,684	26.45	25.00
Broad International Equity	40,828,661	21.08	20.00
Fixed Income	101,622,785	52.47	55.00
Total Fund	193,671,130	100.00	100.00



Schedule of Investable Assets

Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
FYTD	184,399,830	-5,926,362	15,197,661	193,671,130	8.39

Performance shown is gross of fees. Market values and performance are preliminary and subject to change. Allocations shown may not sum up to 100% exactly due to rounding. Fiscal year ends 06/30.

San Diego Transit Corporation Employees Retirement Plan
Asset Allocation & Performance

	Allocation		Performance (%)												
	Market Value (\$)	%	MTD	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	Since Incep.	Inception Date
San Diego Transit Total Fund	193,671,130	100.00	0.23	0.33	3.34	8.39	8.39	1.13	4.75	4.34	10.12	-10.44	8.36	8.42	10/01/1982
Policy Index			1.28	0.99	4.48	10.32	10.32	1.09	5.63	4.95	14.43	-15.80	8.87	8.69	
Difference			-1.05	-0.66	-1.14	-1.93	-1.93	0.04	-0.88	-0.61	-4.31	5.36	-0.51	-0.27	
Domestic Equity	51,219,684	26.45	0.62	-0.98	6.38	12.48	12.48	4.39	8.96	8.98	9.72	-7.18	16.35	8.05	03/01/2005
Russell 3000 Index			3.10	3.22	13.56	23.12	23.12	8.05	14.14	12.15	25.96	-19.21	25.66	10.13	
Difference			-2.48	-4.20	-7.18	-10.64	-10.64	-3.66	-5.18	-3.17	-16.24	12.03	-9.31	-2.08	
International Equity	40,828,661	21.08	-1.50	1.07	5.34	11.24	11.24	3.30	7.72	5.96	18.03	-11.49	12.03	4.99	03/01/2005
MSCI ACW Ex US Index (USD) (Net)			-0.10	0.96	5.69	11.62	11.62	0.46	5.55	3.84	15.62	-16.00	7.82	4.98	
Difference			-1.40	0.11	-0.35	-0.38	-0.38	2.84	2.17	2.12	2.41	4.51	4.21	0.01	
Fixed Income	101,622,785	52.47	0.73	0.48	0.31	3.41	3.41	-2.75	0.00	1.24	5.33	-13.01	-1.42	3.66	03/01/2005
Bloomberg US Agg Bond Index			0.95	0.07	-0.71	2.63	2.63	-3.02	-0.23	1.35	5.53	-13.01	-1.55	3.01	
Difference			-0.22	0.41	1.02	0.78	0.78	0.27	0.23	-0.11	-0.20	0.00	0.13	0.65	

Performance shown is gross of fees. Market values and performance are preliminary and subject to change. Fiscal year ends 06/30. Inception dates shown represent the first full month following initial funding.

San Diego Transit Corporation Employees Retirement Plan
Comparative Performance

	MTD	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	Since Incep.	Inception Date
San Diego Transit Total Fund	0.23	0.33	3.34	8.39	8.39	1.13	4.75	4.34	10.12	-10.44	8.36	8.42	10/01/1982
Policy Index	1.28	0.99	4.48	10.32	10.32	1.09	5.63	4.95	14.43	-15.80	8.87	8.69	
Difference	-1.05	-0.66	-1.14	-1.93	-1.93	0.04	-0.88	-0.61	-4.31	5.36	-0.51	-0.27	
Westwood Qual ACp;Ultra (WQAUX) (1)	0.31	-1.64	5.01	11.16	11.16	5.94	10.07	8.83	10.04	-4.89	23.36	10.58	07/01/1986
Russell 3000 Val Index (2)	-0.98	-2.25	6.18	12.93	12.93	5.14	8.89	8.10	11.66	-7.98	25.37	9.76	
Difference	1.29	0.61	-1.17	-1.77	-1.77	0.80	1.18	0.73	-1.62	3.09	-2.01	0.82	
Allspring Systematic Edge US Low Volatility (CF)	0.23	-0.59	7.88	13.39	13.39	5.29	7.94	9.06	4.62	-2.85	15.69	10.23	10/01/2012
MSCI US Min Vol Index (USD) (Net)	1.75	0.65	8.24	13.93	13.93	5.63	7.67	9.97	9.14	-9.67	20.43	10.80	
Difference	-1.52	-1.24	-0.36	-0.54	-0.54	-0.34	0.27	-0.91	-4.52	6.82	-4.74	-0.57	
Russell 1000 Index	3.31	3.57	14.24	23.88	23.88	8.74	14.61	12.51	26.53	-19.13	26.45	13.97	
Difference	-3.08	-4.16	-6.36	-10.49	-10.49	-3.45	-6.67	-3.45	-21.91	16.28	-10.76	-3.74	
Fidelity US Sustain Idx (FITLX)	3.72	3.74	15.92	27.28	27.28	N/A	N/A	N/A	29.18	N/A	N/A	16.39	05/01/2022
MSCI US ESG Leaders Index (USD) (Gross)	3.67	3.75	16.13	27.43	27.43	10.61	15.86	12.79	29.13	-20.21	31.73	16.46	
Difference	0.05	-0.01	-0.21	-0.15	-0.15	N/A	N/A	N/A	0.05	N/A	N/A	-0.07	
BNYM Newton PE NSL US SM MID Cap Grth Eq (CF)	0.81	-3.48	-0.32	4.46	4.46	-9.76	6.53	9.90	15.97	-32.84	-3.24	14.32	04/01/2009
Russell 2500 Grth Index	-0.54	-4.22	3.93	9.02	9.02	-4.11	7.58	8.77	18.93	-26.21	5.04	14.15	
Difference	1.35	0.74	-4.25	-4.56	-4.56	-5.65	-1.05	1.13	-2.96	-6.63	-8.28	0.17	
PIMCO:RAE GlxUS;Inst (PZRIX)	-3.28	0.46	3.86	12.82	12.82	3.71	6.87	4.10	19.97	-8.72	12.77	6.21	03/01/2012
FTSE RAFI Dvld Ex US 1000 Index	-2.60	-0.29	5.26	13.72	13.72	5.52	8.22	4.92	19.85	-8.43	16.13	6.77	
Difference	-0.68	0.75	-1.40	-0.90	-0.90	-1.81	-1.35	-0.82	0.12	-0.29	-3.36	-0.56	
MSCI ACW Ex US Val Index (USD) (Net)	-1.14	1.26	4.71	13.45	13.45	3.55	5.29	2.76	17.30	-8.59	10.46	4.22	
Difference	-2.14	-0.80	-0.85	-0.63	-0.63	0.16	1.58	1.34	2.67	-0.13	2.31	1.99	
MFS International Growth 2 (CIT)	0.35	1.69	6.88	9.50	9.50	2.81	8.21	7.66	15.85	-14.09	10.61	8.13	03/01/2013
MSCI ACW Ex US Grth Index (USD) (Net)	0.93	0.72	6.68	9.88	9.88	-2.62	5.49	4.74	14.03	-23.05	5.09	5.59	
Difference	-0.58	0.97	0.20	-0.38	-0.38	5.43	2.72	2.92	1.82	8.96	5.52	2.54	

Performance shown is gross of fees, preliminary and subject to change. Manager inception dates shown represent the first full month following initial funding. Fiscal year ends 06/30.

**San Diego Transit Corporation Employees Retirement Plan
Comparative Performance**

	MTD	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	Since Incep.	Inception Date
Vanguard Tot Bd;Inst (VBTIX)	0.95	0.19	-0.59	2.81	2.81	-2.99	-0.17	N/A	5.76	-13.07	-1.77	0.74	07/01/2016
Vanguard Spl B US Agg Flt Adj Index	0.92	0.08	-0.64	2.73	2.73	-2.99	-0.18	1.38	5.60	-13.07	-1.58	0.75	
Difference	0.03	0.11	0.05	0.08	0.08	0.00	0.01	N/A	0.16	0.00	-0.19	-0.01	
Vanguard Trs MM;Inv (VUSXX)	0.44	1.34	2.70	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.70	01/01/2024
ICE BofAML 3 Mo US T-Bill Index	0.41	1.32	2.63	5.40	5.40	3.03	2.16	1.51	5.02	1.46	0.05	2.63	
Difference	0.03	0.02	0.07	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.07	
Vanguard Infl-Prot;Adm (VAIPX)	0.75	0.86	0.81	2.79	2.79	-1.33	2.07	1.93	3.94	-11.80	5.78	2.70	08/01/2010
Bloomberg US Trsy US TIPS Index	0.78	0.79	0.70	2.71	2.71	-1.33	2.07	1.91	3.90	-11.85	5.96	2.68	
Difference	-0.03	0.07	0.11	0.08	0.08	0.00	0.00	0.02	0.04	0.05	-0.18	0.02	

Performance shown is gross of fees, preliminary and subject to change. Manager inception dates shown represent the first full month following initial funding. Fiscal year ends 06/30.

**San Diego Transit Corporation Employees Retirement Plan
Fee Schedule**

	Fee Schedule	Market Value As of 06/30/2024 (\$)	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Westwood Qual ACp;Ultra (WQAUX)	0.45 % of Assets	20,450,008	92,025	0.45
Allspring Systematic Edge US Low Volatility (CF)	0.40 % of First \$20 M 0.30 % of Next \$80 M 0.20 % Thereafter	20,430,201	81,291	0.40
Fidelity US Sustain Idx (FITLX)	0.11 % of Assets	4,554,620	5,010	0.11
BNYM Newton PE NSL US SM MID Cap Grth Eq (CF)	0.90 % of First \$25 M 0.75 % Thereafter	5,784,855	52,064	0.90
PIMCO:RAE GlxUS;Inst (PZRIX)	0.57 % of Assets	20,483,950	116,759	0.57
MFS International Growth 2 (CIT)	0.75 % of Assets	20,344,711	152,585	0.75
Vanguard Tot Bd;Inst (VBTIX)	0.04 % of Assets	53,840,201	18,844	0.04
Vanguard Trs MM;Inv (VUSXX)	0.09 % of Assets	37,469,822	33,723	0.09
Vanguard Infl-Prot;Adm (VAIPX)	0.10 % of Assets	9,607,421	9,607	0.10
Contribution Account	0.18 % of Assets	371,504	669	0.18
Disbursement Account	0.18 % of Assets	333,837	601	0.18
San Diego Transit Total Fund		193,671,130	563,177	0.29

Mutual fund fees are sourced from Morningstar and/or the investment manager. The expense ratio for Vanguard Tot Bd;Inst (VBTIX) is 0.035%.

San Diego Transit Corporation Employees Retirement Plan Addendum

Performance Related and Miscellaneous Comments

- Performance is gross of fees.
- Performance is annualized for periods greater than one year.
- Manager inception dates shown represent the first full month following initial funding.
- Fiscal year ends 06/30.
- The Alternative Investment performance shown is a blend of gross and net of fees, due to gross of fees performance for PAAMCO Pacific Hedged Strategy (CF) being unavailable.
- PIMCO:RAE GlxUS;Inst (PZRIX) performance prior to 06/2015 is represented by Research Affiliates Global AC Ex-US, LP (CF).
- Effective 01/02/2019, The Boston Company was rebranded under the Mellon Corporation.
- Vanguard Infl-Prot;Adm (VAIPX) performance prior to 05/2019 is represented by Vanguard Infl-Prot;Inst (VIPIX). Prior to 06/2012, performance is represented by Vanguard Infl-Prot;Adm (VAIPX).
- During 02/2023, PAAMCO Pacific Hedged Strategy (CF) was fully liquidated.
- During 12/2023, PIMCO:All Ast Ath;Inst (PAUIX) was fully liquidated, with proceeds being used to fund Vanguard Trs MM;Inv (VUSXX).
- During 05/2024, GMO:Bchmk-Fr All;III (GBMFX) was fully liquidated.

Custom Hybrid Comments

- The Policy Index is calculated monthly and currently consists of 25% Russell 3000 Index, 20% MSCI ACW Ex US Index (USD) (Net) and 55% Bloomberg US Agg Bond Index. From 12/2023 through 04/2024, it consisted of 25% Russell 3000 Index, 20% MSCI ACW Ex US Index (USD) (Net), 45% Bloomberg US Agg Bond Index and 10% of the 60% MSCI ACW (Net)/40% Bbrg Gbl Agg Idx. From 05/2020 through 11/2023, it consisted of 25% Russell 3000 Index, 20% MSCI ACW Ex US Index (USD) (Net), 35% Bloomberg US Agg Bond Index and 20% of the 60% MSCI ACW (Net)/40% Bbrg Gbl Agg Idx. Prior to 05/2020, it consisted of 25% Russell 3000 Index, 20% MSCI ACW Ex US Index (USD) (Net), 32.50% Bloomberg US Agg Bond Index and 22.50% of the 60% MSCI ACW (Net)/40% Bbrg Gbl Agg Idx.
- Performance shown for Westwood Qual ACp;Ultra (WQAUX) (1) represents Westwood Qual ACp;Ultra (WQAUX) from 10/2021 through present; Westwood All Cap Val (CF) from 08/2011 through 09/2021; beginning of month market value weighted average of Westwood LargeCap Value (CF) and Westwood SMidCap Equity (CF) from 07/2008 through 07/2011; Westwood LargeCap Value (CF) from 10/2004 through 06/2008; beginning of month market value weighted average of Westwood LargeCap Value (CF) and Westwood SmallCap Growth (CF) from 01/1997 through 09/2004; and Westwood LargeCap Value (CF) from 07/1986 through 12/1996.
- Performance shown for Russell 3000 Val Index (2) represents Russell 3000 Val Index from 08/2011 through present; beginning of month market value weighted average of Westwood LargeCap Value (CF) and Westwood SMidCap Equity (CF) applied to the Russell 1000 Val Index and Russell 2500 Val Index, respectively, from 07/2008 through 07/2011; Russell 1000 Val Index from 10/2004 through 06/2008; beginning of month market value weighted average of Westwood LargeCap Value (CF) and Westwood SmallCap Growth (CF) applied to the Russell 1000 Val Index and Russell 2000 Grth Index, respectively, from 01/1997 through 09/2004; and Russell 1000 Val Index from 01/1986 through 12/1996.

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San Diego Transit Corporation

Investment Manager Fiscal Year

2024 Update February 2025

Investment Structure as of 6/30/2024

Asset Allocation vs. Target Allocation			
	Market Value (\$)	Allocation (%)	Target (%)
Broad Domestic Equity	51,219,684	26.4	25
Broad International Equity	40,828,661	21.1	20
Fixed Income	101,622,785	52.5	55
Total Fund	193,671,130	100	100

- Objective: to maximize asset returns, while also assuming a prudent level of risk that is appropriately aligned with the liability profile
 - Liability Structure: mature Plan, closed in 2011 (represented participants)
 - Asset Structure: risk profile has been reduced since the Plan closed
 - 6/30/2011: 3-Year Asset Risk = 16% Volatility
 - 6/30/2024: 3-Year Asset Risk = 10% Volatility (significant reduction in risk)
- The liability structure (mature and closed plan, with net outflows) would suggest an asset structure that is more conservative and liquid
 - Assets exist to satisfy Liabilities – thus capital preservation allocations become increasingly important for a mature plan, leading to less emphasis on equity allocations
 - Investment manager fees have also been meaningfully reduced through passive investing



Investment Details as of 6/30/2024

Fund	Asset Class	Strategy	Market Value (\$)	Allocation (%)	Target (%)
Westwood All Cap Value	US Equity	Active	20,450,008	10.6	
Fidelity US Sustainability Index	US Equity	Passive	4,554,620	2.4	
Systematic Edge US Low Volatility	US Equity	Active	20,430,201	10.5	
BNYM Newton US SMID Growth	US Equity	Active	5,784,855	3.0	
Total US Equity			51,219,684	26.4	25
PIMCO RAE	Int'l Equity	Active	20,483,950	10.6	
MFS Int'l Growth	Int'l Equity	Active	20,344,711	10.5	
Total International Equity			40,828,661	21.1	20
Vanguard Total Bond	Fixed Income	Passive	53,840,201	27.8	
Vanguard Inflation-Protection	Fixed Income	Passive*	9,607,421	5.0	
Vanguard Treasury MM	Fixed Income	Passive*	37,469,822	19.3	
Total Fixed Income¹			101,622,785	52.5	55
TOTAL FUND			193,671,130	100	100

¹Includes residual cash in the Contribution & Disbursement Accounts

*Vanguard Inflation Protection and Vanguard Treasury MM are considered quasi-passive investments, with the associated lower fees

- Assets are diversified across 9 different product strategies
 - In May 2024, the Plan targets were updated to increase allocations to bonds given the improved incomes and lower fees – by removing alternative strategy allocations
- Direct investment in ESG (Environmental, Social & Governance) via Fidelity US Sustainability Index
- Allocation sizes for active managers are controlled, reducing concentration risks
- Product strategy diversification reduces overall portfolio risks as well



FY 2024 Performance

- U.S. and International equities saw robust performance – led by strong economic growth, monetary easing, and significant gains in the technology sector.
- Bonds continued to face challenges as yields continued to rise with inflation uncertainty, but these same increased yields will be a tailwind moving forward

Schedule of Investable Assets				
Period Ending	Beginning Market Value (\$)	Gain/Loss (\$)	Ending Market Value (\$)	Return (%)
FYTD	184,399,830	15,197,661	193,671,130	8.4

- Plan returned **8.4%** over the 2024 fiscal year
- Assumed Actuarial annual rate of return is 6.0%
- Outperformed the Actuarial rate by 2.4% in fiscal year 2024



Long Term Performance Details

As of 6/30/2024

	Allocation		Performance (%)				Inception Date
	Market Value (\$)	%	1 Year	5 Years	10 Years	42 Year	
San Diego Transit Total Fund	193,671,130	100%	8.4	4.8	4.3	8.4	10/01/1982
Domestic Equity	51,219,684	26.4%	12.5	9.0	9.0		
International Equity	40,828,661	21.1%	11.2	7.7	6.0		
Fixed Income	101,622,785	52.5%	3.4	0.0	1.2		

- Year-to-year returns will fluctuate significantly, with some years above and other years below the Actuarial rate of return, but over the short-run and long-run the SDTC portfolio has outperformed the 6.0% Actuarial return hurdle



Investment Summary

- Plan is well diversified across a variety of strategies and broad asset classes
- Asset Allocation is more conservative by design, given that the Plan is closed and mature
 - Align the asset allocation with the liability profile
 - Higher emphasis on capital preservation, balancing the need for capital appreciation
- Investment manager fees are lowered with the use of passive investments
- Portfolio is well positioned for the future, given the liability profile of the Plan
- Fiscal Year 2025 return for the Plan is 3.1% through 12/31/2024

Questions/Comments

RVK

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**Metropolitan
Transit
System**

Agenda Item No. 5

**MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
EXECUTIVE COMMITTEE**

February 6, 2025

SUBJECT:

San Diego Transit Corporation (SDTC) Employee Retirement Plan's Actuarial Valuation as of July 1, 2024 (Anne Harper and Alice Alsberghe with Cheiron Inc., and Mike Thompson)

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Executive Committee receive the SDTC Employee Retirement Plan's (Plan) Actuarial Valuation as of July 1, 2024 (Attachment A) and forward a recommendation to the MTS Board of Directors to adopt the pension contribution amount of \$21,231,465 for fiscal year 2026.

Budget Impact

Board adoption would result in the annual pension contribution of \$21,231,465 for fiscal year 2026, consisting of both employer and employee contributions. MTS's contribution will be partially offset by the "employee share" paid by individual active employees in the Plan.

DISCUSSION:

The Actuarial Valuation of the Plan as of July 1, 2024, was completed in December 2024 by Cheiron, Inc., and the entire report is included as Attachment A. The purpose of the actuarial valuation is to measure, describe, and identify the following as of the valuation date:

- The financial condition of the Plan,
- Past and expected trends in the financial progress of the Plan, and
- Compute the total annual pension contribution amount.

The Plan's funding policy is to contribute an amount equal to the sum of:

- The normal cost,
- Expected administrative expenses, and
- Amortization of the unfunded actuarial liability.

This valuation has calculated a total contribution of \$21,231,465, an increase of 5.2% from fiscal year 2025, which would be used for the fiscal year 2026 budget.

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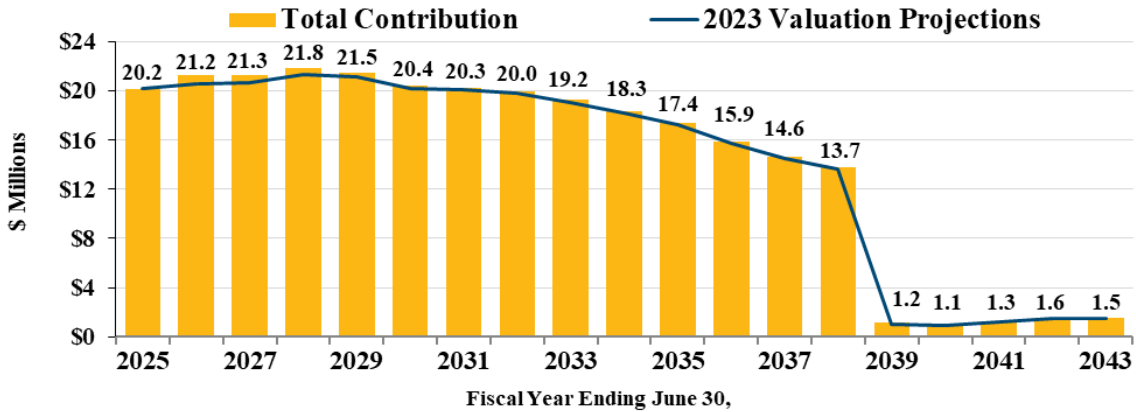
San Diego Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc. and San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations). MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego. MTS is also the For-Hire Vehicle administrator for multiple cities in San Diego County.



As reflected in the following table, contributions are increasing year over year by approximately \$1,056,805.

Total Contribution Reconciliation	
Fiscal Year 2025	\$ 20,174,660
Change due to actuarial investment experience	491,754
Change due to liability experience	610,625
Change due to other miscellaneous factors	(45,574)
Fiscal Year 2026	\$ 21,231,465

Given the updated projected rates of return and the closed nature of the Plan, the Plan contributions are projected to continue to stabilize over the next few years, and the Unfunded Actuarial Liability will be fully paid off by fiscal year 2038.



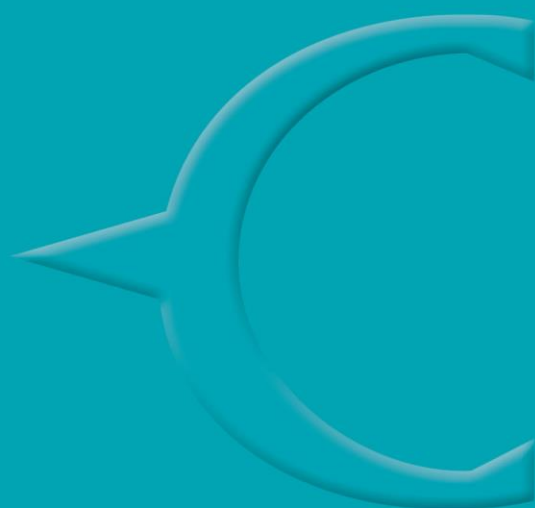
Anne Harper and Alice Alsberghe of Cheiron, Inc. will provide an overview of the report in more detail and be available for any questions.

Therefore, staff recommends that the MTS Executive Committee receive the SDTC Plan Actuarial Valuation as of July 1, 2024 (Attachment A) and forward a recommendation to the MTS Board of Directors to adopt the pension contribution amount of \$21,231,465 for fiscal year 2026.

/s/Sharon Cooney
 Sharon Cooney
 Chief Executive Officer

Key Staff Contact: Mark Olson, 619.557.4588, mark.olson@sdmts.com

Attachment: A. Actuarial Valuation Report as of July 1, 2024



Retirement Plans of San Diego Transit Corporation

Actuarial Valuation Report as of July 1, 2024

Produced by Cheiron

December 2024

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Via Electronic Mail

December 20, 2024

Mr. Larry Marinesi
San Diego Transit Corporation
1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490

Dear Mr. Marinesi,

At your request, we have conducted an actuarial valuation of the Retirement Plans of San Diego Transit Corporation (“Plan,” “SDTC”) as of July 1, 2024. This report contains information on the Plan’s assets, liabilities, and contribution levels. It also contains an assessment and disclosures of the Plan’s risks. In the Foreword, we refer to the general approach employed in the preparation of this report.

The purpose of this report is to present the results of the annual actuarial valuation of the Plans. This report is for the use of the Retirement Board and the San Diego Metropolitan Transit System (“MTS”) Board and its auditors in preparing financial reports in accordance with applicable law and accounting requirements.

In preparing our report, we relied on information (some oral and some written) supplied by the plan administrator. This information includes, but is not limited to, the Plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

The assumptions used in calculating the liabilities found in this report reflect the results of an Experience Study approved by the Budget Development Committee in October 2021 and the San Diego Metropolitan Transit System’s (MTS) Board of Directors in November 2021.

Future results may differ significantly from the current results presented in this report due to such factors as the following: plan experience differing from that anticipated by the assumptions; changes in assumptions; changes in methods; and, changes in plan provisions or applicable law.

This report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable law and regulations. Furthermore, as credentialed actuaries, we meet the U.S. Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

Mr. Larry Marinesi
San Diego Transit Corporation
December 20, 2024
Page ii

This report was prepared exclusively for the Retirement Board and MTS Board for the purposes described herein. Other uses of this valuation report are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

Sincerely,
Cheiron



Anne D. Harper, FSA, EA, MAAA
Principal Consulting Actuary



Alice I. Alsberghe, ASA, EA, MAAA
Consulting Actuary

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
ACTUARIAL VALUATION REPORT AS OF JULY 1, 2024**

FOREWORD

Cheiron has performed the actuarial valuation of the Retirement Plans of San Diego Transit Corporation as of July 1, 2024. The valuation report is organized as follows:

- In Section I, the **Executive Summary**, we describe the purpose of an actuarial valuation, summarize the key results found in this valuation, and disclose important trends.
- The **Main Body** of the report presents details on the Plan's:
 - Section II – Assessment and Disclosure of Risk
 - Section III – Assets
 - Section IV – Liabilities
 - Section V – Contributions
- In the **Appendices**, we conclude our report with detailed information describing plan membership (Appendix A), actuarial assumptions and methods employed in the valuation (Appendix B), a summary of pertinent plan provisions (Appendix C), and a glossary of key actuarial terms (Appendix D).

Cheiron utilizes ProVal, an actuarial valuation application leased from Winklevoss Technologies (WinTech), to calculate liabilities and project benefit payments. We have relied on WinTech as the developer of ProVal. We have reviewed ProVal and have a basic understanding of it and have used ProVal in accordance with its original intended purpose. We have not identified any material inconsistencies in assumptions or output of ProVal that would affect this report. The deterministic and stochastic projections shown in this report were developed using R-Scan, our proprietary stochastic projection tool for assessing probabilities of different outcomes. We have relied on Cheiron colleagues who developed the tool, and we have used the tool in accordance with its purpose.

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
ACTUARIAL VALUATION REPORT AS OF JULY 1, 2024**

SECTION I – EXECUTIVE SUMMARY

The primary purpose of the actuarial valuation and this report is to measure, describe, and identify the following as of the valuation date:

- The financial condition of the Plan,
- Past and expected trends in the financial progress of the Plan, and
- The total contribution amount (employer and employee) to be made during Fiscal Year 2025-2026.

In the balance of this Executive Summary, we present (A) the basis upon which this year's valuation was completed, (B) the key results of this valuation including a summary of all key financial results, (C) changes in Plan cost, (D) an examination of historical trends, and (E) the future expected financial trends for the Plan.

A. Valuation Basis

This valuation determines total employer and employee contributions for the fiscal year 2025-2026.

The Plan's funding policy is to contribute an amount equal to the sum of:

- The normal cost under the Entry Age Normal Cost Method,
- Expected administrative expenses, and
- Amortization of the Unfunded Actuarial Liability (UAL) based on level dollar payments.

The employee will contribute according to the Plan schedules below. Member contribution rates in the future may change in response to collective bargaining. It will be the responsibility of the employer to contribute the remaining portion of the total contribution determined in this report.

- IBEW members contribute 8% of compensation (since April 2016)
- ATU drivers and clerical members contribute 8% of compensation (since December 2017)
- Non-Contract members hired before January 1, 2013, contribute 8% of compensation (since January 2017)
- PEPRA members, Non-Contract members hired after on or January 1, 2013 are required to contribute half of the normal cost of the PEPRA member benefits, rounded to the nearest 0.25% of pay. The PEPRA member contribution rate, calculated in the July 1, 2024 actuarial valuation and effective during FY 2025-2026, will remain at 9.00% of pay. The development of the PEPRA member contribution rate can be found in Section V in the body of this report.

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
ACTUARIAL VALUATION REPORT AS OF JULY 1, 2024**

SECTION I – EXECUTIVE SUMMARY

The SDTC Plans are closed to new entrants, except for Non-Contract members. A closed plan has very different dynamics as active plan membership declines and grows older and a larger portion of the Plan’s liability shifts to payees. This dynamic shortens the investment horizon thus mitigating investment risk becomes more important. If the asset mix changes to reflect the expected pattern of benefit payments, it will become more conservative and the expected return on plan assets will decrease. Thus, adjusting the Plan’s investment rate of return to be consistent with the expected trending decrease of future asset returns should continue to be monitored.

The true cost of the Plan is a function of actual Plan experience, not the actuarial assumptions. It is important to set realistic assumptions to mitigate the risk of Plan contribution volatility. In Section II of this report, we provide a detailed assessment and disclosure of the Plan’s risks.

This valuation was prepared based on the Plan provisions as summarized in Appendix C. There have been no changes in plan provisions since the prior valuation. The results of this valuation do not include members participating in the defined contribution plans.

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B. Key Results of this Valuation

The key results of the July 1, 2024 actuarial valuation are as follows:

- The actuarially determined contribution shown in this report is the total contribution required from both the employer and the employees. The total contribution increased from \$20.2 million to \$21.2 million, an increase of about \$1.0 million from the July 1, 2023 valuation. This increase is primarily due to the recognition of the prior year’s net asset losses as well as unfavorable liability experience.

Based on the July 1, 2023 actuarial valuation, the contribution was expected to increase to approximately \$20.6 million. See Table I-2 for a reconciliation of the contribution cost from last year to this year that includes all components of the change.

- During the plan year ending June 30, 2024, the return on Plan assets was 7.9% based on the Market Value of Assets (MVA) compared to the 6.0% assumed rate of return. A return over 6.0% would result in an actuarial gain, and a return lower than 6.0% would result in an actuarial loss. The favorable investment experience resulted in an actuarial gain on the market value of assets of \$3.4 million.
- The Actuarial Value of Assets (AVA) recognizes 20% of the difference between the expected and actual return, referred to as “Unexpected Earnings,” on the Market Value of Assets (MVA) for each of the prior five years. The return on the AVA was 3.7% for June 30, 2024 which is less than the 6.0% assumed rate of return. The asset experience resulted in an actuarial loss of \$4.5 million.

There are \$6.0 million in net deferred asset losses in the July 1, 2024 actuarial valuation compared to \$13.1 million in the previous valuation. See Table III-3 and III-4 for the detailed calculations.

- The Actuarial Liability was more than expected by \$4.4 million, primarily due to active member salary increases that were higher than expected by about 4.0%.
- The Plan’s funded ratio as of July 1, 2024, the ratio of actuarial (smoothed) assets over the Actuarial Liability, stayed the same at 57.2%. However, the funded ratio based on the Market Value of Assets increased from 53.4% to 55.5%, because the asset gains for FYE 2024 are recognized immediately in the MVA.
- The Unfunded Actuarial Liability (UAL) is the excess of the Plan’s Actuarial Liability over the Actuarial Value of Assets. The Plan’s UAL increased from \$146,572,917 to \$148,713,406 as of July 1, 2024.

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Below we present Table I-1, which summarizes all the key results of the valuation with respect to membership, assets and liabilities, and contributions. The results are presented and compared for both the current and prior plan year.

Table I-1 Summary of Principal Plan Results			
<u>Participant Counts</u>	July 1, 2023	July 1, 2024	% Change
Active Participants	310	289	-6.8%
Participants Receiving a Benefit	1,066	1,064	-0.2%
Inactive Participants	<u>175</u>	<u>172</u>	-1.7%
Total	1,551	1,525	-1.7%
 Projected Plan Member Payroll ¹ for Fiscal Year 2024 and 2025	 \$ 22,728,817	 \$ 22,601,625	 -0.6%
 <u>Assets and Liabilities</u>			
Actuarial Liability (AL)	\$ 342,852,868	\$ 347,621,403	1.4%
Actuarial Value of Assets (AVA)	<u>196,279,951</u>	<u>198,907,997</u>	1.3%
Unfunded Actuarial Liability (UAL)	\$ 146,572,917	\$ 148,713,406	1.5%
 Market Value of Assets (MVA)	 \$ 183,172,692	 \$ 192,944,763	 5.3%
Funded Ratio (AVA)	57.2%	57.2%	0.0%
Funded Ratio (MVA)	53.4%	55.5%	2.1%
 <u>Contributions</u>	FY 2024-2025	FY 2025-2026	
Total Normal Cost ²	\$ 3,960,536	\$ 3,915,835	-1.1%
Total UAL Contribution	<u>16,214,124</u>	<u>17,315,630</u>	6.8%
Total Contribution (middle of year)	\$ 20,174,660	\$ 21,231,465	5.2%

¹ Based on valuation data projected using half-year of salary increases but excludes payroll for members expected to leave employment or retire during the year.

² Includes assumed administrative expenses as of the beginning of the valuation year of \$289,050 and \$296,276 for both July 1, 2023 and July 1, 2024, respectively.

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C. Changes in Plan Cost

Table I-2 below summarizes the impact of actuarial experience on Plan cost.

Table I-2	
Total Contribution Reconciliation	
Fiscal Year 2024-2025, middle of year	\$ 20,174,660
Total Change due to actuarial investment experience	491,754
Investment experience from FYE 2024	(75,670)
Increase from deferred investment losses 2020-2023	567,424
Change due to liability experience	610,625
Change due to effect of closed plan on benefits earned	(178,115)
Change due to other miscellaneous factors	132,541
Fiscal Year 2025-2026, middle of year	\$ 21,231,465

An analysis of the cost **changes from the prior valuation** reveals the following:

- The Actuarial Value of Assets recognizes unexpected gains or losses on the Market Value of Assets over a five-year period. Actuarial gains and losses are based on the assumed rate of return. The actual return on Actuarial Value of Assets (AVA) was 3.7%, compared to the expected return of 6.00%, resulting in an actuarial loss of \$4,482,042 which is paid over a 13-year period. The actuarial asset experience increased the total contribution by \$491,754.

The asset gain on the Market Value of Assets for the plan year ending June 30, 2024 was \$3,448,419 and resulted in a \$75,670 decrease to the total contribution but was offset by the partial recognition of previous years' net deferred assets losses of \$567,424.

- Actual demographic experience will always differ from the actuarial assumptions. The liability experience of the Plan increased the total contribution by \$610,625. The liability experience loss was primarily driven by salary increases for active members which increased the contribution by about \$485,000 and the changing demographics of the active membership (including new entrants) which increased the contribution by about \$125,000.
- Closing the Plan to most new entrants decreased the total amount of benefits that are being earned each year as members continue to leave employment through retirements, terminations, disabilities, and death, and thus cease to earn additional benefits. This decreased the Plan contribution by \$178,115.
- The net effect of other miscellaneous factors mostly due to the contribution timing lag slightly offset by administrative expense experience increased the Plan contributions by \$132,541.

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SECTION I – EXECUTIVE SUMMARY

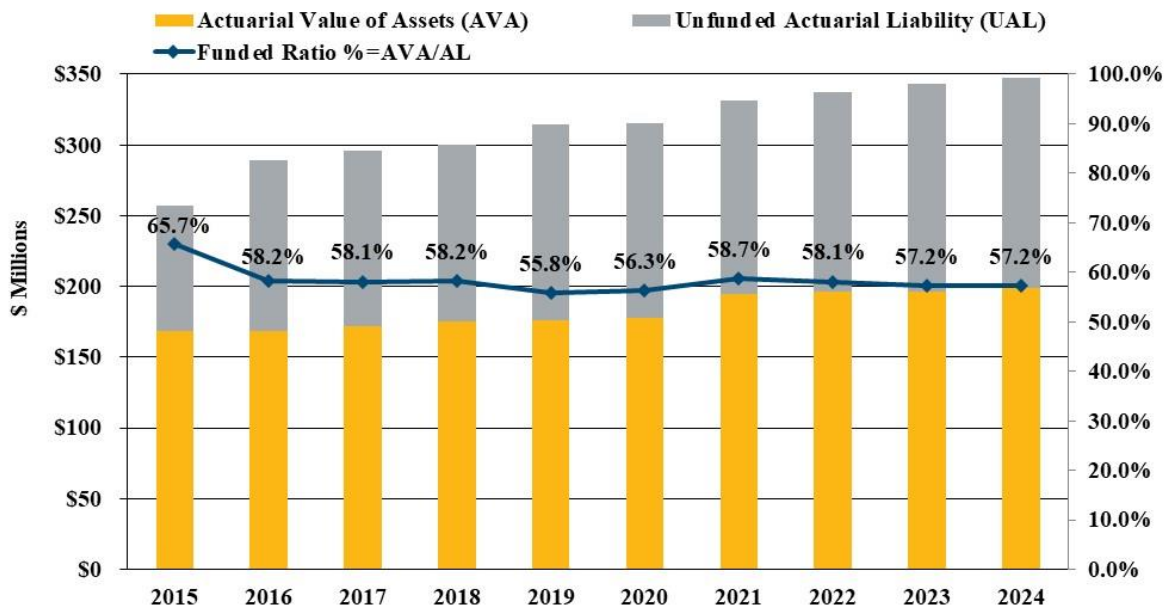
D. Historical Trends

For most retirement plans the greatest attention is given to the current valuation results – in particular, the size of the current Unfunded Actuarial Liability (UAL) and the total contribution; however, it is important to remember that each valuation is merely a snapshot in the long-term progress of a pension fund. It is important to judge a current year’s valuation results relative to historical trends, as well as trends expected into the future.

Assets and Liabilities

The chart below presents the Actuarial Value of Assets (gold bars), Unfunded Actuarial Liability (gray bars), and Funded Ratio (navy line). The top of the bars (sum of gold and gray bars) depicts the total Actuarial Liability. Over the 10-year period shown, both the Actuarial Liability and Actuarial Value of Assets have been increasing, however, the Actuarial Liability has grown at a slightly faster pace than the Actuarial Value of Assets. It is important to note that the assumed rate of return at the beginning of the period was 7.50% and has been gradually reduced over the 10-year period to 6.00% as of July 1, 2021, which has been a major source of the decrease in the funded ratio.

The funded ratio decreased from 65.7% in 2015 to 58.2% in 2016, primarily due to a reduction in the assumed rate of return from 7.50% to 7.00%, as well as increases in assumed life expectancy. From 2016 to 2018, the funded ratio remained relatively stable around 58%, then decreased to 55.8% in 2019 due to a further reduction to 6.75% in the assumed rate of return. There was an increase in the funded ratio in 2021 even though the assumed rate of return was reduced from 6.75% to 6.00%. The significant return on assets as of June 30, 2021, and an additional \$7.8 million contribution from the CARES Act, more than offset the impact of the assumption changes. From 2021 to 2024, the funding ratio has declined due to both, liability experience (mostly salary increases in excess of the assumptions) and the 2022 asset losses.



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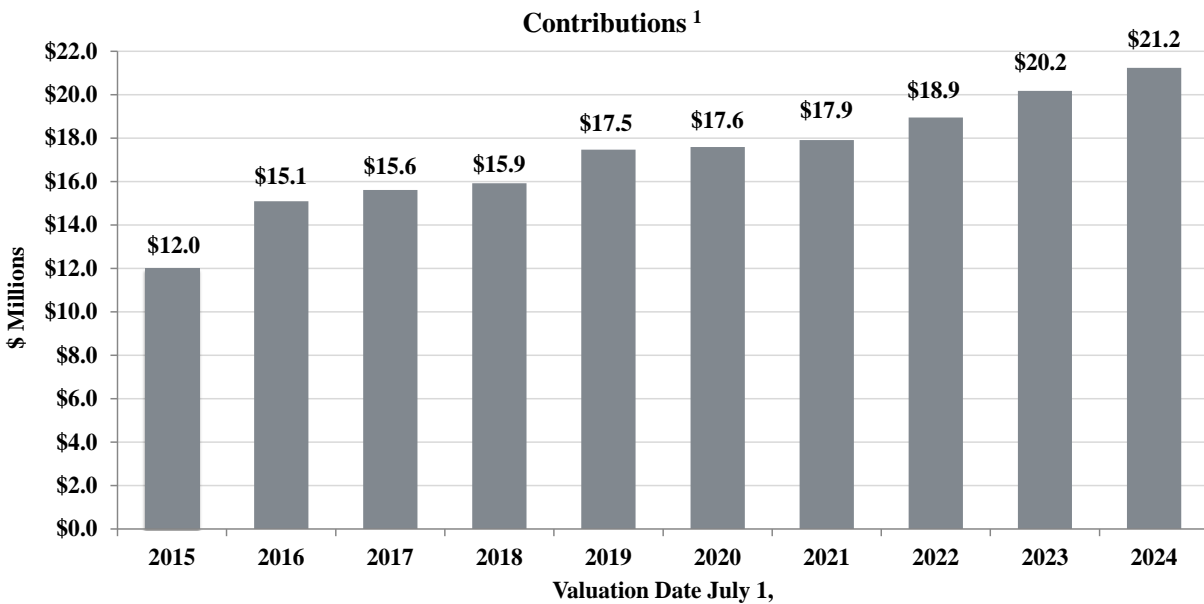
Contributions

The chart below shows a history of the Plan’s actuarially determined total contribution for the upcoming fiscal year, reported by valuation date.

In 2016, the investment rate of return was reduced from 7.50% to 7.00% and mortality assumptions were updated for improved life expectancy, which led to a notable increase in total contribution. Investment experience on the actuarial valuation of assets was the primary source of contribution increases during for the next four years. However, in 2019, there was a further reduction in the assumed rate of return to 6.75% which increased the contribution to \$17.5 million.

In 2021, the assumption changes, including a reduction in the assumed rate of return to 6.00%, were the primary source for the increase in the total contribution, but were partially offset by the additional CARES Act contribution and favorable investment experience. From 2021 to 2024, the contributions continued to increase, increasing to \$21.2 million with the 2024 valuation due to combined actuarial asset and liability losses.

A reconciliation of the contributions from the 2023 to 2024 valuations can be found in Table I-2 of this report.



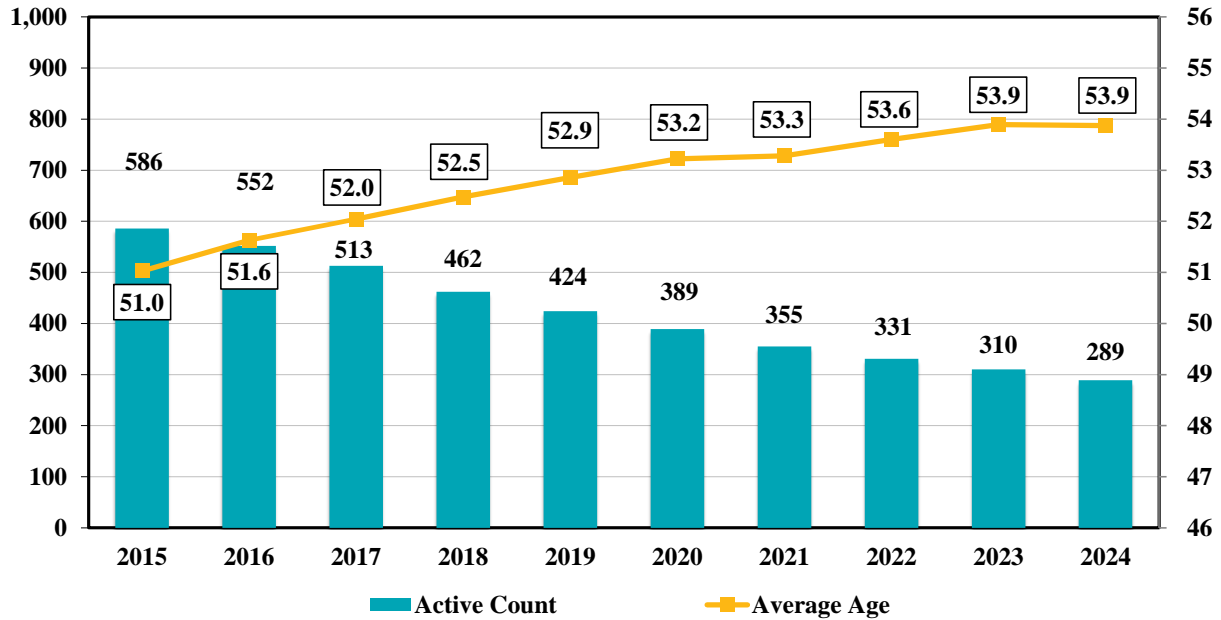
¹ Contribution amounts reported by valuation date are mid-year values for the upcoming fiscal year.

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SECTION I – EXECUTIVE SUMMARY

Active Participant Trends

The number and average age of active Plan members for the last 10 years is shown in the chart below. Because the plan has been mostly closed to new entrants since 2012, the membership has declined by more than 50% from 586 to 289 actives over this period. In addition, the average age of an active member has increased by almost three years during the period shown. The trend of declining active membership is expected to continue, as new bargained employees participate in the defined contribution plan.



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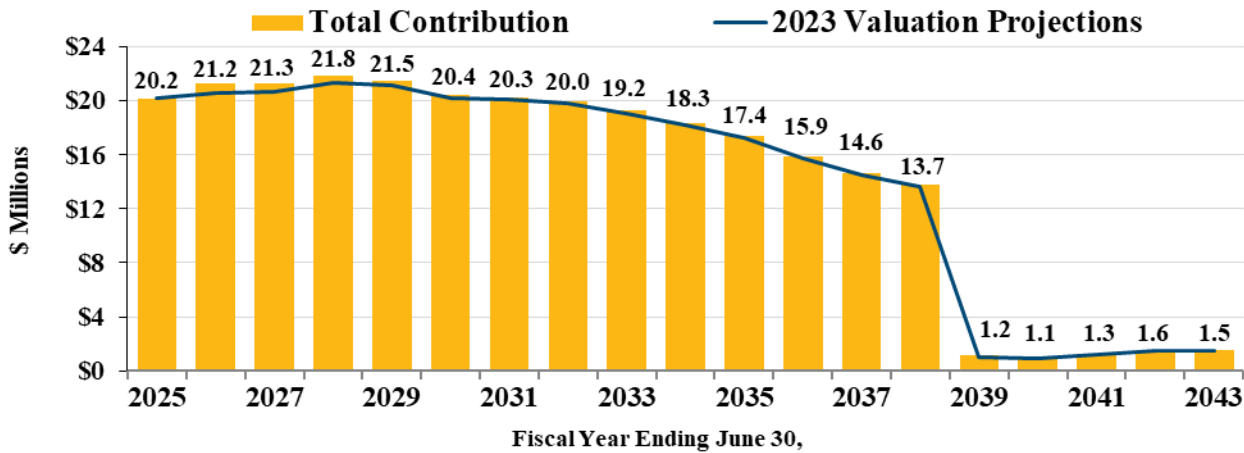
SECTION I – EXECUTIVE SUMMARY

E. Future Expected Financial Trends

The analysis of projected financial trends is an important component of this valuation. In this section, we present our assessment of the implications of the July 1, 2024 valuation results in terms of benefit security (assets over liabilities) and contributions over the next 19 years.

The projections in this section assume that the Plan will achieve the 6.00% investment return assumption, and all other actuarial assumptions will be met each year, which is highly unlikely. We also assume the current funding method and amortization policy will remain in place throughout the projection period.

Contributions are shown for the Fiscal Year End that they are expected to be made. For example, the actuarially determined contribution from the July 1, 2024 valuation of \$21.2 million is expected to be made during the period July 1, 2025 through June 30, 2026.



The Plan’s projected contributions are very similar to those projected in the 2023 valuation, shown by the blue line. The graph shows that the Plan’s contributions are expected to gradually increase over the next two years from \$21.2 million to \$21.8 million in fiscal year ending 2028 as the \$6.0 million in net deferred asset losses are recognized. The steady decline in the contributions thereafter is due to previous years’ actuarial losses being fully paid and the decrease in the annual benefits that are earned as the number of active members decline since the Plan is closed to most new entrants.

During fiscal year ending 2038 (which will be based on results from the July 1, 2036 valuation), the last payments for the Plan’s expected UAL will be made. After that point, employer contributions are expected to stabilize and are based on the normal cost and expected administrative expense. However, as the targeted full funding date approaches, changes to the amortization policy may be made at the MTS Board’s discretion to mitigate volatility or unsustainable increases in the UAL payment.

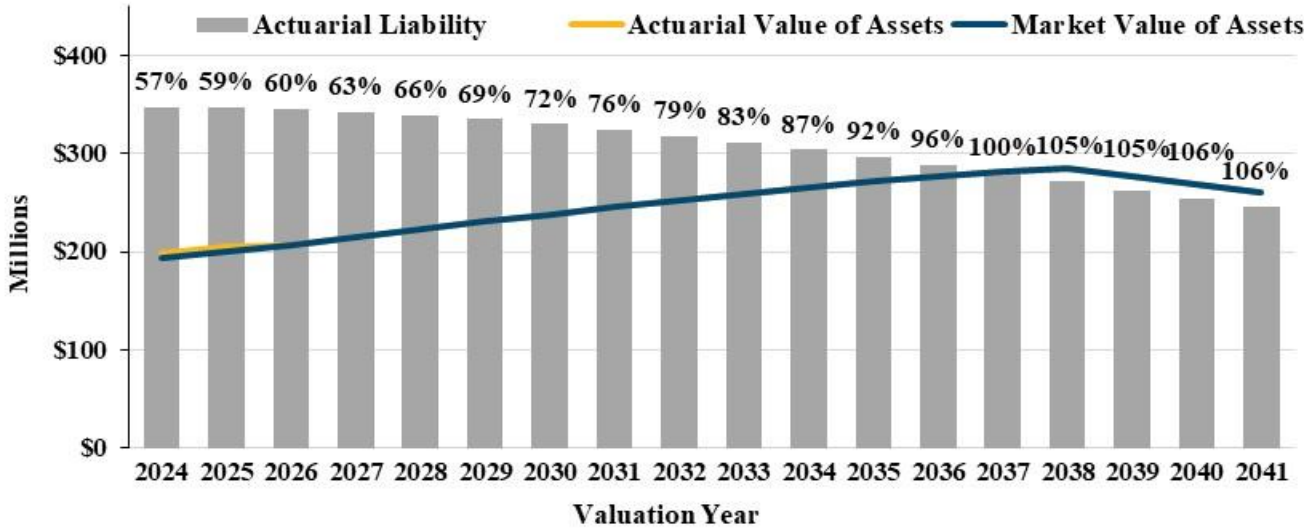
PEPRA mandates that employees and employers must continue to contribute at least the normal cost portion unless the plan is 120% funded and has met certain legal requirements as well.

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Asset and Liability Projections:

This graph shows the projection of assets and liabilities, assuming that assets will earn the 6.00% assumption each year during the projection period, as all other assumptions are met. The percentages at the top of the graph represent the funded ratio based on the Actuarial Value of Assets.



The funded status is expected to steadily increase over the projection period. The Plan is projected to be fully funded with the July 1, 2037 valuation, assuming the actuarial assumptions are achieved. The projected funded status increases over 100% funded to 106% because of the aforementioned minimum contribution requirement of the normal cost. However, it is the actual return on Plan assets that will determine the future funding status and contributions to the Plan.

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SECTION II – ASSESSMENT AND DISCLOSURE OF RISK

Actuarial valuations are based on a set of assumptions about future economic and demographic experience. These assumptions represent a reasonable estimate of future experience, but actual future experience will undoubtedly be different and may be significantly different. This section of the report is intended to identify the primary risks to the plan, provide some background information about those risks, and provide an assessment of those risks.

Identification of Risks

The fundamental risk to a pension plan is that the contributions needed to pay the benefits become unaffordable. While we believe it is unlikely that the Plan by itself would become unaffordable, the contributions needed to support the Plan may differ significantly from expectations. While there are a number of factors that could lead to contribution amounts deviating from expectations, we believe the primary sources are:

- Investment risk,
- Inflation risk, and
- Contribution risk.

Other risks that we have not identified may also turn out to be important.

Investment Risk is the potential for investment returns to be different than expected. Lower investment returns than anticipated will increase the Unfunded Actuarial Liability (UAL) necessitating higher contributions in the future unless there are other gains that offset these investment losses. In contrast, higher investment returns than anticipated may create a potentially significant surplus that could be difficult to use until all benefits have been paid. Expected future investment returns and their potential volatility are determined by the Plan's asset allocation.

Inflation risk is the potential for actual inflation to be different than expected. Retirement benefits under the plan for the Non-Contract retirees who retired on or after June 30, 1999 are potentially increased annually for inflation with certain caps. Higher inflation than expected could result in the payment of greater benefits, and lower inflation than expected could result in the payment of lower benefits. Inflation can also potentially impact expected salary increases, but since the plan is closed to most new hires, this risk is diminishing.

Contribution risk is the potential for actual future actuarially determined contributions to deviate from expected future contributions to an extent that they become unaffordable. The Plan's funding policy is to determine an Actuarially Determined Contribution (ADC) equal to the sum of the normal cost, amortization of the UAL, and the Plan's expected administrative expenses. The UAL is amortized in level dollar payments with several layers with differing amortization periods. The UAL is currently expected to be fully paid for as of the July 1, 2037 actuarial valuation. However, as 2037 gets closer and the Plan's remaining amortization period shortens, a significant loss or change in assumption may cause a large increase in the ADC. While the funding policy can be changed when such a situation occurs, any reduction in the ADC will result in a slower recovery in funded status.

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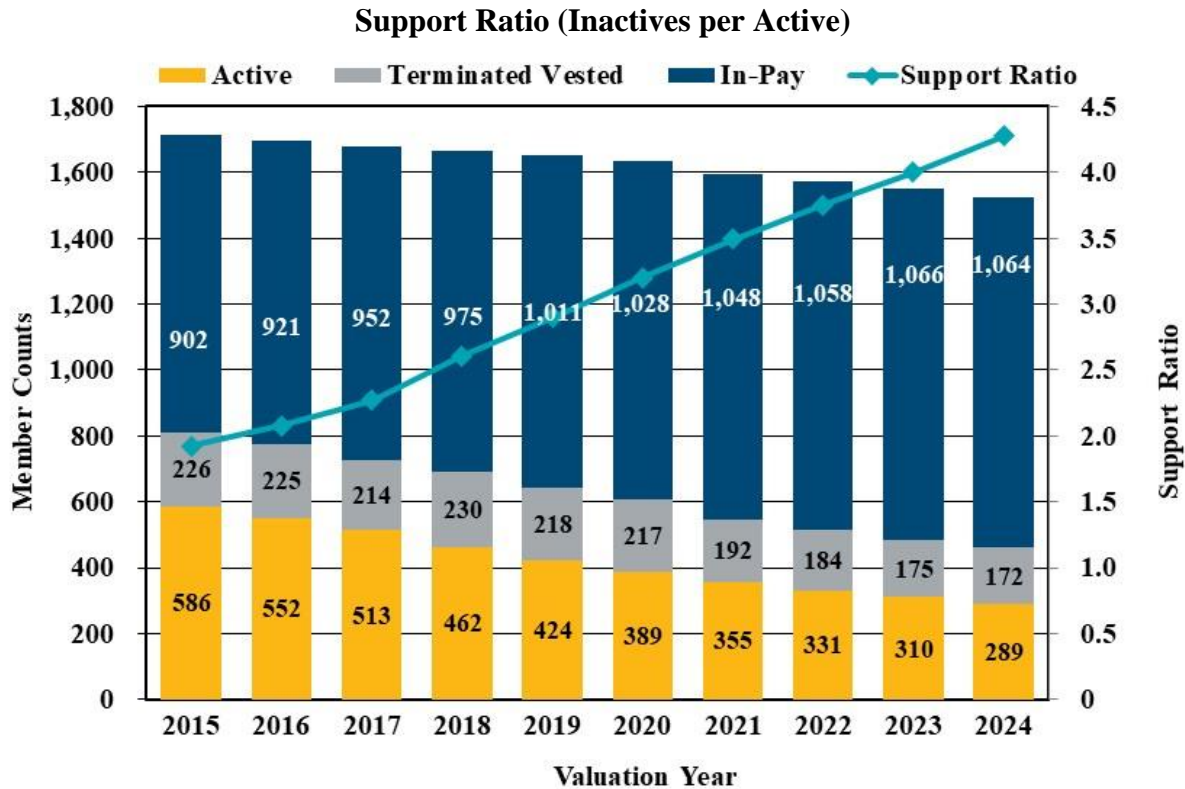
Plan Maturity Measures

The future financial condition of a mature pension plan is more sensitive to each of the risks identified above than a less mature plan. Before assessing each of these risks, it is important to understand the maturity of the plan.

Plan maturity can be measured in a variety of ways, but they all get at one basic dynamic – the larger the plan is compared to the contribution or revenue base that supports it, the more sensitive the plan will be to risk. Given that the Plan has been closed to most new entrants since 2012, measures specific to the Plan show significant increases in maturity and risk. However, for the Metropolitan Transit System, this risk is declining relative to the total employment base.

Support Ratio (Inactives per Active)

One simple measure of plan maturity is the ratio of the number of inactive members (those receiving benefits or entitled to a deferred benefit) to the number of active members. For a closed plan, the Support Ratio is expected to increase significantly as the active members retire or terminate and there are no new entrants replacing them. The chart below shows the growth in the Support Ratio for the Plan for the past 10 years.



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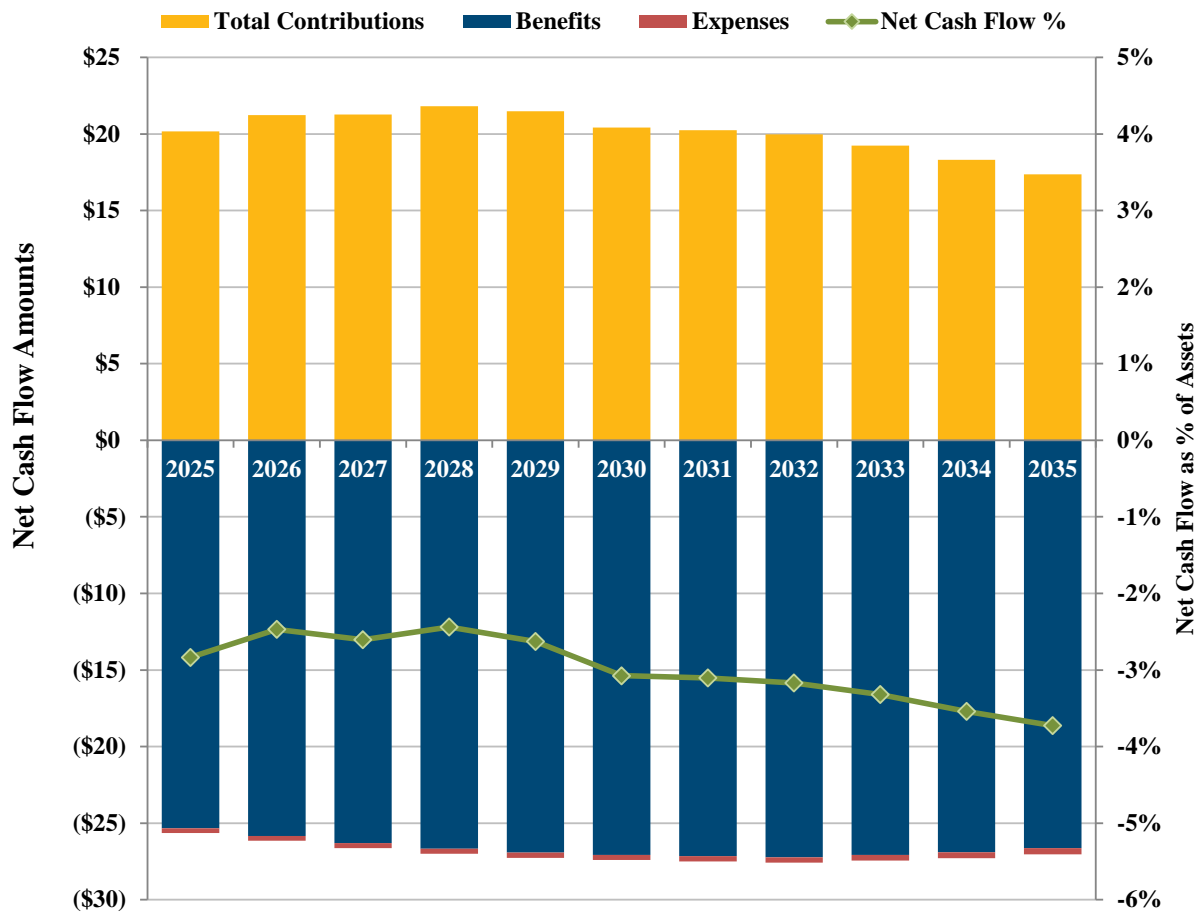
SECTION II – ASSESSMENT AND DISCLOSURE OF RISK

Net Cash Flow

The net cash flow of the plan as a percentage of the beginning of year assets indicates the sensitivity of the plan to short-term investment returns. Net cash flow is equal to contributions less benefit payments and administrative expenses. Mature plans can have large amounts of benefit payments compared to contributions, particularly if they are well funded.

The chart below shows the projected net cash flow for the next 10 fiscal years. The bars represent the dollar amounts of the different components of the projected net cash flow, and the line represents the net cash flow as a percentage of the assets as of the beginning of the fiscal year.

Projected Net Cash Flow



The net cash flow has been negative since at least 2013. The net cash flow is expected to become less negative as contributions increase over the next four years. Then as the Plan becomes better funded, benefit payments increase and contributions slowly decline, the net cash flow starts to become increasingly negative.

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SECTION II – ASSESSMENT AND DISCLOSURE OF RISK

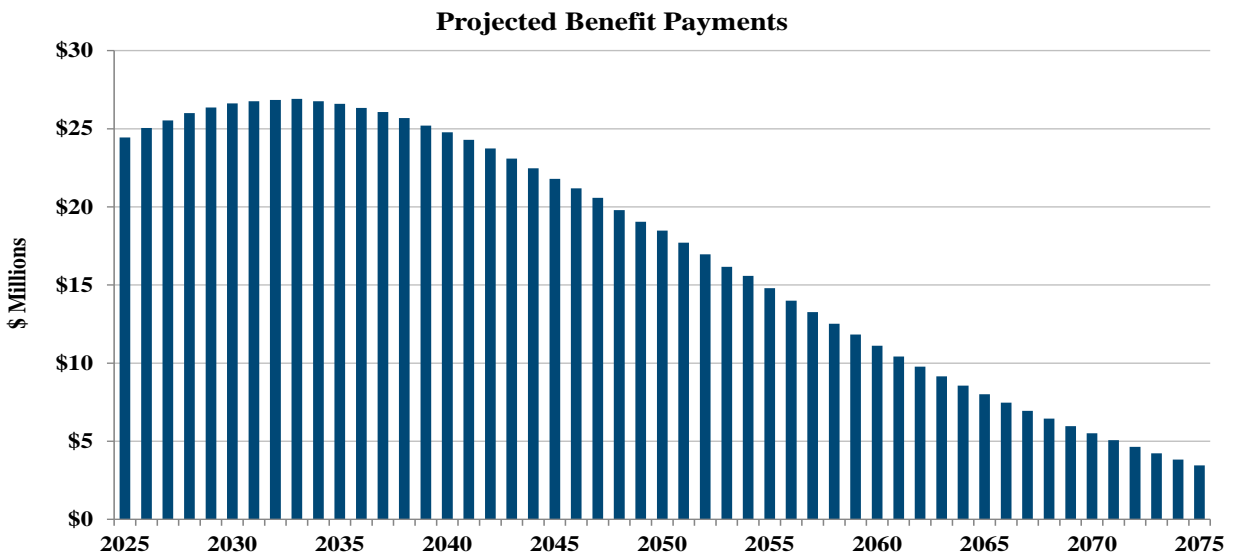
The first issue the negative cash flow presents to the Plan is a need for liquidity in the investments so that benefits can be paid. When the cash flow was positive or close to neutral, benefits could be paid out of contributions without liquidating investments. As net cash flow becomes increasingly negative, the benefit payments will require liquidation of some investments (at least to the extent the bond portfolio does not generate sufficient cash income).

The other change of note is the sensitivity to short-term investment returns. Investment losses in the short term are compounded by the net withdrawal from the plan leaving a smaller asset base to recover from the investment losses. On the other hand, large investment gains in the short term also tend to have a longer beneficial effect as any future losses are relative to a smaller liability base due to the negative cash flow.

Assessing Costs and Risks

A closed pension plan will ultimately either end up with excess assets after all benefits have been paid or run out of assets before all benefits have been paid. If the Plan develops surplus assets, it may be able to reduce the risk in its investment portfolio, immunize investments, or purchase annuities to settle the remaining obligation. However, such an approach may not be the objective for MTS, and if the surplus assets exceed the additional amounts needed to purchase annuities or immunize the portfolio, it is not clear how they could be used once all benefits have been paid.

If the Plan, on the other hand, were to run out of assets, MTS would be forced to pay benefits directly on a pay-as-you-go basis. As long as MTS can afford the pay-as-you-go costs, benefits would remain secure. The chart below shows a projection of expected benefit payments for the closed plan.

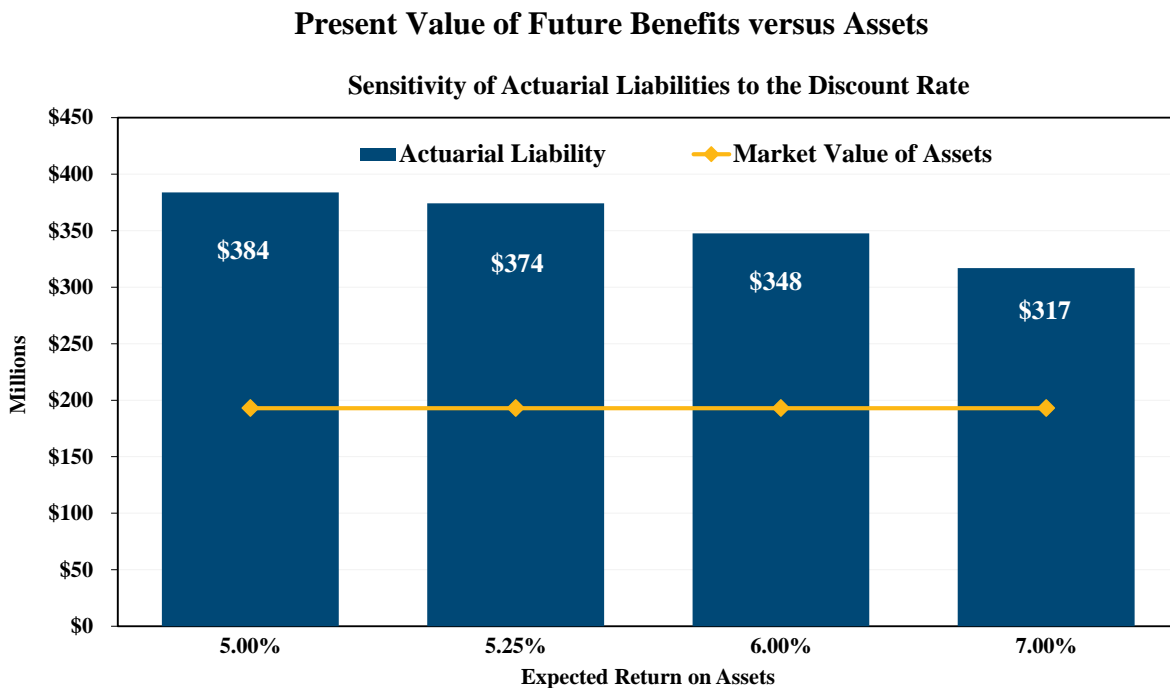


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SECTION II – ASSESSMENT AND DISCLOSURE OF RISK

Sensitivity to Discount Rates (Investment Returns)

The chart below compares the Market Value of Assets (gold line) to the Actuarial Liability (blue bars) using the discount rates equal to the current expected rate of return, 6.00% and 100 basis points above and below the expected rate of return, as well as the LDROM rate of 5.25%. The low-default-risk obligation measure (LDROM) is the Actuarial Liability using a discount rate derived from low-default-risk fixed-income securities that approximately match the benefit payments of the plan. The revised Actuarial Standard of Practice No. 4 requires the disclosure of this measurement.



The Plan invests in a diversified portfolio with the objective of maximizing investment returns at a reasonable level of risk. If investments return 6.00% annually, the Plan would need approximately \$348 million in assets today to pay all benefits attributable to past service compared to current assets of \$193 million. If investment returns are only 5.00%, the Plan would need approximately \$384 million in assets today, and if investment returns are 7.00%, the Plan would only need \$317 million in assets.

The lowest risk portfolio for a pension plan with fixed cash flows would be composed entirely of low-default-risk fixed-income securities whose cash flows match the benefit cash flows of the Plan. As of June 30, 2024 using the FTSE Pension Liability Index (rounded to the nearest 0.25%), we estimate that such a portfolio would have an expected return of 5.25% and the Plan would need \$374 million to pay all benefits attributed to past service. This amount is the LDROM. The \$26 million difference between the LDROM and the Actuarial Liability at 6.00% represents the expected savings from bearing the risk of investing in the Plan's diversified portfolio. Alternatively, it also represents the cost of significantly minimizing the investment risk.

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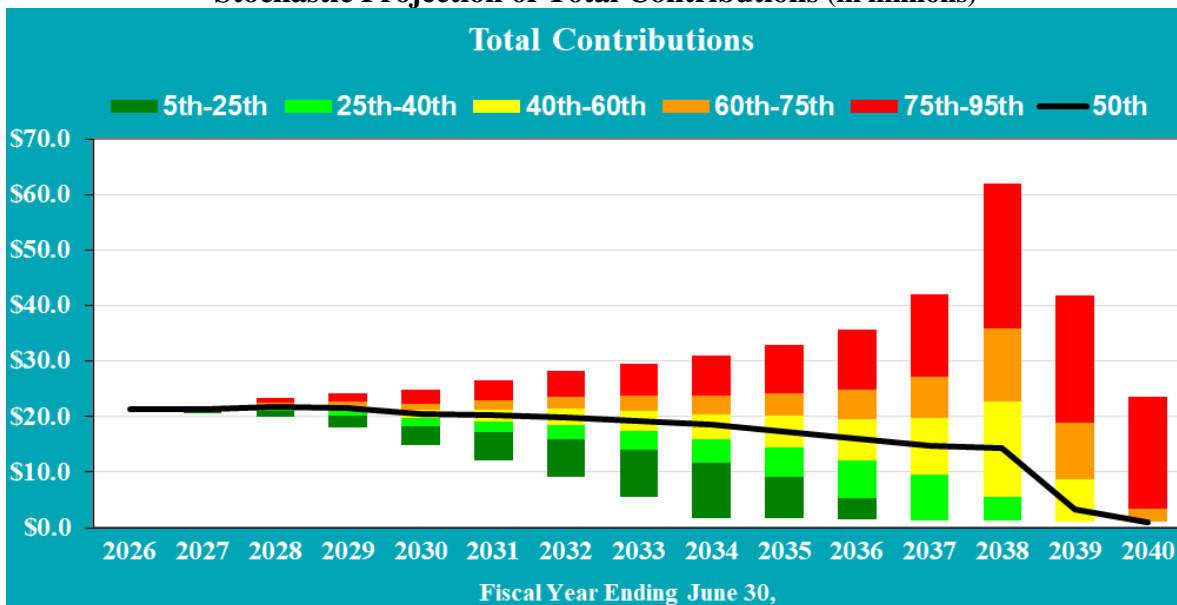
SECTION II – ASSESSMENT AND DISCLOSURE OF RISK

Because the Plan invests in a diversified portfolio and not the LDROM portfolio, the reported funded status is higher and expected employer contributions are lower. Benefit security for members of the Plan depends on a combination of the Plan’s assets, the investment returns generated on those assets, and the ability of the Plan to make any needed future contributions. An LDROM portfolio would generate more predictable but lower expected investment returns, potentially changing the level of reliance on future MTS contributions to secure benefits.

Stochastic Projections

Stochastic projections show the range of probable outcomes of various measurements. The charts that follow show the projected range of the total contributions and of the funded ratio on an actuarial value of assets basis. The range in both scenarios is driven by the volatility of investment returns (8.5% standard deviation of annual returns from RVK’s Asset Allocation Study dated March 2024). The stochastic projections of investment returns are based on an assumption that each future year’s investment return is independent from all other years and is identically distributed according to a lognormal distribution. This assumption may result in an unrealistically wide range of compound investment returns over longer periods of time.

Stochastic Projection of Total Contributions (in millions)

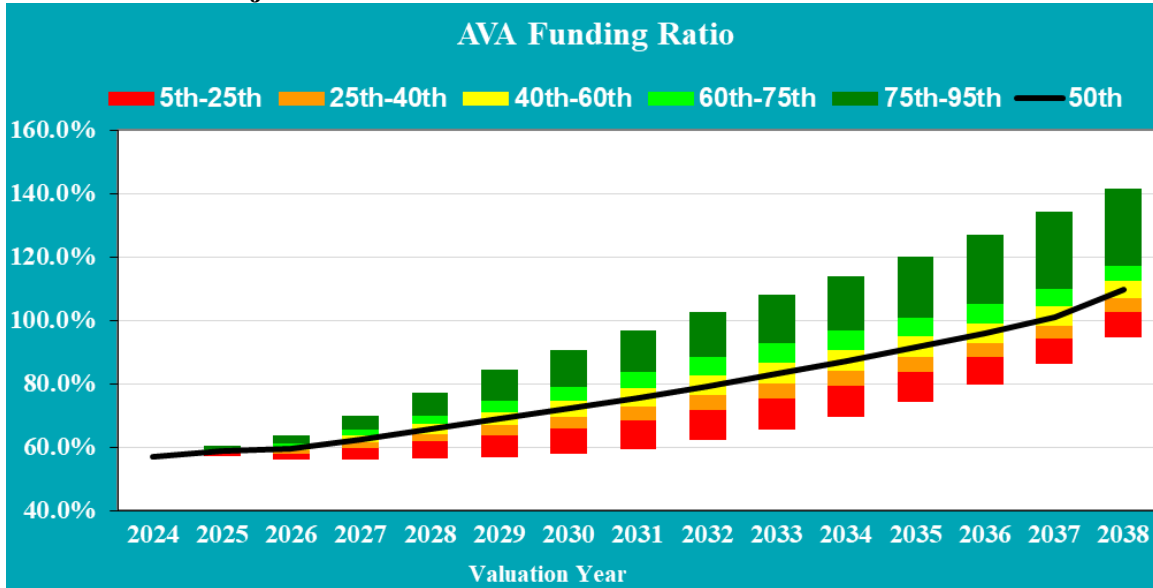


The stochastic projection of contributions shows the probable range of future contributions. The baseline contributions (black line), which is based on the median simulations using an average return of 6.00%, aligns with the projections discussed in Subsection E (page 9) of the Executive Summary of this report. In the most pessimistic scenario shown, the 95th percentile, the projected contributions are slightly over \$60 million in FYE 2038. The large range of contributions in FYE 2038 is due to the current funding policy where any actuarial losses occurring with the July 1, 2036 valuation as recognized immediately. However, in the most optimistic scenario shown, the 5th percentile, the projected contribution amount declines to about \$1 million in FYE 2038.

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SECTION II – ASSESSMENT AND DISCLOSURE OF RISK

Stochastic Projection of Funded Ratio based on the Actuarial Value of Assets



While the baseline funded ratio (black line) is projected to be around 100% at the end of the 15-year period shown here, there is a wide range of potential outcomes. Good investment returns have the likelihood of bringing the funded ratio well over 100%. Due to the sound funding policy of the Plan, even in scenarios with unfavorable investment returns, the Plan is projected to remain above 55% funded, as long as actuarially determined contributions continue to be made.

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SECTION III – ASSETS

Pension Plan assets play a key role in the financial operation of the Plan and in the decisions the Board may make with respect to future deployment of those assets. The level of assets, the allocation of assets among asset classes, and the methodology used to measure assets will likely impact benefit levels, contributions, and the ultimate security of participants' benefits.

In this section, we present detailed information on Plan assets including:

- **Disclosure** of Plan assets as of June 30, 2023 and June 30, 2024,
- Statement of the **changes** in market values during the year,
- Development of the **Actuarial Value of Assets**.

Disclosure

There are two types of asset values disclosed in the valuation, the Market Value of Assets, and the Actuarial Value of Assets. The market value represents a snapshot value that provides the principal basis for measuring financial performance from one year to the next. Market values, however, can fluctuate widely with corresponding swings in the marketplace. As a result, market values are usually not as suitable for long-range planning as are the Actuarial Value of Assets that reflect smoothing of annual investment returns.

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SECTION III – ASSETS

Table III-1 discloses and compares each component of the Market Value of Assets as of June, 30, 2023 and June 30, 2024.

Table III-1 Statement of Assets at Market Value		
	June 30, 2023	June 30, 2024
Investments		
Common Stock	\$ 61,854,033	\$ 66,949,764
Mutual Funds	59,799,632	45,478,416
Corporate Debt / Bond Funds	52,385,530	53,838,498
Closely Held Instruments	484	0
US Treasury Obligations	9,355,832	9,607,283
Short-Term Investments	<u>601,832</u>	<u>17,671,846</u>
Total Investments	\$ 183,997,343	\$ 193,545,807
Receivables		
Dividends and Interest	\$ 3,495	\$ 78,434
Other Receivables	<u>31,825</u>	<u>27,842</u>
Total Receivables	\$ 35,320	\$ 106,276
Payables		
Due to Plan Sponsor	\$ 634,237	\$ 600,842
Other Payables	<u>225,734</u>	<u>106,478</u>
Total Payables	\$ 859,971	\$ 707,320
Market Value of Assets	\$ 183,172,692	\$ 192,944,763

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
ACTUARIAL VALUATION REPORT AS OF JULY 1, 2024**

SECTION III – ASSETS

Changes in Market Value

The components of asset change are:

- Contributions (employer and employee)
- Investment income (realized and unrealized), net of investment expenses
- Benefit payments
- Administrative Expenses

Table III-2 shows the components of a change in the Market Value of Assets during FYE 2023 and FYE 2024.

Table III-2 Changes in Market Values		
	June 30, 2023	June 30, 2024
Contributions		
Employer's Contribution	16,157,770	17,213,854
Members' Contributions	<u>1,719,444</u>	<u>1,712,165</u>
Total Contributions	17,877,214	18,926,019
Investment Income		
Interest	38,083	128,205
Dividends	4,490,000	5,187,711
Miscellaneous	0	0
Realized & Unrealized Gain/(Loss)	7,074,461	9,207,890
Investment Expenses	<u>(199,423)</u>	<u>(219,026)</u>
Net Investment Income	11,403,121	14,304,780
Disbursements		
Benefit Payments	(22,630,610)	(23,302,300)
Administrative Expenses	<u>(354,459)</u>	<u>(156,428)</u>
Total Disbursements	(22,985,069)	(23,458,728)
Net Increase (Decrease)	6,295,266	9,772,071
Net Assets Held in Trust for Benefits		
Beginning of Year	<u>176,877,426</u>	<u>183,172,692</u>
End of Year	<u>183,172,692</u>	<u>192,944,763</u>
Approximate Return	6.5%	7.9%

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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SECTION III – ASSETS

Actuarial Value of Assets (AVA)

The Actuarial Value of Assets represents a “smoothed” value developed by the actuary to reduce the volatile results, which could develop due to short-term fluctuations in the Market Value of Assets. For this Plan, the Actuarial Value of Assets is calculated on a modified market-related value. The Market Value of Assets is adjusted to recognize, over a five-year period, investment earnings which are greater than (or less than) the assumed investment return. The actuarial value is constrained to fall within 20% of the market value.

**Table III-3
Development of Actuarial Value of Assets
as of June 30, 2024**

<u>Plan Year</u>	(a) Expected <u>Earnings</u>	(b) Actual <u>Earnings</u>	(c) = (b) – (a) Unexpected <u>Earnings</u>	(d) Phase-In <u>Factor</u>	(c) x (d) Phase-In <u>Adjustment</u>
2019 -20	11,343,578	24,666	(11,318,912)	0%	0
2020 -21	11,328,702	34,664,950	23,336,248	20%	4,667,250
2021 -22	12,125,387	(22,759,878)	(34,885,265)	40%	(13,954,106)
2022 -23	10,461,642	11,403,121	941,479	60%	564,887
2023 -24	10,856,361	14,304,780	3,448,419	80%	<u>2,758,735</u>
1. Total Unrecognized Asset Gains/(Losses)					(5,963,234)
2. Market Value of Assets as of June 30, 2024					192,944,763
3. Actuarial Value of Assets as of June 30, 2024: [(2) - (1)]					198,907,997
4. Ratio of Actuarial Value to Market Value [(3) ÷ (2)]					103%

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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SECTION III – ASSETS

Investment Performance

The following table calculates the investment related gain/loss for the plan year on both a market value and an actuarial value basis. The market value gain/loss is an appropriate measure for comparing the actual asset performance to the valuation's long-term assumption. The rate of return assumption was 6.00% for the July 1, 2023 actuarial valuation.

Table III-4 Asset Gain/(Loss)			
	Market Value		Actuarial Value
As of June 30, 2023	\$ 183,172,692	\$	196,279,951
Employer Contributions	17,213,854		17,213,854
Employee Contributions	1,712,165		1,712,165
Benefit Payments	(23,302,300)		(23,302,300)
Administrative Expenses	(156,428)		(156,428)
Expected Investment Earnings at 6.00%	10,856,361		11,642,797
Expected Value as of June 30, 2024	\$ 189,496,344	\$	203,390,039
Actuarial Gain/(Loss) on Assets	3,448,419		(4,482,042)
Actual Value as of June 30, 2024	\$ 192,944,763	\$	198,907,997
Return	7.9%		3.7%
Variance from Expected Return of 6.00%	1.9%		-2.3%

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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SECTION IV – LIABILITIES

In this section, we present detailed information on Plan liabilities including:

- **Disclosure** of Plan liabilities at July 1, 2023 and July 1, 2024,
- Statement of **changes** in these liabilities during the year.

Disclosure

Several types of liabilities are calculated and presented in this report. Each type is distinguished by the people ultimately using the figures and the purpose for which they are using them. Note that these liabilities are not appropriate for settlement purposes, including the purchase of annuities and the payment of lump sums.

- **Present Value of Future Benefits:** Used for measuring all future Plan obligations; the obligations of the Plan earned as of the valuation date and those to be earned in the future by current Plan participants, under the current Plan provisions.
- **Actuarial Liability:** Used for funding calculations, this liability is calculated taking the total Present Value of Future Benefits and subtracting all future normal costs. The method used for this Plan is called the Entry Age Normal (EAN) Funding Method.
- **Unfunded Actuarial Liability:** The excess of the Actuarial Liability over the Actuarial Value of Assets.

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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SECTION IV – LIABILITIES

Table IV-1 discloses each of these liabilities for the current and prior valuations.

Table IV-1 Liabilities and Unfunded Actuarial Liability		
	July 1, 2023	July 1, 2024
1. Present Value of Future Benefits		
Active Participant Benefits		
ATU/Drivers	\$ 55,441,138	\$ 54,621,376
IBEW/Mechanics	29,633,090	27,953,569
ATU/Clerical	2,152,220	1,798,906
Non-Contract/Admin ¹	28,069,668	31,546,117
Total	\$ 115,296,116	\$ 115,919,968
2. Inactive Actuarial Liability		
ATU/Drivers	\$ 128,086,052	\$ 129,053,590
IBEW/Mechanics	33,899,436	34,959,383
ATU/Clerical	5,186,826	5,272,084
Non-Contract/Admin ¹	83,207,265	85,149,192
Total	\$ 250,379,579	\$ 254,434,249
3. Active Actuarial Liability		
ATU/Drivers	\$ 44,696,858	\$ 44,640,491
IBEW/Mechanics	24,822,227	23,728,949
ATU/Clerical	1,834,465	1,514,519
Non-Contract/Admin ¹	21,119,739	23,303,195
Total	\$ 92,473,289	\$ 93,187,154
4. Total Actuarial Liability, [(2) + (3)]	\$ 342,852,868	\$ 347,621,403
5. Plan Assets (Actuarial Value)	196,279,951	198,907,997
6. Unfunded Actuarial Liability (UAL), [(4) - (5)]	\$ 146,572,917	\$ 148,713,406

¹ Includes PEPRAs members.

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
ACTUARIAL VALUATION REPORT AS OF JULY 1, 2024**

SECTION IV – LIABILITIES

Table IV-2 below analyzes the increases or decreases in the liabilities since the last valuation.

Changes in Liabilities

Each of the liabilities disclosed in the prior table are expected to change at each valuation. The components of that change (as shown in Table IV-2 below), depending upon which liability is analyzed, can include:

- Benefits accrued since the last valuation
- Plan amendments changing benefits
- Passage of time which adds interest to the prior liability
- Benefits paid to retirees since the last valuation
- Actuarial gains or losses from participants retiring, terminating, or dying at rates different than expected
- A change in actuarial assumptions
- A change in the actuarial funding method or software

Table IV-2 Changes in Actuarial Liability		
Actuarial Liability at July 1, 2024	\$	347,621,403
Actuarial Liability at July 1, 2023	\$	<u>342,852,868</u>
Liability Increase (Decrease)	\$	4,768,535
Change due to:		
Assumption Changes		0
Accrual of Benefits		3,557,763
Actual Benefit Payments		(23,302,300)
Interest		20,095,752
Actuarial (Gain)/Loss		<u>4,417,320</u>
Liability Increase (Decrease)	\$	4,768,535

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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SECTION IV – LIABILITIES

Unfunded liabilities will change (as shown in Table IV-3 below) because of the changes in liabilities on the previous page, and also due to changes in Plan assets resulting from:

- Contributions different than expected
- Investment earnings different than expected
- Expenses different than expected

**Table IV-3
Development of Actuarial Gain / (Loss)**

1. Unfunded Actuarial Liability (UAL) at Start of Year (not less than zero)	\$	146,572,917
2. Expected UAL Payment		(15,748,549)
3. Interest on (1) and (2) to End of Year		7,849,462
4. Increase in UAL due to Assumption Change		<u>0</u>
5. Expected Unfunded Actuarial Liability at End of Year, [(1) + (2) + (3) + (4)]	\$	138,673,830
6. Actual Unfunded Actuarial Liability at End of Year (not less than zero)	\$	148,713,406
7. Actuarial Gain/(Loss), [(5) – (6)]	\$	(10,039,576)
(a) Liability Gain/(Loss)		(4,417,320)
(b) Asset Gain/(Loss) on Actuarial Value		(4,482,042)
(c) Contribution Timing Delay Gain/(Loss)		(1,285,555)
(d) Administrative Expenses Less than Expected		145,341

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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SECTION V – CONTRIBUTIONS

In the process of evaluating the financial condition of any pension plan, the actuary analyzes the assets and liabilities to determine what level (if any) of contributions are needed to properly maintain the funding status of the Plan. Typically, the actuarial process will use a funding technique that will result in a pattern of contributions that are both stable and predictable.

Based on the assumptions and cost method, Plan assets are currently below the target level of assets determined by the cost method; consequently, there is an Unfunded Actuarial Liability. As a result, the required Plan contribution consists of three components: The normal cost, the amortization of the Unfunded Actuarial Liability (UAL), and assumed administrative expenses.

The normal cost represents the cost of the additional benefits earned during the plan year by active Plan members. The amortization of the unfunded liability represents a payment designed to bring the Plan's assets up to the target level set by the actuarial cost method. Currently, the amortization of UAL represents about three-fourths of the total contribution.

As the UAL is paid overtime, the Plan contribution is expected to decrease to a level near the normal cost plus administrative expenses. The normal cost itself will be changing since the Plan is closed to new members other than Non-Contract employees.

The table below presents the total Plan contributions (both employer and employee) for the current and prior valuations.

Table V-1 Development of Annual Contribution		
Valuation Date	July 1, 2023	July 1, 2024
Effective Date	FY 2024-2025	FY 2025-2026
1. Total Actuarial Liability	\$ 342,852,868	\$ 347,621,403
2. Plan Assets (Actuarial Value)	<u>196,279,951</u>	<u>198,907,997</u>
3. Unfunded Actuarial Liability (UAL), [(1) - (2)]	\$ 146,572,917	\$ 148,713,406
4. UAL Amortization Payment	\$ 15,748,549	\$ 16,818,427
5. Total Plan Normal Cost	3,557,763	3,507,119
6. Expected Administrative Expenses	<u>289,050</u>	<u>296,276</u>
7. Total Cost (beginning of year), [(4) + (5) + (6)]	\$ 19,595,362	\$ 20,621,822
8. Total Cost (interest adjusted to middle of year)	\$ 20,174,660	\$ 21,231,465

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
ACTUARIAL VALUATION REPORT AS OF JULY 1, 2024**

SECTION V – CONTRIBUTIONS

Table V-2 presents the calculation of the UAL payments for the Plan under the amortization policy adopted in 2012.

Table V-2 Development of the Amortization Payment (BOY) as of July 1, 2024						
Type of Base	Date Established	Initial Balance	Initial Amortization	Outstanding Balance	Remaining Amortization	Amortization Amount
Initial Unfunded						
1. Actuarial Liability	7/1/2012	\$ 87,613,245	25	\$ 62,414,979	13	\$ 6,651,323
2. Actuarial Loss	7/1/2013	6,555,553	15	2,414,847	4	657,457
3. Actuarial Gain	7/1/2014	(2,132,368)	15	(949,575)	5	(212,666)
4. Actuarial Loss	7/1/2015	740,624	15	382,920	6	73,464
5. Assumption Changes	7/1/2016	29,699,872	21	22,648,195	13	2,413,531
6. Actuarial Loss	7/1/2016	4,978,340	15	2,906,622	7	491,205
7. Actuarial Loss	7/1/2017	5,880,935	15	3,805,686	8	578,162
8. Method Changes	7/1/2018	(640,322)	19	(511,908)	13	(54,552)
9. Actuarial Loss	7/1/2018	5,453,907	15	3,852,118	9	534,290
10. Assumption Changes	7/1/2019	7,536,766	18	6,190,925	13	659,743
11. Actuarial Loss	7/1/2019	9,988,472	15	7,607,865	10	975,156
12. Actuarial Loss	7/1/2020	3,425,437	15	2,788,603	11	333,561
13. Assumption Changes	7/1/2021	10,215,184	16	8,948,419	13	953,598
14. Actuarial Gain	7/1/2021	(5,703,358)	15	(4,923,274)	12	(553,994)
15. Actuarial Loss	7/1/2022	10,345,013	15	9,429,445	13	1,004,860
15. Actuarial Loss	7/1/2023	12,250,922	14	11,667,963	13	1,243,410
16. Actuarial Loss	7/1/2024	10,039,576	13	<u>10,039,576</u>	13	<u>1,069,879</u>
TOTAL				\$ 148,713,406		\$ 16,818,427
				Total UAL Payment, Middle of Year		\$ 17,315,630

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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SECTION V – CONTRIBUTIONS

Table V-3 presents the development of the PEPRA Member Contribution Rate. PEPRA Members must contribute half of the total normal cost rate of the PEPRA member benefits, rounded to the nearest 0.25%, as shown in the table below. However, the member rate does not adjust unless the total normal cost upon which the current member rate is based changes by more than 1.00%. The current member contribution rate of 9.00% is based on the July 1, 2023 total normal cost rate of 18.07%. Since the July 1, 2024 total normal cost rate of 17.72% did not change by more than 1.00%, the PEPRA member contribution rate remains at 9.00%.

Table V-3		
Development of the PEPRA Member Contribution Rate		
Valuation Date	July 1, 2023	July 1, 2024
Effective Date	FY 2024-2025	FY 2025-2026
Assumed Rate of Return	6.00%	6.00%
Total Normal Cost Rate	18.07%	17.72%
50/50 Cost Sharing Rate for Members	9.03%	8.86%
Member Contribution Rate	9.00%	9.00%
Active PEPRA Membership Statistics		
Number	26	29
Average Age	44.4	43.8
Average Service	6.0	3.9
Average Age at Hire Date	38.4	39.9

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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APPENDIX A – MEMBERSHIP INFORMATION

Data pertaining to active and inactive Members and their beneficiaries as of the valuation date was supplied by the Plan Administrator on electronic media. As is usual in studies of this type, Member data was neither verified nor audited; however, it was reviewed to ensure that it complies with generally accepted actuarial standards.

Summary of Participant Data

Active Participants

Non-Contract/Admin	July 1, 2023	July 1, 2024
Number	45	44
Average Age	52.3	52.3
Average Service	18.9	19.2
Average Pay	\$ 85,940	\$ 100,008
Non-Contract/PEPRA	July 1, 2023	July 1, 2024
Number	26	29
Average Age	44.4	43.8
Average Service	6.0	3.9
Average Pay	\$ 76,165	\$ 82,803
ATU/Clerical	July 1, 2023	July 1, 2024
Number	9	8
Average Age	54.0	53.9
Average Service	16.4	15.9
Average Pay	\$ 56,224	\$ 55,796
ATU/Drivers	July 1, 2023	July 1, 2024
Number	152	139
Average Age	55.7	56.0
Average Service	18.7	19.3
Average Pay	\$ 76,771	\$ 81,273
IBEW/Mechanics	July 1, 2023	July 1, 2024
Number	78	69
Average Age	54.5	54.7
Average Service	23.7	25.0
Average Pay	\$ 76,804	\$ 79,835
Total	July 1, 2023	July 1, 2024
Number	310	289
Average Age	53.9	53.9
Average Service	18.8	19.0
Average Pay	\$ 77,463	\$ 83,230

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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APPENDIX A – MEMBERSHIP INFORMATION

Summary of Participant Data

Deferred Participants

Terminated Vested	July 1, 2023	July 1, 2024
Number	175	172
Average Age	55.4	56.3
Average Annual Benefit	\$ 9,366	\$ 9,730

In-Pay Participants

Service Retired	July 1, 2023	July 1, 2024
Number	817	818
Average Age	71.7	72.1
Average Annual Benefit	\$ 24,829	\$ 25,420
Beneficiaries	July 1, 2023	July 1, 2024
Number	181	179
Average Age	73.7	73.6
Average Annual Benefit	\$ 11,787	\$ 12,046
Disabled	July 1, 2023	July 1, 2024
Number	68	67
Average Age	71.8	72.8
Average Annual Benefit	\$ 10,170	\$ 10,287
Total	July 1, 2023	July 1, 2024
Number	1,066	1,064
Average Age	72.0	72.4
Average Annual Benefit	\$ 21,680	\$ 22,217

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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APPENDIX A – MEMBERSHIP INFORMATION

**Status Reconciliation - All Divisions
Changes in Plan Membership as of July 1, 2024**

	Active	Terminated Vested	Disabled	Retired	Beneficiaries	Total
Participant count as of July 1, 2023	310	175	68	817	181	1,551
New Entrants	8					8
Rehires						0
Disabilities						0
Retirements/ Domestic Relations Order (DRO)	(21)	(8)		29	1	1
Vested Terminations	(5)	5				0
Died, with Beneficiaries' Benefit Payable	(1)			(6)	7	0
Transfers						0
Died, without Beneficiary, and Other Terminations	(1)		(1)	(22)	(1)	(25)
Beneficiary Deaths					(10)	(10)
Data Corrections	(1)				1	0
Total Change	(21)	(3)	(1)	1	(2)	(26)
Participant count as of July 1, 2024	289	172	67	818	179	1,525

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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APPENDIX A – MEMBERSHIP INFORMATION

**Status Reconciliation - Non-Contract/Administrative¹
Changes in Plan Membership as of July 1, 2024**

	Active	Terminated Vested	Disabled	Retired	Beneficiaries	Total
Participant count as of July 1, 2023	71	21	1	138	36	267
New Entrants	8					8
Rehires						0
Disabilities						0
Retirements/ Domestic Relations Order (DRO)	(4)	(2)		6		0
Vested Terminations						0
Died, with Beneficiaries' Benefit Payable	(1)			(1)	2	0
Transfers	1					1
Died, without Beneficiary, and Other Terminations	(1)			(1)		(2)
Beneficiary Deaths					(2)	(2)
Data Corrections	(1)					(1)
Total Change	2	(2)	0	4	0	4
Participant count as of July 1, 2024	73	19	1	142	36	271

¹ Includes 23 active individuals participating in PEPPRA.

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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APPENDIX A – MEMBERSHIP INFORMATION

**Status Reconciliation - Clerical
Changes in Plan Membership as of July 1, 2024**

	Active	Terminated Vested	Disabled	Retired	Beneficiaries	Total
Participant count as of July 1, 2023	9	8	1	30	6	54
New Entrants						0
Rehires						0
Disabilities						0
Retirements/ Domestic Relations Order (DRO)	(1)			1		0
Vested Terminations						0
Died, with Beneficiaries' Benefit Payable						0
Transfers						0
Died, without Beneficiary, and Other Terminations						0
Beneficiary Deaths					(1)	(1)
Data Corrections						0
Total Change	<u>(1)</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>(1)</u>	<u>(1)</u>
Participant count as of July 1, 2024	8	8	1	31	5	53

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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APPENDIX A – MEMBERSHIP INFORMATION

**Status Reconciliation - ATU/Drivers
Changes in Plan Membership as of July 1, 2024**

	Active	Terminated Vested	Disabled	Retired	Beneficiaries	Total
Participant count as of July 1, 2023	152	109	56	520	106	943
New Entrants						0
Rehires						0
Disabilities						0
Retirements/ Domestic Relations Order (DRO)	(8)	(6)		14	1	1
Vested Terminations	(4)	4				0
Died, with Beneficiaries' Benefit Payable				(2)	2	0
Transfers	(1)					(1)
Died, without Beneficiary, and Other Terminations			(1)	(17)	(1)	(19)
Beneficiary Deaths					(7)	(7)
Data Corrections				0	1	1
Total Change	<u>(13)</u>	<u>(2)</u>	<u>(1)</u>	<u>(5)</u>	<u>(4)</u>	<u>(25)</u>
Participant count as of July 1, 2024	139	107	55	515	102	918

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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APPENDIX A – MEMBERSHIP INFORMATION

**Status Reconciliation - IBEW/Mechanics
Changes in Plan Membership as of July 1, 2024**

	Active	Terminated Vested	Disabled	Retired	Beneficiaries	Total
Participant count as of July 1, 2023	78	37	10	129	33	287
New Entrants						0
Rehires						0
Disabilities						0
Retirements/ Domestic Relations Order (DRO)	(8)			8		0
Vested Terminations	(1)	1				0
Died, with Beneficiaries' Benefit Payable				(3)	3	0
Transfers						0
Died, without Beneficiary, and Other Terminations				(4)		(4)
Beneficiary Deaths						0
Data Corrections						0
Total Change	<u>(9)</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>3</u>	<u>(4)</u>
Participant count as of July 1, 2024	69	38	10	130	36	283

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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APPENDIX A – MEMBERSHIP INFORMATION

**Age / Service Distribution Of Active Participants - Non-Contract/Administrative¹ (Counts)
As of July 1, 2024**

Age	Service												Total	
	Under 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & up		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	1	2	0	0	0	0	0	0	0	0	0	0	0	3
30 to 34	2	1	1	0	0	0	1	0	0	0	0	0	0	5
35 to 39	0	1	1	0	0	3	0	4	0	0	0	0	0	9
40 to 44	3	1	0	0	0	1	5	4	0	0	0	0	0	14
45 to 49	0	0	2	0	0	1	3	1	1	1	0	0	0	9
50 to 54	0	0	1	0	0	0	3	1	1	3	0	0	0	9
55 to 59	0	0	0	0	1	0	1	1	1	2	0	0	0	6
60 to 64	0	0	0	0	0	2	1	6	1	0	1	1	1	12
65 to 69	1	0	0	0	0	1	2	0	0	0	1	0	0	5
70 & up	0	0	0	0	0	0	0	0	1	0	0	0	0	1
Total	7	5	5	0	1	8	16	17	5	6	2	1	1	73

¹ Includes 29 active individuals participating in PEPRAs.

**Age / Service Distribution Of Active Participants - Non-Contract/Administrative¹ (Average Salary)
As of July 1, 2024**

Age	Service												Total	
	Under 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & up		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
25 to 29	77,000	65,407	0	0	0	0	0	0	0	0	0	0	0	\$69,271
30 to 34	87,121	98,121	82,801	0	0	0	98,121	0	0	0	0	0	0	\$90,657
35 to 39	0	75,250	82,801	0	0	90,653	0	100,819	0	0	0	0	0	\$92,587
40 to 44	69,874	98,121	0	0	0	71,205	96,020	111,447	0	0	0	0	0	\$93,202
45 to 49	0	0	63,427	0	0	91,396	106,433	101,450	99,495	109,375	0	0	0	\$94,208
50 to 54	0	0	82,801	0	0	0	96,023	119,677	84,912	107,869	0	0	0	\$99,896
55 to 59	0	0	0	0	70,339	0	104,507	87,035	97,844	79,920	0	0	0	\$86,594
60 to 64	0	0	0	0	0	81,901	114,781	99,894	96,682	0	76,893	111,982	0	\$96,959
65 to 69	77,000	0	0	0	0	70,575	96,034	0	0	0	145,720	0	0	\$97,073
70 & up	0	0	0	0	0	0	0	0	87,035	0	0	0	0	\$87,035
Total	\$76,838	\$80,461	\$75,051	\$0	\$70,339	\$83,617	\$99,809	\$103,329	\$93,194	\$98,803	\$111,306	\$111,982	\$111,982	\$93,173

¹ Includes 29 active individuals participating in PEPRAs.



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APPENDIX A – MEMBERSHIP INFORMATION

**Age / Service Distribution Of Active Participants - ATU/Clerical (Counts)
As of July 1, 2024**

Age	Service												Total	
	Under 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & up		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	0	0	0	0	0	0	0	1	0	0	0	0	0	1
40 to 44	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45 to 49	0	0	0	0	0	0	1	1	0	0	0	0	0	2
50 to 54	0	0	0	0	0	0	1	0	0	0	0	0	0	1
55 to 59	0	0	0	0	0	0	1	1	1	0	0	0	0	3
60 to 64	0	0	0	0	0	0	0	0	0	0	0	0	0	0
65 to 69	0	0	0	0	0	0	0	0	0	0	0	0	0	0
70 & up	0	0	0	0	0	0	0	1	0	0	0	0	0	1
Total	0	0	0	0	0	0	3	4	1	0	0	0	0	8

**Age / Service Distribution Of Active Participants - ATU/Clerical (Average Salary)
As of July 1, 2024**

Age	Service												Total	
	Under 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & up		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
30 to 34	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
35 to 39	0	0	0	0	0	0	0	55,944	0	0	0	0	0	\$55,944
40 to 44	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
45 to 49	0	0	0	0	0	0	83,166	51,114	0	0	0	0	0	\$67,140
50 to 54	0	0	0	0	0	0	51,114	0	0	0	0	0	0	\$51,114
55 to 59	0	0	0	0	0	0	51,114	51,114	51,690	0	0	0	0	\$51,306
60 to 64	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
65 to 69	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
70 & up	0	0	0	0	0	0	0	51,114	0	0	0	0	0	\$51,114
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$61,798	\$52,322	\$51,690	\$0	\$0	\$0	\$0	\$55,796



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**Age / Service Distribution Of Active Participants - ATU/Drivers (Counts)
As of July 1, 2024**

Age	Service												Total	
	Under 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & up		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	0	0	0	0	0	0	3	3	0	0	0	0	0	6
40 to 44	0	0	0	0	0	0	7	6	0	0	0	0	0	13
45 to 49	0	0	0	0	0	0	2	11	3	0	0	0	0	16
50 to 54	0	0	0	0	0	0	1	10	7	2	0	0	0	20
55 to 59	0	0	0	0	0	0	6	19	7	3	1	0	0	36
60 to 64	0	0	0	0	0	0	9	7	6	3	4	1	0	30
65 to 69	0	0	0	0	0	0	6	3	3	3	0	1	0	16
70 & up	0	0	0	0	0	0	0	0	0	1	0	1	0	2
Total	0	0	0	0	0	0	34	59	26	12	5	3	0	139

**Age / Service Distribution Of Active Participants - ATU/Drivers (Average Salary)
As of July 1, 2024**

Age	Service												Total	
	Under 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & up		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
30 to 34	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
35 to 39	0	0	0	0	0	0	85,878	77,133	0	0	0	0	0	\$81,505
40 to 44	0	0	0	0	0	0	71,274	79,074	0	0	0	0	0	\$74,874
45 to 49	0	0	0	0	0	0	74,378	78,635	78,118	0	0	0	0	\$78,006
50 to 54	0	0	0	0	0	0	81,521	82,489	78,838	84,669	0	0	0	\$81,380
55 to 59	0	0	0	0	0	0	86,950	85,861	73,580	93,714	96,419	0	0	\$84,602
60 to 64	0	0	0	0	0	0	81,426	88,188	73,901	84,155	91,693	78,351	0	\$83,038
65 to 69	0	0	0	0	0	0	78,642	71,801	89,161	76,210	0	67,753	0	\$78,195
70 & up	0	0	0	0	0	0	0	0	0	86,380	0	84,581	0	\$85,481
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$79,800	\$82,369	\$77,391	\$84,830	\$92,638	\$76,895	\$0	\$81,273



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**Age / Service Distribution Of Active Participants - IBEW/Mechanics (Counts)
As of July 1, 2024**

Age	Service												Total	
	Under 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & up		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	1	0	0	0	0	0	0	1
35 to 39	0	0	0	0	0	0	4	5	0	0	0	0	0	9
40 to 44	0	0	0	0	0	0	2	1	2	0	0	0	0	5
45 to 49	0	0	0	0	0	0	1	0	1	3	0	0	0	5
50 to 54	0	0	0	0	0	0	1	0	3	2	6	0	0	12
55 to 59	0	0	0	0	0	0	0	2	0	3	0	1	0	6
60 to 64	0	0	0	0	0	0	0	3	5	1	7	5	0	21
65 to 69	0	0	0	0	0	0	0	4	1	1	1	1	1	8
70 & up	0	0	0	0	0	0	0	1	0	0	1	0	0	2
Total	0	0	0	0	0	0	9	16	12	10	15	7	0	69

**Age / Service Distribution Of Active Participants - IBEW/Mechanics (Average Salary)
As of July 1, 2024**

Age	Service												Total	
	Under 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & up		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
30 to 34	0	0	0	0	0	0	88,795	0	0	0	0	0	0	\$88,795
35 to 39	0	0	0	0	0	0	84,393	88,795	0	0	0	0	0	\$86,839
40 to 44	0	0	0	0	0	0	63,887	88,795	88,795	0	0	0	0	\$78,832
45 to 49	0	0	0	0	0	0	88,795	0	88,795	73,014	0	0	0	\$79,326
50 to 54	0	0	0	0	0	0	88,795	0	73,014	84,097	84,097	0	0	\$81,718
55 to 59	0	0	0	0	0	0	0	65,672	0	85,663	0	79,400	0	\$77,955
60 to 64	0	0	0	0	0	0	0	63,332	85,037	79,400	80,619	86,916	0	\$80,642
65 to 69	0	0	0	0	0	0	0	71,923	59,749	59,749	88,795	79,400	0	\$71,923
70 & up	0	0	0	0	0	0	0	50,848	0	0	79,400	0	0	\$65,124
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$81,303	\$74,541	\$80,863	\$78,337	\$82,474	\$84,768	\$0	\$79,835



**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

A. Contribution Allocation Procedure

The contribution allocation procedure primarily consists of an actuarial cost method, an asset smoothing method, and an amortization method as described below. This contribution allocation procedure, combined with reasonable assumptions, produces a reasonable actuarially determined contribution as defined in Actuarial Standard of Practice No. 4. The contribution allocation procedure was selected to balance benefit security, intergenerational equity, and the stability of actuarially determined contributions. The selection also considered the demographics of plan members, the funding goals and objectives of the Board, and the need to accumulate assets to make benefit payments when due.

1. Actuarial Cost Method

The actuarial funding method used to determine the normal cost and the Unfunded Actuarial Liability is the individual entry age to final decrement cost method. This method is consistent with the method required under the GASB accounting statements. Under this cost method, the normal cost is calculated as the amount necessary to fund Members' benefits as a level percentage of total payroll over their projected working lives. At each valuation date, the Actuarial Liability is equal to the difference between the liability for the Members' total projected benefit and the present value of future normal cost contributions. The total normal cost is calculated as the sum of the individual normal costs for each active member (individual entry age method). The Unfunded Actuarial Liability (UAL) is the difference between the Actuarial Liability and the Actuarial Value of Assets (AVA).

2. Amortization Method

The initial Unfunded Actuarial Liability as of July 1, 2012 is amortized in level dollar payments over a 25-year period ending June 30, 2037. Changes in the Unfunded Actuarial Liability due to Plan amendments, changes in actuarial assumptions or methods will be amortized in level dollar payments over a separate period that ends on June 30, 2037 consistent with the amortization of the remaining June 30, 2012 UAL. Changes in the Unfunded Actuarial Liability due to actuarial gains and losses are amortized over closed separate 15-year periods in level dollar payments. In order for SDTC to achieve its goal of full funding by 2037 once the amortization of future gains and losses extends beyond June 30, 2037, the period will be reduced to end on June 30, 2037. The amortization period for the actuarial loss as of July 1, 2024 is 13 years. However, as the targeted full funding date approaches, changes to the amortization policy may be made at the MTS Board's discretion to mitigate volatility or unsustainable increases in the UAL payment.

Though the Retirement Board may make exceptions, in general, the intent is to follow the guidelines published by the California Actuarial Advisory Panel and the Government Finance Officers' Association.

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

3. Actuarial Value of Plan Assets

For the purposes of determining contributions, a smoothed Actuarial Value of Assets (AVA) is used that dampens the effects of volatility in the Market Value of Assets on the pattern of contributions. The AVA is determined using an adjusted market value. Under this method, a preliminary AVA is determined as the Market Value of Assets on the valuation date less a decreasing fraction ($4/5$, $3/5$, $2/5$, $1/5$) of the gain or loss in each of the preceding four years. The gain or loss for a given year is the difference between the actual investment return (on a market-to-market basis) and the assumed investment return based on the Market Value of Assets at the beginning of the year and actual cash flow. The AVA is adjusted, if necessary, to remain between 80% and 120% of the market value.

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APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

B. Actuarial Assumptions

The economic and demographic assumptions are based on the experience study covering the period from July 1, 2015 through June 30, 2020 that was adopted at the MTS Board of Directors Meeting in November 2021. The rationale for all the assumptions can also be found in the experience study report dated September 2021. All assets and liabilities are computed as of the valuation date, July 1, 2024.

1. Rate of Return

The annual rate of return on all Plan assets is assumed to be 6.00% net of investment expenses.

2. Cost of Living

The cost of living as measured by the Consumer Price Index (CPI) will increase at the rate of 2.50% per year.

3. Post Retirement COLA

Benefits for Non-Contract retirees assumed to increase after retirement at the rate of 2.0% per year.

4. Pay for Benefits

In most cases, pay for benefits is based on a two-year average of each Participant's pay during the two years preceding the valuation date. Special procedures are used in some cases, as noted for full-time Participants.

<u>Unit</u>	<u>Pay for Continuing Participants</u>	<u>Pay for New Participants</u>
Drivers	The larger of gross pay or 1,800 hours times the member's hourly rate	
Mechanics	2,150 hours times the Participant's hourly rate	
Clerical	Gross pay	The larger of gross pay or 2,100 hours times the Participant's hourly rate
Non-Contract	Gross pay	The larger of gross pay or 2,080 hours times the Participant's hourly rate

Part-time Participants are assumed to work 1,040 hours in the calculations shown above.

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APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

5. Merit Pay (Longevity and Promotion) Increases

Assumed pay increases for active Participants consist of increases due to inflation (cost-of-living adjustments) and those due to longevity and promotion. Based on an analysis of pay levels and service, we developed the following assumptions:

Longevity and Promotion Increases				
Service	ATU	IBEW	Clerical	Non-Contract
	Drivers	Mechanics		
0	6.00%	7.50%	10.00%	3.50%
1	6.00%	7.50%	10.00%	3.50%
2	6.00%	7.50%	0.25%	3.50%
3	6.00%	7.50%	0.25%	3.50%
4	6.00%	7.50%	0.25%	3.50%
5	6.00%	7.50%	0.25%	3.50%
6	6.00%	7.50%	0.25%	3.50%
7	6.00%	7.50%	0.25%	3.50%
8	0.50%	7.50%	0.25%	3.50%
9	0.50%	7.50%	0.25%	3.50%
10+	0.50%	0.50%	0.25%	0.25%

In addition, annual adjustments in pay due to inflation will equal the CPI, for an additional annual increase of 2.50%. The combination of rates is compounded rather than using an additive method.

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
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APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

6. Active Participant Mortality

Rates of mortality for all active ATU and IBEW Participants are given by Cheiron’s ATU Non-Annuitant mortality with generational improvements from the base year 2016 using Scale MP-2020. Sample base rates are shown in the table below:

Age	Male	Female
25	0.040%	0.033%
30	0.049%	0.038%
35	0.056%	0.051%
40	0.064%	0.072%
45	0.079%	0.101%
50	0.113%	0.151%
55	0.174%	0.239%
60	0.272%	0.365%
65	0.408%	0.524%

Rates of mortality for all active Clerical and Non-Contract Participants are given by 2010 Public General Employee mortality with generational improvements from the base year 2010 using Scale MP-2020.

7. Healthy Inactive Participant and Beneficiary Mortality

Rates of mortality for healthy inactive ATU and IBEW Participants, spouses, and surviving spouses are given by Cheiron’s ATU Healthy-Annuitant mortality with generational improvements from the base year 2016 using Scale MP-2020. Sample base rates are shown in the table below:

Age	Male	Female
55	0.898%	0.519%
60	1.123%	0.762%
65	1.309%	1.103%
70	1.983%	1.633%
75	3.272%	2.631%
80	5.595%	4.433%
85	9.647%	7.691%
90	15.707%	13.411%
95	22.864%	20.609%

Rates of mortality for healthy inactive Clerical and Non-Contract Participants, spouses, and surviving spouses are given by 2010 Public General Healthy Annuitant Amount Weighted mortality with generational improvements from the base year 2010 using Scale MP-2020.

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APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

8. Disabled Participant Mortality

Rates of mortality for disabled members are given by Cheiron’s ATU Disabled Annuitant mortality with generational improvements from the base year 2016 using Scale MP-2020. Sample base rates are shown in the table below:

Age	Male	Female
55	2.413%	1.852%
60	2.800%	2.062%
65	3.348%	2.211%
70	4.198%	2.720%
75	5.702%	3.857%
80	8.157%	5.905%
85	12.163%	9.262%
90	18.616%	13.582%
95	26.042%	19.152%

9. Mortality Improvement

Mortality is assumed to improve in future years in accordance with the MP-2020 generational improvement tables.

10. Disability

Among ATU Drivers and IBEW Mechanics uses an 80% male/20% female blend of the standard CalPERS Public Agency Table, with sample rates below. Disabled Participants are assumed not to return to active service. No disability is assumed for Clerical and Non-Contract Participants.

Disability	
Age	Rate
25	0.016%
30	0.020%
35	0.045%
40	0.109%
45	0.158%
50	0.166%
55	0.156%
60	0.143%
65	0.120%
70	0.098%
75+	0.099%

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APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

11. Plan Expenses

Expected Plan administrative expenses as of the valuation date of \$296,276 are included in the total annual cost, increasing each year with the assumed rate of inflation.

12. Family Composition

100% of active Participants are assumed married. Male spouses are assumed four years older than their wives are.

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APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

13. Service Retirement

Rates of service retirement among Participants eligible to retire are given by the following table:

Age	ATU Drivers	IBEW Mechanics	Clerical/Non Contract
52 ¹	0%	0%	0%
53-54	0%	0%	7.5%
55	10%	5%	7.5%
56-59	7.5%	5%	10%
60-61	10%	10%	10%
62	15%	10%	30%
63	15%	10%	25%
64	20%	15%	25%
65-66	40%	45%	25%
67-69	25%	20%	25%
70 and older	100%	100%	100%

¹ Non-Contract retirement assumption at age 52 is for PEPRAs participants only, 0% otherwise.

14. Termination

Service-based or age-based termination rates are shown below by group. For all Participants, termination rates are assumed zero once a participant is eligible for retirement.

Termination for ATU Driver, IBEW Mechanic, and Non-Contract Participants are assumed to occur in accordance with the service-based rates shown in the following table:

Service	ATU Driver	IBEW Mechanic	Non- Contract
0	10.0%	10.0%	5.0%
1-6	4.0%	4.0%	5.0%
7 +	3.0%	3.0%	5.0%

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Termination for Clerical Participants is assumed to occur in accordance with the age-based rates shown in the following table:

Clerical	
Age	Rate
20-24	25.0%
25-29	15.0%
30-34	13.0%
35-39	11.0%
40-44	10.0%
45-49	9.0%
50 and older	9.0%

15. Employment Status

No future transfers among Participant groups are assumed.

16. Changes in Actuarial Methods and Assumptions since the Prior Valuation

None.

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APPENDIX C – SUMMARY OF PLAN PROVISIONS

A. Definitions

Average Monthly

Final Earnings: Average Monthly Final Earnings means the average monthly compensation during the consecutive months that produces a Participant's highest average compensation, computed by dividing the Compensation Earnable for such period by the number of months in such period.

- For ATU, IBEW, and Clerical Participants, the averaging period is 36 consecutive months.
- For Non-Contract Participants, the number of consecutive months is 12.
- Public Employees' Pension Reform Act (PEPRA): For Non-Contract Participants hired on and after January 1, 2013, the number of consecutive months is 36.
- Those months during which the Participant did not receive compensation from the Employer equivalent to one-half the regular working days will be excluded. The average is then based on that portion of the averaging period remaining after the excluded months.
- PEPRA: It is possible that exclusions for months in which the Participant did not work full-time may be subject to change.
- Use the total of the Periodic Pensionable Earnings from the highest three calendar (payroll) years. These years need not be consecutive years. There shall be no skips and drops within the three calendar (payroll) years. Add the total Periodic Pensionable Earnings to Terminal Earnings and then divide by 36.

Compensation: Compensation means the remuneration for services paid by the Employer. The monetary value of board, lodgings, fuel, car allowance, laundry, or other advantages furnished to a Participant is not included.

PEPRA: For Participants joining the Plan on or after January 1, 2013, only base compensation up to the Social Security-integrated PEPRA compensation limit (\$155,081 for 2025 and \$151,446 for 2024) will count for computing Plan benefits and employee and employer contributions; in particular, all or most overtime will be excluded.

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Compensation

Earnable:

Compensation Earnable is the compensation actually received by a Participant during a period of employment. For ATU and Non-Contract Participants, any bonus or retroactive wage increases are treated as compensation when received rather than when the services are performed. For IBEW Participants, Compensation Earnable is limited to 2,140 hours of straight time equivalent hours in any 12-month period.

In addition, the value of any vacation or sick leave accumulated but unused when benefits begin is excluded from Compensation Earnable and from Average Monthly Final Earnings.

PEPRA: For Participants joining the Plan on and after January 1, 2013, it is likely that some sources of compensation, such as those underlined above, may be excluded from benefit and contribution computations for these new Participants.

Credited Years

Of Service:

In general, Credited Years of Service is continuous service with the San Diego Transit Corporation and its predecessor company from the last date of employment through the date of retirement, death, disability, or other termination of service.

As of November 10, 1997, part-time ATU employees receive one Credited Year of Service for every 2,080 hours of service worked as a part-time employee after December 1, 1990.

For Non-Contract Participants, Credited Years of Service includes any year commencing on or after July 1, 1982 in which the Participant completes at least 1,000 Hours of Service. In addition, Credited Years of Service for Non-Contract Participants will exclude any period of service after the Participant's Normal Retirement Date.

A Participant who is disabled and recovers from disability and reenters the Plan as an active Participant will not receive Credited Years of Service for the period of disability.

B. Membership

All full-time and certain part-time IBEW employees hired prior to May 1, 2011, will become Participants on their date of hire. IBEW employees hired on and after May 1, 2011, will become Participants of a separate defined contribution plan and will not be Participants of this Plan.

All full-time and certain part-time ATU employees hired prior to November 1, 2012, will become Participants on their date of hire. ATU

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employees hired on and after November 1, 2012, will become Participants of a separate defined contribution plan and will not be Participants of this Plan. All Non-Contract employees become Participants after earning one Credited Year of Service.

PEPRA: Any Participant joining the Plan for the first time on or after January 1, 2013, is a New Participant.

C. Retirement Benefit

Eligibility: Clerical and Non-Contract Participants are eligible for normal service retirement upon attaining age 63 and completing five or more Credited Years of Service and eligible for early service retirement upon attaining age 53 and completing five or more Credited Years of Service.

ATU and IBEW Participants are eligible for normal service retirement upon attaining age 63 (65 for IBEW) and completing five or more Credited Years of Service and eligible for early service retirement upon attaining age 55 and completing five or more Credited Years of Service.

PEPRA: New Participants are eligible to retire upon attaining age 52 and completing five or more Credited Years of Service.

Benefit Amount: The monthly service retirement benefit is the Participant's Average Monthly Final Earnings multiplied by the percentage figures shown in the tables below.

- For ATU and Clerical Participants terminating prior to October 1, 2005, ATU/Clerical Table A-1 is used; for ATU and Clerical Participants terminating on and after October 1, 2005, ATU/Clerical Table A-2 is used. Prior to July 1, 2006, the benefit from the table is limited to 60%.
- For IBEW Participants terminating prior to January 1, 2007, IBEW Table A-1 is used; for IBEW Participants terminating on and after January 1, 2007, IBEW Table A-2 is used.
- For Non-Contract participants terminating prior to July 1, 2000, Non-Contract Table A-1 is used; for Non-Contract participants terminating on and after July 1, 2000, Non-Contract Table A-2 is used.

For Participants with fractions of a year of age or service, the Participant's age or service will be rounded to the completed quarter year, and the percentage multiplier will be computed from the table using interpolation.

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ATU participants who are active from November 10, 1997 to December 31, 1998 and from November 10, 1997, to December 31, 1999 receive an additional 2.5% and 2.5%, respectively. However, the multiplier from Table A-1 or A-2, as augmented by the additional 2.5% increments, is still limited to 60% prior to July 1, 2006 and 70% thereafter.

Non-Contract Participants who are active as of July 1, 1994 and July 1, 1995 receive an additional 6% and 2%, respectively. However, the benefit multiplier, as augmented by the additional 6% and 2% increments, is still limited to 60% under Table A-1 and 70% under Table A-2.

A Participant who is disabled and recovers from disability and reenters the Plan as an active Participant will have this benefit amount reduced by the actuarial equivalent of the benefits paid during the period of disability.

PEPRA: For New Participants, the benefit multiplier will be 1% at age 52, increasing by 0.1% for each year of age to 2.5% at 67. In between exact ages, the multiplier will increase by 0.025% for each quarter year increase in age.

Form of Benefit: The normal form of benefit is an annuity payable for the life of the Participant, with no continuation of benefits to a beneficiary after death. The retirement benefit will be paid as a 50% Joint and Survivor benefit actuarially equivalent to the normal form for participants who have been married for at least one year. Otherwise, the normal form will be paid.

Because Participants will be making employee contributions, the Participant's beneficiaries may be eligible to receive a refund of accumulated contributions that exceed the benefits paid out to the Participant (if any) upon death.

The ATU and IBEW benefits have been amended from time to time to remove the actuarial reduction in benefits for previously retired Participants whose spouses have died before them. However, these adjustments are retroactive only, and they do not apply to benefits paid to currently active Participants.

ATU and IBEW Participants may elect an Alternative Retirement Formula if they terminate employment before early retirement but after 10 Credited Years of Service or were hired between April 1, 1968 and March 31, 1971 and desire to retire at their Normal Retirement Date. These Participants are eligible for a deferred benefit commencing at age 65 based on Table B.

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Tables A-1 and A-2 for each employee group, as well as Table B, can be found at the end of Appendix C herein.

D. Disability Retirement Benefit

Eligibility: A Participant is eligible for a Disability Retirement Benefit if:

- The Participant has earned five Credited Years of Service (ATU, IBEW, Clerical and Non-Contract), and
- The Participant is unable to perform the duties of his or her job with the Corporation, cannot be transferred to another job with the Corporation, and has submitted satisfactory medical evidence of permanent disqualification from his or her job.

Benefit Amount: The Disability Retirement Benefit is a monthly benefit equal to the lesser of:

1. 1.5% times Credited Years of Service at Disability Retirement Date times the Participant's Average Monthly Final Earnings; and,
2. The Normal Retirement Benefit calculated using the Average Monthly Final Earnings at Disability Retirement Date and the projected Credited Years of Service to Normal Retirement Date.

The benefit is reduced by 50% of the amount of any earned income from other sources in excess of 50% of the Participant's Average Monthly Earnings during the 12 months prior to disability; this reduction applies to all IBEW and Non-Contract Participants, but only to ATU Participants hired after June 30, 1983.

PEPRA: Note that the Disability Retirement Benefit for New Participants is based on the new definition of Compensation, which is subject to a maximum and excludes overtime.

Form of Benefit: The normal form of benefit is an annuity commencing at disability and payable for the life of the Participant, with no continuation of benefits to a beneficiary after death. The Disability Retirement Benefit will be paid as a 50% Joint and Survivor benefit actuarially equivalent to the normal form for participants who have been married for at least one year. Otherwise, the normal form will be paid.

Because Participants will be making employee contributions, the Participant's beneficiaries may be eligible to receive a refund of accumulated contributions that exceed the benefits paid out to the Participant (if any) upon death.

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The ATU and IBEW benefits have been amended from time to time to remove the actuarial reduction in benefits for previously retired Participants whose spouses have died before them. However, these adjustments are retroactive only, and they do not apply to benefits paid to currently active Participants.

E. Pre-Retirement Death Benefit

Eligibility: A vested Participant is entitled to elect coverage of a pre-retirement spouse's benefit.

For years, if a Participant is age 55 or under, the cost of the coverage is paid by the Company. For the years, a Participant is over age 55 and has elected this coverage, the cost of this coverage is paid by the Participant in the form of a reduced benefit upon retirement. The reduction is 3.5¢ per \$10 of monthly benefit for each year of coverage.

There is no cost for this benefit for any ATU, Clerical, or Non-Contract Participant whose monthly benefit commences after November 27, 1990. There is no cost for this benefit for any IBEW Participant whose monthly benefit commences after December 3, 1996.

In order for the spouse to be eligible for this benefit, the participant must be married to the spouse for one year prior to death, unless death occurs from accidental causes.

Benefit Amount: For a Participant who is eligible to retire at death, the pre-retirement death benefit is 50% of the benefit that would have been payable had the Participant retired immediately prior to his or her death and elected to receive a 50% Joint and Survivor annuity.

For a Participant who dies before being eligible to retire, the pre-retirement death benefit is 50% of the benefit that would have been payable had the Participant survived to his or her earliest retirement date, retired, elected to receive a 50% Joint and Survivor annuity, and died immediately.

PEPRA: Note that the Pre-Retirement Death Benefit for New Participants is based on the new definition of compensation, which is subject to a maximum and excludes overtime.

Form of Benefit: For a Participant who is eligible to retire at death, the death benefit begins when the Participant dies and continues for the life of the surviving spouse.

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For a Participant who dies before being eligible to retire, the death benefit begins when the Participant would have reached his or her earliest retirement date and continues for the life of the surviving spouse.

Because Participants will be making employee contributions, the Participant's beneficiaries may be eligible to receive a refund of accumulated contributions that exceed the benefits paid out to the Participant or spouse (if any) upon death.

F. Termination Benefit

Eligibility: A Participant is eligible for a termination benefit after earning five Credited Years of Service.

Benefit Amount: The termination benefit is computed in the same manner as the Normal Retirement Benefit, but it is based on Credited Years of Service and Average Monthly Final Earnings on the date of termination.

Effective July 1, 2000, Non-Contract participants who terminate prior to eligibility for early service retirement will have their benefits actuarially reduced if they begin receiving benefits before Normal Retirement Age.

PEPRA: For New Participants, the benefit multiplier will be 1% at age 52, increasing by 0.1% for each year of age to 2.5% at 67. In between exact ages, the multiplier will increase by 0.025% for each quarter year increase in age. Note also that the Termination Benefit for New Participants is based on the new definition of compensation, which is subject to a maximum and excludes overtime.

We assume a refund of employee contributions, with no interest, if termination occurs before five years of service.

Form of Benefit: The Participant will be eligible to commence benefits at the later of termination and earliest retirement eligibility age.

The normal form of benefit is an annuity payable for the life of the Participant, with no continuation of benefits to a beneficiary after death. The retirement benefit will be paid as a 50% Joint and Survivor benefit actuarially equivalent to the normal form for participants who have been married for at least one year. Otherwise, the normal form will be paid.

Because Participants will be making employee contributions, the Participant's beneficiaries may be eligible to receive a refund of accumulated contributions that exceed the benefits paid out to the Participant (if any) upon death.

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The ATU and IBEW benefits have been amended from time to time to remove the actuarial reduction in benefits for previously retired Participants whose spouses have died before them. However, these adjustments are retroactive only, and they do not apply to benefits paid to currently active Participants.

G. Cost-of-Living Adjustments

Eligibility: An annual Cost-of-Living Adjustment (COLA) has been added for Non-Contract Participants who were actively employed on or after June 30, 1999. One time only (ad hoc) COLAs were granted to ATU and IBEW Participants in 1991 and 1992.

Benefit Amount: For Non-Contract Participants, the cumulative COLA is the increase in the Consumer Price Index (CPI) since the Participant began receiving benefits.

The COLA is subject to the following limits for Non-Contract Participants:

- The cumulative COLA cannot exceed 2% compounded annually for all years since the Participant's benefits began;
- The annual COLA is zero if the CPI increase in that year is less than 1%;
- The annual COLA is limited to 6% of the initial benefit amount in any year; and,
- A Participant's benefit cannot be reduced below the benefit level when payments commenced.

H. Voluntary Early Retirement Program

The Plan provided enhanced benefits to ATU participants who voluntarily elected early retirement during the window period from July 1, 1998 through February 20, 1998.

The Plan provided enhanced benefits to certain IBEW participants who voluntarily elected early retirement during the window period from July 1, 2004, through December 31, 2004.

I. DROP Program

The Plan provided DROP benefits to a number of ATU participants who elected retirement from July 1, 2002, through December 31, 2002.

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J. Funding

- IBEW members contributed 3% of compensation to the Plan in April 2013 and 4% of compensation in April 2014. The contribution rate increased to 6% of compensation in April 2015 and increased to 8% of compensation in April 2016.
- ATU drivers and clerical members contributed 3% of compensation in July 2013. The contribution rate increased to 5% of compensation in July 2014, to 6% in July 2015, and to 7% of compensation in July 2016. The contribution rate increased to 8% of compensation in December 2017.
- Non-Contract members hired before January 1, 2013 contributed 2% of compensation to the Plan prior to January 2014. The Non-Contract member contributions increased to 4% of compensation in January 2014, to 6% of in January 2015, and increased to 7% of compensation on January 1, 2016. As of January 1, 2017, the member contribution rate increased to 8% of compensation.
- New members under PEPRA must contribute half of the normal cost of the Plan, rounded to the nearest 0.25%. Effective January 1, 2013, PEPRA members were paying 6.25% of pay and the employer has been paying the remaining cost of the Plan. The PEPRA employee contribution rate increased to 7.75% of pay based on the results of July 1, 2021 valuation, to 9.50% of pay based on the results of the July 1, 2022 valuation and decreased to 9.00% of pay based on the results of the July 1, 2023 valuation.

The Corporation pays the actuarial cost of the Plan as reduced by Member contributions. Member contribution rates in the future may change in response to collective bargaining.

K. Changes in Plan Provisions since the Prior Valuation

None.

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ATU/Clerical Table A-1: Retirement Benefit Multipliers

Credited Years Of Service	Age at Retirement								
	55	56	57	58	59	60	61	62	63+
5	5.9%	6.3%	6.7%	7.2%	7.8%	8.3%	8.9%	9.5%	10.1%
6	7.1%	7.5%	8.1%	8.7%	9.3%	10.0%	10.7%	11.4%	12.1%
7	8.2%	8.8%	9.4%	10.1%	10.9%	11.7%	12.4%	13.3%	14.1%
8	9.4%	10.1%	10.8%	11.6%	12.4%	13.3%	14.2%	15.1%	16.1%
9	10.6%	11.3%	12.1%	13.0%	14.0%	15.0%	16.0%	17.0%	18.1%
10	11.8%	12.6%	13.5%	14.4%	15.5%	16.7%	17.8%	18.9%	20.1%
11	12.9%	13.8%	14.8%	15.9%	17.1%	18.3%	19.5%	20.8%	22.2%
12	14.1%	15.1%	16.2%	17.3%	18.6%	20.0%	21.3%	22.7%	24.2%
13	15.3%	16.3%	17.5%	18.8%	20.2%	21.7%	23.1%	24.6%	26.2%
14	16.5%	17.6%	18.9%	20.2%	21.7%	23.3%	24.9%	26.5%	28.2%
15	17.6%	18.9%	20.2%	21.7%	23.3%	25.0%	26.7%	28.4%	30.2%
16	18.8%	20.1%	21.5%	23.1%	24.8%	26.7%	28.4%	30.3%	32.2%
17	20.0%	21.4%	22.9%	24.5%	26.4%	28.3%	30.2%	32.2%	34.3%
18	21.2%	22.6%	24.2%	26.0%	27.9%	30.0%	32.0%	34.1%	36.3%
19	22.3%	23.9%	25.6%	27.4%	29.5%	31.7%	33.8%	36.0%	38.3%
20	23.5%	25.2%	26.9%	28.9%	31.0%	33.3%	35.5%	37.9%	40.3%
21	24.7%	26.4%	28.3%	30.3%	32.6%	35.0%	37.3%	39.7%	42.3%
22	25.9%	27.7%	29.6%	31.8%	34.1%	36.7%	39.1%	41.6%	44.3%
23	27.0%	28.9%	31.0%	33.2%	35.7%	38.3%	40.9%	43.5%	46.3%
24	28.2%	30.2%	32.3%	34.6%	37.2%	40.0%	42.6%	45.4%	48.4%
25	29.4%	31.4%	33.7%	36.1%	38.8%	41.7%	44.4%	47.3%	50.4%
26	30.6%	32.7%	35.0%	37.5%	40.3%	43.3%	46.2%	49.2%	52.4%
27	31.7%	34.0%	36.4%	39.0%	41.9%	45.0%	48.0%	51.1%	54.4%
28	32.9%	35.2%	37.7%	40.4%	43.4%	46.7%	49.8%	52.0%	56.4%
29	34.1%	36.5%	39.1%	41.9%	45.0%	48.3%	50.0%	55.0%	58.4%
30	35.3%	37.7%	40.4%	43.4%	46.5%	50.0%	51.0%	55.5%	60.0%
31	36.5%	39.0%	41.7%	44.8%	48.1%	51.0%	51.5%	56.0%	60.0%
32	37.6%	40.2%	43.1%	46.2%	49.6%	51.5%	52.0%	56.5%	60.0%
33	38.8%	41.5%	44.4%	47.6%	50.0%	52.0%	52.5%	57.0%	60.0%
34	40.0%	42.8%	45.8%	49.1%	51.0%	52.5%	53.0%	57.5%	60.0%
35 or more	41.2%	44.0%	47.1%	50.0%	51.5%	53.0%	53.5%	58.0%	60.0%

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ATU/Clerical Table A-2: Retirement Benefit Multipliers

Credited Years Of Service	Age at Retirement										
	Clerical		55	56	57	58	59	60	61	62	63+
	53	54									
5	8.71%	9.33%	10.00%	10.26%	10.52%	10.78%	11.05%	11.31%	11.57%	11.83%	12.09%
6	10.45%	11.20%	12.00%	12.31%	12.62%	12.94%	13.26%	13.57%	13.88%	14.20%	14.51%
7	12.19%	13.06%	14.00%	14.36%	14.73%	15.09%	15.47%	15.83%	16.20%	16.56%	16.93%
8	13.94%	14.93%	16.00%	16.42%	16.83%	17.25%	17.68%	18.10%	18.51%	18.93%	19.34%
9	15.68%	16.79%	18.00%	18.47%	18.94%	19.40%	19.89%	20.36%	20.83%	21.29%	21.76%
10	17.42%	18.66%	20.00%	20.52%	21.04%	21.56%	22.10%	22.62%	23.14%	23.66%	24.18%
11	19.16%	20.53%	22.00%	22.57%	23.14%	23.72%	24.31%	24.88%	25.45%	26.03%	26.60%
12	20.90%	22.39%	24.00%	24.62%	25.25%	25.87%	26.52%	27.14%	27.77%	28.39%	29.02%
13	22.65%	24.26%	26.00%	26.68%	27.35%	28.03%	28.73%	29.41%	30.08%	30.76%	31.43%
14	24.39%	26.12%	28.00%	28.73%	29.46%	30.18%	30.94%	31.67%	32.40%	33.12%	33.85%
15	26.13%	27.99%	30.00%	30.78%	31.56%	32.34%	33.15%	33.93%	34.71%	35.49%	36.27%
16	27.87%	29.86%	32.00%	32.83%	33.66%	34.50%	35.36%	36.19%	37.02%	37.86%	38.69%
17	29.61%	31.72%	34.00%	34.88%	35.77%	36.65%	37.57%	38.45%	39.34%	40.22%	41.11%
18	31.36%	33.59%	36.00%	36.94%	37.87%	38.81%	39.78%	40.72%	41.65%	42.59%	43.52%
19	33.10%	35.45%	38.00%	38.99%	39.98%	40.96%	41.99%	42.98%	43.97%	44.95%	45.94%
20	34.84%	37.32%	40.00%	41.04%	42.08%	43.12%	44.20%	45.24%	46.28%	47.32%	48.36%
21	36.58%	39.19%	42.00%	43.09%	44.18%	45.28%	46.41%	47.50%	48.59%	49.69%	50.78%
22	38.32%	41.05%	44.00%	45.14%	46.29%	47.43%	48.62%	49.76%	50.91%	52.05%	53.20%
23	40.07%	42.92%	46.00%	47.20%	48.39%	49.59%	50.83%	52.03%	53.22%	54.42%	55.61%
24	41.81%	44.78%	48.00%	49.25%	50.50%	51.74%	53.04%	54.29%	55.54%	56.78%	58.03%
25	43.55%	46.65%	50.00%	51.30%	52.60%	53.90%	55.25%	56.55%	57.85%	59.15%	60.45%
26	45.29%	48.52%	52.00%	53.35%	54.70%	56.06%	57.46%	58.81%	60.16%	61.52%	62.87%
27	47.03%	50.38%	54.00%	55.40%	56.81%	58.21%	59.67%	61.07%	62.48%	63.88%	65.29%
28	48.78%	52.25%	56.00%	57.46%	58.91%	60.37%	61.88%	63.34%	64.79%	66.25%	67.70%
29	50.52%	54.11%	58.00%	59.51%	61.02%	62.52%	64.09%	65.60%	67.11%	68.61%	70.00%
30	52.26%	55.98%	60.00%	61.56%	63.12%	64.68%	66.30%	67.86%	69.42%	70.00%	70.00%
31	54.00%	57.85%	62.00%	63.61%	65.22%	66.84%	68.51%	70.00%	70.00%	70.00%	70.00%
32	55.74%	59.71%	64.00%	65.66%	67.33%	68.99%	70.00%	70.00%	70.00%	70.00%	70.00%
33	57.49%	61.58%	66.00%	67.72%	69.43%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
34	59.23%	63.44%	68.00%	69.77%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
35 or more	60.97%	65.31%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%

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IBEW Table A-1: Retirement Benefit Multipliers

Credited Years Of Service	Age at Retirement										
	55	56	57	58	59	60	61	62	63	64	65+
5	5.2%	5.5%	5.9%	6.3%	6.7%	7.2%	7.8%	8.3%	8.9%	9.5%	10.1%
6	6.2%	6.6%	7.1%	7.5%	8.1%	8.7%	9.3%	10.0%	10.7%	11.4%	12.1%
7	7.2%	7.7%	8.2%	8.8%	9.4%	10.1%	10.9%	11.7%	12.4%	13.3%	14.1%
8	8.2%	8.8%	9.4%	10.1%	10.8%	11.6%	12.4%	13.3%	14.2%	15.1%	16.1%
9	9.3%	9.9%	10.6%	11.3%	12.1%	13.0%	14.0%	15.0%	16.0%	17.0%	18.1%
10	10.2%	11.0%	11.8%	12.6%	13.5%	14.4%	15.5%	16.7%	17.8%	18.9%	20.1%
11	11.2%	12.1%	12.9%	13.8%	14.8%	15.9%	17.1%	18.3%	19.5%	20.8%	22.2%
12	12.3%	13.2%	14.1%	15.1%	16.2%	17.3%	18.6%	20.0%	21.3%	22.7%	24.2%
13	13.3%	14.3%	15.3%	16.3%	17.5%	18.8%	20.2%	21.7%	23.1%	24.6%	26.2%
14	14.4%	15.4%	16.5%	17.6%	18.9%	20.2%	21.7%	23.3%	24.9%	26.5%	28.2%
15	15.4%	16.5%	17.6%	18.9%	20.2%	21.7%	23.3%	25.0%	26.7%	28.4%	30.2%
16	16.4%	17.6%	18.8%	20.1%	21.5%	23.1%	24.8%	26.7%	28.4%	30.3%	32.2%
17	17.5%	18.7%	20.0%	21.4%	22.9%	24.5%	26.4%	28.3%	30.2%	32.2%	34.3%
18	18.5%	19.8%	21.2%	22.6%	24.2%	26.0%	27.9%	30.0%	32.0%	34.1%	36.3%
19	19.6%	20.9%	22.3%	23.9%	25.6%	27.4%	29.5%	31.7%	33.8%	36.0%	38.3%
20	20.6%	22.0%	23.5%	25.2%	26.9%	28.9%	31.0%	33.3%	35.5%	37.9%	40.3%
21	21.6%	23.1%	24.7%	26.4%	28.3%	30.3%	32.6%	35.0%	37.3%	39.7%	42.3%
22	22.7%	24.2%	25.9%	27.7%	29.6%	31.8%	34.1%	36.7%	39.1%	41.6%	44.3%
23	23.7%	25.3%	27.0%	28.9%	31.0%	33.2%	35.7%	38.3%	40.9%	43.5%	46.3%
24	24.8%	26.4%	28.2%	30.2%	32.3%	34.6%	37.2%	40.0%	42.6%	45.4%	48.4%
25	25.8%	27.5%	29.4%	31.4%	33.7%	36.1%	38.8%	41.7%	44.4%	47.3%	50.4%
26	26.9%	28.6%	30.6%	32.7%	35.0%	37.5%	40.3%	43.3%	46.2%	49.2%	52.4%
27	27.9%	29.7%	31.7%	34.0%	36.4%	39.0%	41.9%	45.0%	48.0%	51.1%	54.4%
28	29.0%	30.9%	32.9%	35.2%	37.7%	40.4%	43.4%	46.7%	49.8%	52.0%	56.4%
29	30.0%	32.0%	34.1%	36.5%	39.1%	41.9%	45.0%	48.3%	50.0%	55.0%	58.4%
30	31.1%	33.1%	35.3%	37.7%	40.4%	43.4%	46.5%	50.0%	51.0%	55.5%	60.0%
31	32.1%	34.2%	36.5%	39.0%	41.7%	44.8%	48.1%	51.0%	51.5%	56.0%	60.0%
32	33.2%	35.3%	37.6%	40.2%	43.1%	46.2%	49.6%	51.5%	52.0%	56.5%	60.0%
33	34.3%	36.5%	38.8%	41.5%	44.4%	47.6%	50.0%	52.0%	52.5%	57.0%	60.0%
34	35.4%	37.6%	40.0%	42.8%	45.8%	49.1%	51.0%	52.5%	53.0%	57.5%	60.0%
35 or more	36.5%	38.7%	41.2%	44.0%	47.1%	50.0%	51.5%	53.0%	53.5%	58.0%	60.0%

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
ACTUARIAL VALUATION REPORT AS OF JULY 1, 2024**

APPENDIX C – SUMMARY OF PLAN PROVISIONS

IBEW Table A-2: Retirement Benefit Multipliers

Credited Years Of Service	Age at Retirement								
	55	56	57	58	59	60	61	62	63+
5	10.00%	10.26%	10.52%	10.78%	11.05%	11.31%	11.57%	11.83%	12.09%
6	12.00%	12.31%	12.62%	12.94%	13.26%	13.57%	13.88%	14.20%	14.51%
7	14.00%	14.36%	14.73%	15.09%	15.47%	15.83%	16.20%	16.56%	16.93%
8	16.00%	16.42%	16.83%	17.25%	17.68%	18.10%	18.51%	18.93%	19.34%
9	18.00%	18.47%	18.94%	19.40%	19.89%	20.36%	20.83%	21.29%	21.76%
10	20.00%	20.52%	21.04%	21.56%	22.10%	22.62%	23.14%	23.66%	24.18%
11	22.00%	22.57%	23.14%	23.72%	24.31%	24.88%	25.45%	26.03%	26.60%
12	24.00%	24.62%	25.25%	25.87%	26.52%	27.14%	27.77%	28.39%	29.02%
13	26.00%	26.68%	27.35%	28.03%	28.73%	29.41%	30.08%	30.76%	31.43%
14	28.00%	28.73%	29.46%	30.18%	30.94%	31.67%	32.40%	33.12%	33.85%
15	30.00%	30.78%	31.56%	32.34%	33.15%	33.93%	34.71%	35.49%	36.27%
16	32.00%	32.83%	33.66%	34.50%	35.36%	36.19%	37.02%	37.86%	38.69%
17	34.00%	34.88%	35.77%	36.65%	37.57%	38.45%	39.34%	40.22%	41.11%
18	36.00%	36.94%	37.87%	38.81%	39.78%	40.72%	41.65%	42.59%	43.52%
19	38.00%	38.99%	39.98%	40.96%	41.99%	42.98%	43.97%	44.95%	45.94%
20	40.00%	41.04%	42.08%	43.12%	44.20%	45.24%	46.28%	47.32%	48.36%
21	42.00%	43.09%	44.18%	45.28%	46.41%	47.50%	48.59%	49.69%	50.78%
22	44.00%	45.14%	46.29%	47.43%	48.62%	49.76%	50.91%	52.05%	53.20%
23	46.00%	47.20%	48.39%	49.59%	50.83%	52.03%	53.22%	54.42%	55.61%
24	48.00%	49.25%	50.50%	51.74%	53.04%	54.29%	55.54%	56.78%	58.03%
25	50.00%	51.30%	52.60%	53.90%	55.25%	56.55%	57.85%	59.15%	60.45%
26	52.00%	53.35%	54.70%	56.06%	57.46%	58.81%	60.16%	61.52%	62.87%
27	54.00%	55.40%	56.81%	58.21%	59.67%	61.07%	62.48%	63.88%	65.29%
28	56.00%	57.46%	58.91%	60.37%	61.88%	63.34%	64.79%	66.25%	67.70%
29	58.00%	59.51%	61.02%	62.52%	64.09%	65.60%	67.11%	68.61%	70.00%
30	60.00%	61.56%	63.12%	64.68%	66.30%	67.86%	69.42%	70.00%	70.00%
31	62.00%	63.61%	65.22%	66.84%	68.51%	70.00%	70.00%	70.00%	70.00%
32	64.00%	65.66%	67.33%	68.99%	70.00%	70.00%	70.00%	70.00%	70.00%
33	66.00%	67.72%	69.43%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
34	68.00%	69.77%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
35 or more	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
ACTUARIAL VALUATION REPORT AS OF JULY 1, 2024**

APPENDIX C – SUMMARY OF PLAN PROVISIONS

Non-Contract Table A-1: Retirement Benefit Multipliers

Credited Years Of Service	Age at Retirement										
	53	54	55	56	57	58	59	60	61	62	63+
5	5.2%	5.5%	5.9%	6.3%	6.7%	7.2%	7.8%	8.3%	8.9%	9.5%	10.1%
6	6.2%	6.6%	7.1%	7.5%	8.1%	8.7%	9.3%	10.0%	10.7%	11.4%	12.1%
7	7.2%	7.7%	8.2%	8.8%	9.4%	10.1%	10.9%	11.7%	12.4%	13.3%	14.1%
8	8.2%	8.8%	9.4%	10.1%	10.8%	11.6%	12.4%	13.3%	14.2%	15.1%	16.1%
9	9.3%	9.9%	10.6%	11.3%	12.1%	13.0%	14.0%	15.0%	16.0%	17.0%	18.1%
10	10.2%	11.0%	11.8%	12.6%	13.5%	14.4%	15.5%	16.7%	17.8%	18.9%	20.1%
11	11.2%	12.1%	12.9%	13.8%	14.8%	15.9%	17.1%	18.3%	19.5%	20.8%	22.2%
12	12.3%	13.2%	14.1%	15.1%	16.2%	17.3%	18.6%	20.0%	21.3%	22.7%	24.2%
13	13.3%	14.3%	15.3%	16.3%	17.5%	18.8%	20.2%	21.7%	23.1%	24.6%	26.2%
14	14.4%	15.4%	16.5%	17.6%	18.9%	20.2%	21.7%	23.3%	24.9%	26.5%	28.2%
15	15.4%	16.5%	17.6%	18.9%	20.2%	21.7%	23.3%	25.0%	26.7%	28.4%	30.2%
16	16.4%	17.6%	18.8%	20.1%	21.5%	23.1%	24.8%	26.7%	28.4%	30.3%	32.2%
17	17.5%	18.7%	20.0%	21.4%	22.9%	24.5%	26.4%	28.3%	30.2%	32.2%	34.3%
18	18.5%	19.8%	21.2%	22.6%	24.2%	26.0%	27.9%	30.0%	32.0%	34.1%	36.3%
19	19.6%	20.9%	22.3%	23.9%	25.6%	27.4%	29.5%	31.7%	33.8%	36.0%	38.3%
20	20.6%	22.0%	23.5%	25.2%	26.9%	28.9%	31.0%	33.3%	35.5%	37.9%	40.3%
21	21.6%	23.1%	24.7%	26.4%	28.3%	30.3%	32.6%	35.0%	37.3%	39.7%	42.3%
22	22.7%	24.2%	25.9%	27.7%	29.6%	31.8%	34.1%	36.7%	39.1%	41.6%	44.3%
23	23.7%	25.3%	27.0%	28.9%	31.0%	33.2%	35.7%	38.3%	40.9%	43.5%	46.3%
24	24.8%	26.4%	28.2%	30.2%	32.3%	34.6%	37.2%	40.0%	42.6%	45.4%	48.4%
25	25.8%	27.5%	29.4%	31.4%	33.7%	36.1%	38.8%	41.7%	44.4%	47.3%	50.4%
26	26.9%	28.6%	30.6%	32.7%	35.0%	37.5%	40.3%	43.3%	46.2%	49.2%	52.4%
27	27.9%	29.7%	31.7%	34.0%	36.4%	39.0%	41.9%	45.0%	48.0%	51.1%	54.4%
28	29.0%	30.9%	32.9%	35.2%	37.7%	40.4%	43.4%	46.7%	49.8%	52.0%	56.4%
29	30.0%	32.0%	34.1%	36.5%	39.1%	41.9%	45.0%	48.3%	50.0%	55.0%	58.4%
30	31.1%	33.1%	35.3%	37.7%	40.4%	43.4%	46.5%	50.0%	51.0%	55.5%	60.0%
31	32.1%	34.2%	36.5%	39.0%	41.7%	44.8%	48.1%	51.0%	51.5%	56.0%	60.0%
32	33.2%	35.3%	37.6%	40.2%	43.1%	46.2%	49.6%	51.5%	52.0%	56.5%	60.0%
33	34.3%	36.5%	38.8%	41.5%	44.4%	47.6%	50.0%	52.0%	52.5%	57.0%	60.0%
34	35.4%	37.6%	40.0%	42.8%	45.8%	49.1%	51.0%	52.5%	53.0%	57.5%	60.0%
35 or more	36.5%	38.7%	41.2%	44.0%	47.1%	50.0%	51.5%	53.0%	53.5%	58.0%	60.0%

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
ACTUARIAL VALUATION REPORT AS OF JULY 1, 2024**

APPENDIX C – SUMMARY OF PLAN PROVISIONS

Non-Contract Table A-2: Retirement Benefit Multipliers

Credited Years Of Service	Age at Retirement										
	53	54	55	56	57	58	59	60	61	62	63+
5	8.71%	9.33%	10.00%	10.26%	10.52%	10.78%	11.05%	11.31%	11.57%	11.83%	12.09%
6	10.45%	11.20%	12.00%	12.31%	12.62%	12.94%	13.26%	13.57%	13.88%	14.20%	14.51%
7	12.19%	13.06%	14.00%	14.36%	14.73%	15.09%	15.47%	15.83%	16.20%	16.56%	16.93%
8	13.94%	14.93%	16.00%	16.42%	16.83%	17.25%	17.68%	18.10%	18.51%	18.93%	19.34%
9	15.68%	16.79%	18.00%	18.47%	18.94%	19.40%	19.89%	20.36%	20.83%	21.29%	21.76%
10	17.42%	18.66%	20.00%	20.52%	21.04%	21.56%	22.10%	22.62%	23.14%	23.66%	24.18%
11	19.16%	20.53%	22.00%	22.57%	23.14%	23.72%	24.31%	24.88%	25.45%	26.03%	26.60%
12	20.90%	22.39%	24.00%	24.62%	25.25%	25.87%	26.52%	27.14%	27.77%	28.39%	29.02%
13	22.65%	24.26%	26.00%	26.68%	27.35%	28.03%	28.73%	29.41%	30.08%	30.76%	31.43%
14	24.39%	26.12%	28.00%	28.73%	29.46%	30.18%	30.94%	31.67%	32.40%	33.12%	33.85%
15	26.13%	27.99%	30.00%	30.78%	31.56%	32.34%	33.15%	33.93%	34.71%	35.49%	36.27%
16	27.87%	29.86%	32.00%	32.83%	33.66%	34.50%	35.36%	36.19%	37.02%	37.86%	38.69%
17	29.61%	31.72%	34.00%	34.88%	35.77%	36.65%	37.57%	38.45%	39.34%	40.22%	41.11%
18	31.36%	33.59%	36.00%	36.94%	37.87%	38.81%	39.78%	40.72%	41.65%	42.59%	43.52%
19	33.10%	35.45%	38.00%	38.99%	39.98%	40.96%	41.99%	42.98%	43.97%	44.95%	45.94%
20	34.84%	37.32%	40.00%	41.04%	42.08%	43.12%	44.20%	45.24%	46.28%	47.32%	48.36%
21	36.58%	39.19%	42.00%	43.09%	44.18%	45.28%	46.41%	47.50%	48.59%	49.69%	50.78%
22	38.32%	41.05%	44.00%	45.14%	46.29%	47.43%	48.62%	49.76%	50.91%	52.05%	53.20%
23	40.07%	42.92%	46.00%	47.20%	48.39%	49.59%	50.83%	52.03%	53.22%	54.42%	55.61%
24	41.81%	44.78%	48.00%	49.25%	50.50%	51.74%	53.04%	54.29%	55.54%	56.78%	58.03%
25	43.55%	46.65%	50.00%	51.30%	52.60%	53.90%	55.25%	56.55%	57.85%	59.15%	60.45%
26	45.29%	48.52%	52.00%	53.35%	54.70%	56.06%	57.46%	58.81%	60.16%	61.52%	62.87%
27	47.03%	50.38%	54.00%	55.40%	56.81%	58.21%	59.67%	61.07%	62.48%	63.88%	65.29%
28	48.78%	52.25%	56.00%	57.46%	58.91%	60.37%	61.88%	63.34%	64.79%	66.25%	67.70%
29	50.52%	54.11%	58.00%	59.51%	61.02%	62.52%	64.09%	65.60%	67.11%	68.61%	70.00%
30	52.26%	55.98%	60.00%	61.56%	63.12%	64.68%	66.30%	67.86%	69.42%	70.00%	70.00%
31	54.00%	57.85%	62.00%	63.61%	65.22%	66.84%	68.51%	70.00%	70.00%	70.00%	70.00%
32	55.74%	59.71%	64.00%	65.66%	67.33%	68.99%	70.00%	70.00%	70.00%	70.00%	70.00%
33	57.49%	61.58%	66.00%	67.72%	69.43%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
34	59.23%	63.44%	68.00%	69.77%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
35 or more	60.97%	65.31%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
ACTUARIAL VALUATION REPORT AS OF JULY 1, 2024**

APPENDIX C – SUMMARY OF PLAN PROVISIONS

Table B: Alternate Retirement Formula Multipliers

Credited Years Of Service	Percentage
10	20.1%
11	22.2%
12	24.2%
13	26.2%
14	28.2%
15	30.2%
16	32.2%
17	34.3%
18	36.3%
19	38.3%
20	40.3%
21	42.3%
22	44.3%
23	46.3%
24	48.4%
25	50.4%
26	52.4%
27	54.4%
28	56.4%
29	58.4%
30	60.4%
31	62.5%
32	64.5%
33	66.5%
34	68.5%
35 or more	70.5%

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
ACTUARIAL VALUATION REPORT AS OF JULY 1, 2024**

APPENDIX D – GLOSSARY

1. Actuarial Assumptions

Assumptions as to the occurrence of future events affecting pension costs such as mortality, withdrawal, disability, retirement, changes in compensation, and rates of investment return.

2. Actuarial Cost Method

A procedure for determining the actuarial present value of pension plan benefits and expenses and for developing an allocation of such value to each year of service, usually in the form of a normal cost and an Actuarial Liability.

3. Actuarial Gain (Loss)

The difference between actual experience and that expected is based upon a set of actuarial assumptions during the period between two actuarial valuation dates, as determined in accordance with a particular actuarial cost method.

4. Actuarial Liability

The portion of the actuarial present value of projected benefits, which will not be paid by future normal costs. It represents the value of the past normal costs with interest to the valuation date.

5. Actuarial Present Value (Present Value)

The value as of a given date of a future amount or series of payments. The actuarial present value discounts the payments to the given date at the assumed investment return and includes the probability of the payment being made.

6. Actuarial Valuation

The determination, as of a specified date, of the normal cost, Actuarial Liability, Actuarial Value of Assets, and related actuarial present values for a pension plan.

7. Actuarial Value of Assets

The value of cash, investments, and other property belonging to a pension plan as used by the actuary for the purpose of an actuarial valuation. The purpose of an Actuarial Value of Assets is to smooth out fluctuations in market values.

8. Actuarially Equivalent

Of equal actuarial present value, determined as of a given date, with each value based on the same set of actuarial assumptions.

**RETIREMENT PLANS OF SAN DIEGO TRANSIT CORPORATION
ACTUARIAL VALUATION REPORT AS OF JULY 1, 2024**

APPENDIX D – GLOSSARY

9. Amortization Payment

The portion of the pension plan contribution that is designed to pay interest and principal on the Unfunded Actuarial Liability in order to pay for that liability in a given number of years.

10. Entry Age Normal Actuarial Cost Method

A method under which the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit ages.

11. Funded Ratio

The ratio of the Actuarial Value of Assets to the Actuarial Liabilities.

12. Normal Cost

That portion of the actuarial present value of pension plan benefits and expenses, which is allocated to a valuation year by the actuarial cost method.

13. Projected Benefits

Those pension plan benefit amounts which are expected to be paid in the future under a particular set of actuarial assumptions, taking into account such items as increases in future compensation and service credits.

14. Unfunded Actuarial Liability

The excess of the Actuarial Liability over the Actuarial Value of Assets.



Classic Values, Innovative Advice

Actuarial Valuation Results as of July 1, 2024

February 6, 2025

Anne D. Harper, FSA, EA, MAAA
Alice I. Alsberghe, ASA, EA, MAAA

Today's Discussion



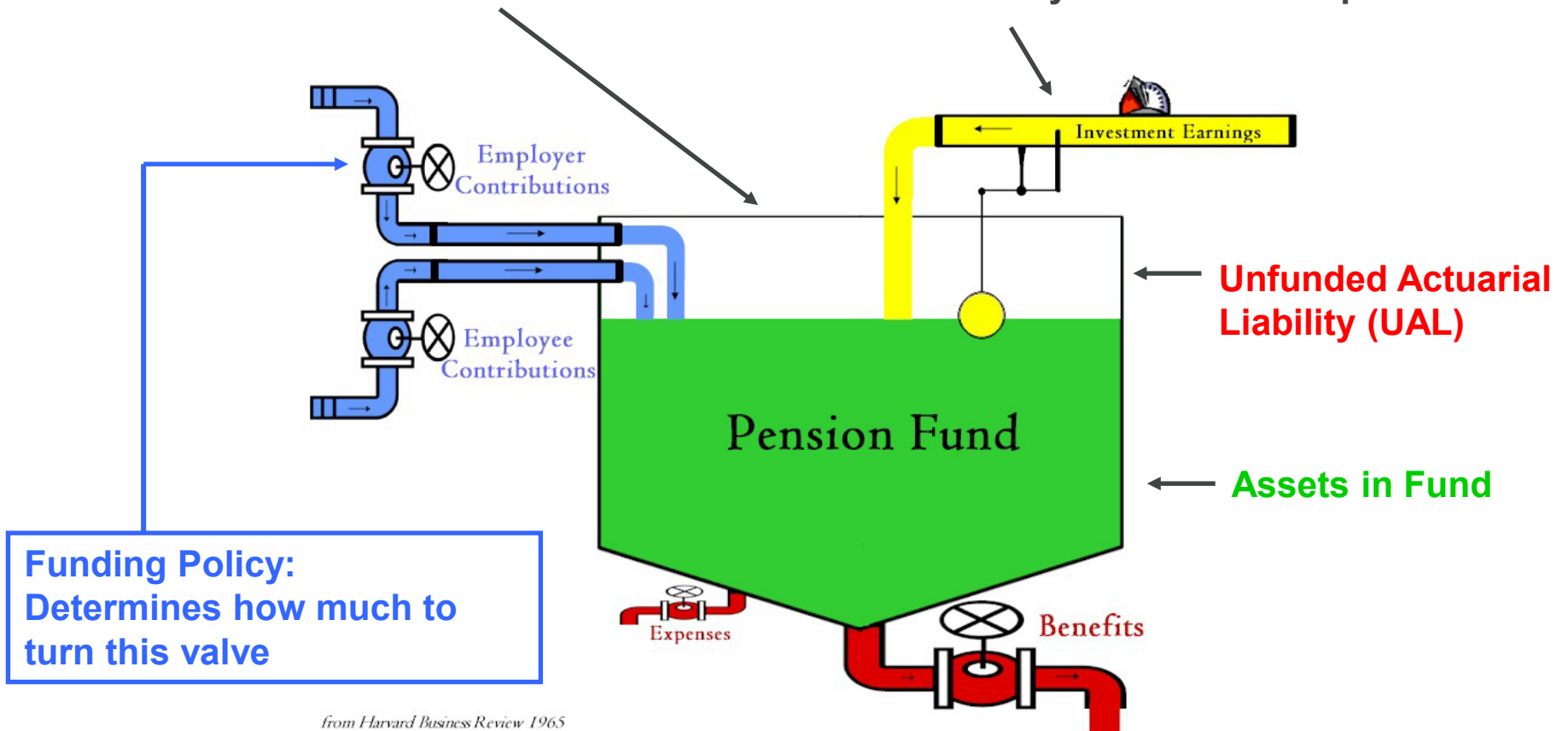
- Background
- Plan Contributions for Fiscal Year 2025-2026
(based on 2024 Actuarial Valuation)
- Plan History
- Plan Projections

Pension Plan Management

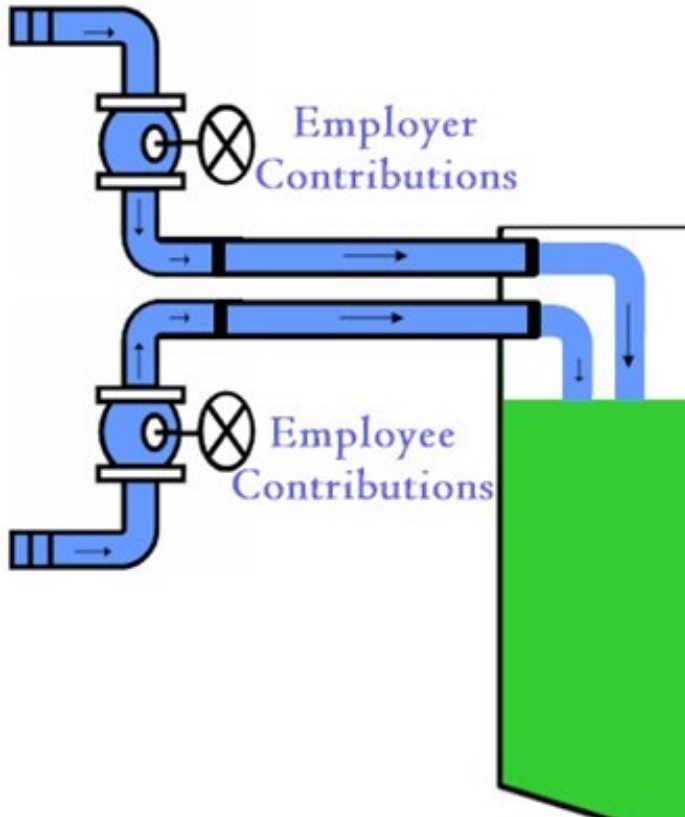


The "Tank" represents the Plan's Liabilities

Investment Policy: Determines expected return



from Harvard Business Review 1965



Components of the Contribution

1. *Normal Cost*

- Active members' benefits earned during the year
- Gradually decreases over time for SDTC since Plan is closed to most new employees

2. *Unfunded Actuarial Liability (UAL) Payment*

- New layer each year (payment or credit)
- Level dollar payment for each layer
- Last payment for all layers will be on or before FYE 2038

3. *Expected Administrative Expenses*

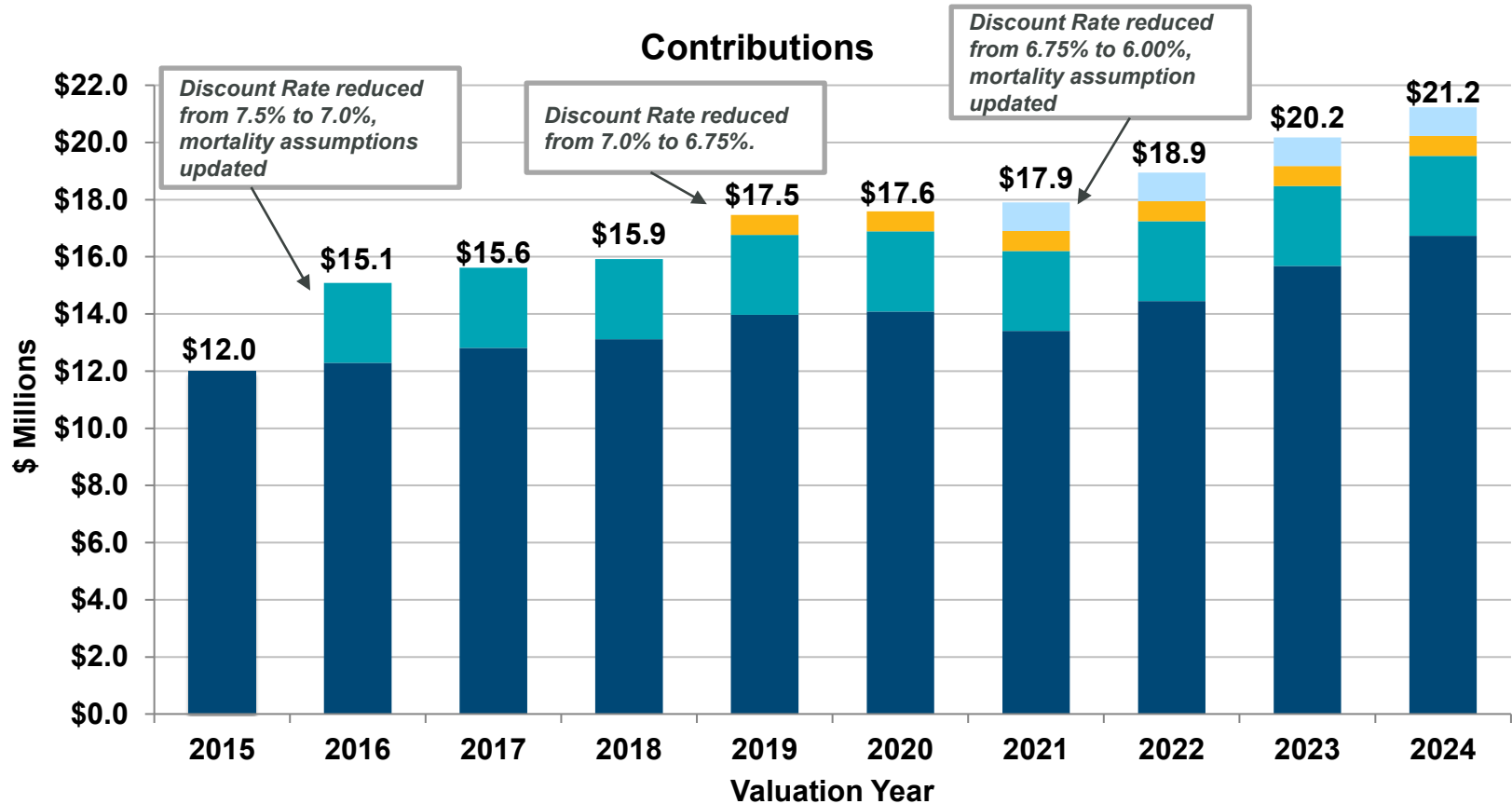
4. *Employer Contributions =* *1. + 2. + 3. less Employee Contributions*

Plan Contribution – Changes

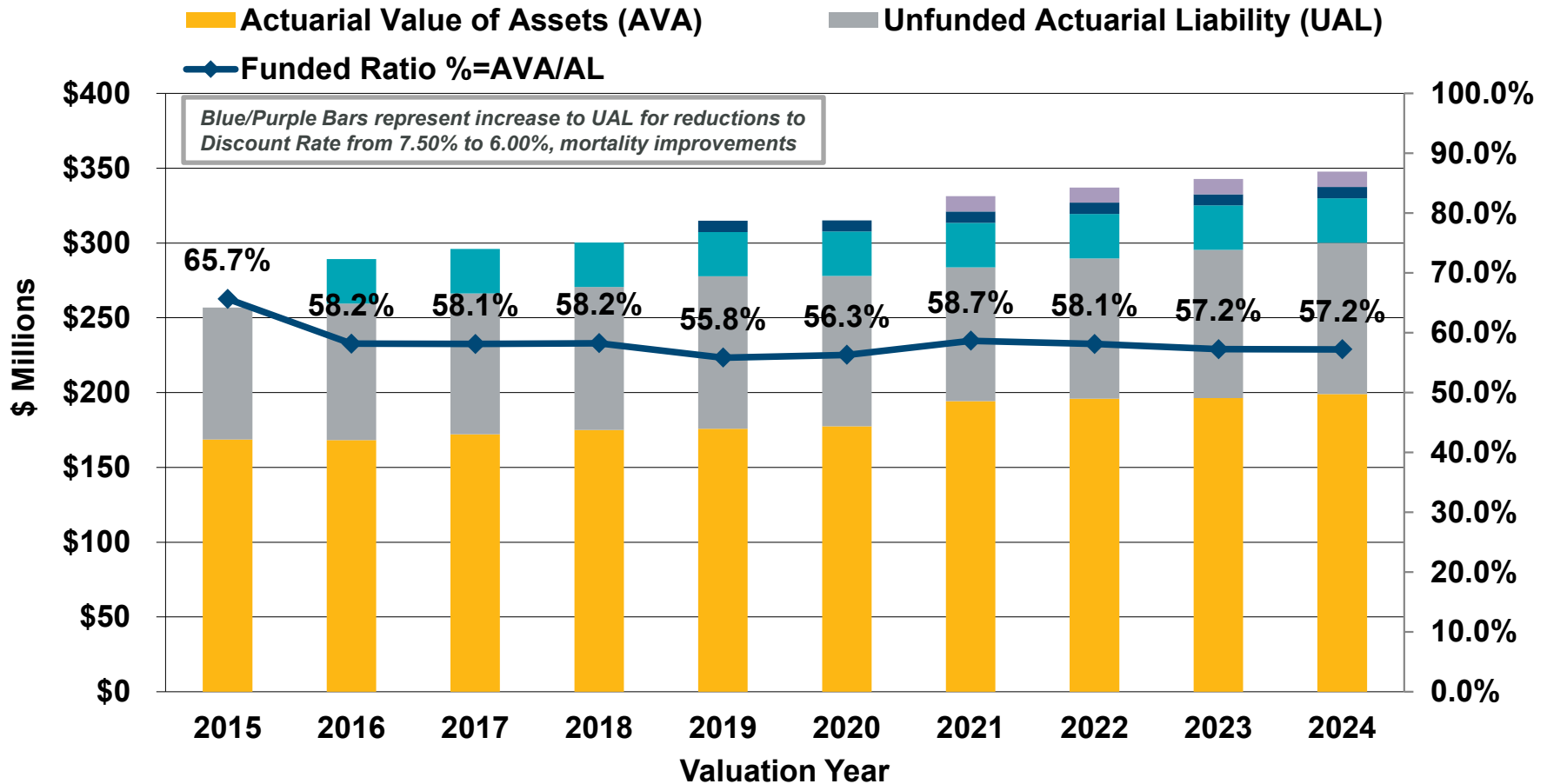


Total Contribution Reconciliation	
Fiscal Year 2024-2025	\$ 20,175,000
Actuarial investment experience	
FYE 2024 asset gain	(76,000)
FYE 2020-2023 net deferred losses	<u>568,000</u>
	492,000
Actuarial Liability experience	611,000
Fewer benefits earned by active membership due to primarily closed plan	(178,000)
Other miscellaneous factors	<u>131,000</u>
<i>Net Change in Contribution</i>	1,056,000
Fiscal Year 2025-2026	\$ 21,231,000

Plan History – Contributions



Plan History – Funding



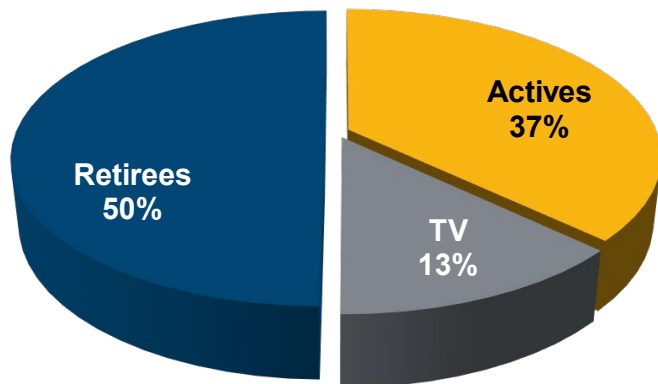
Note: As of July 1, 2024, the Funded Ratio based on the Market Value of Assets is 55.5%.

Plan History – Membership Composition



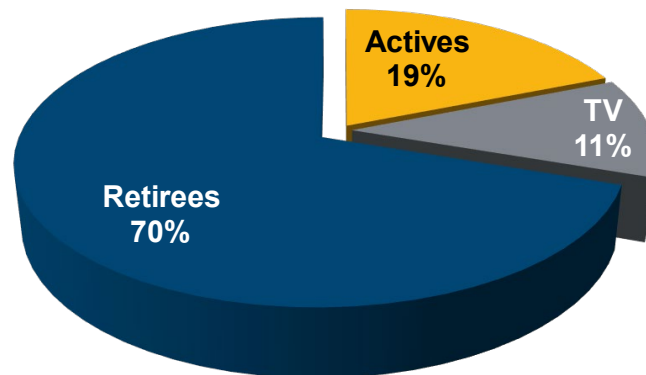
2014

2014 Head Count

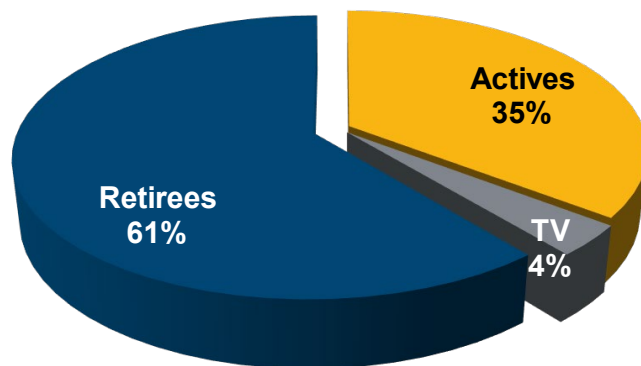


2024

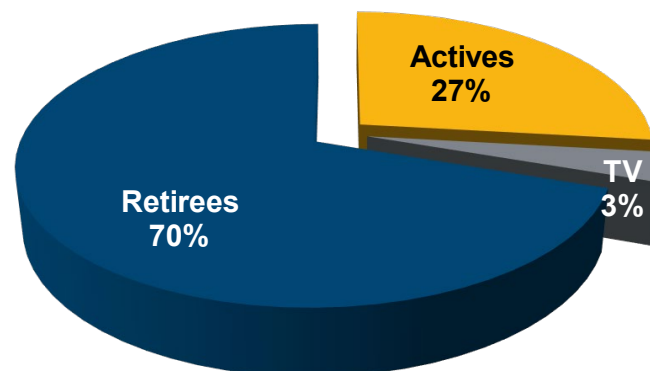
2024 Head Count



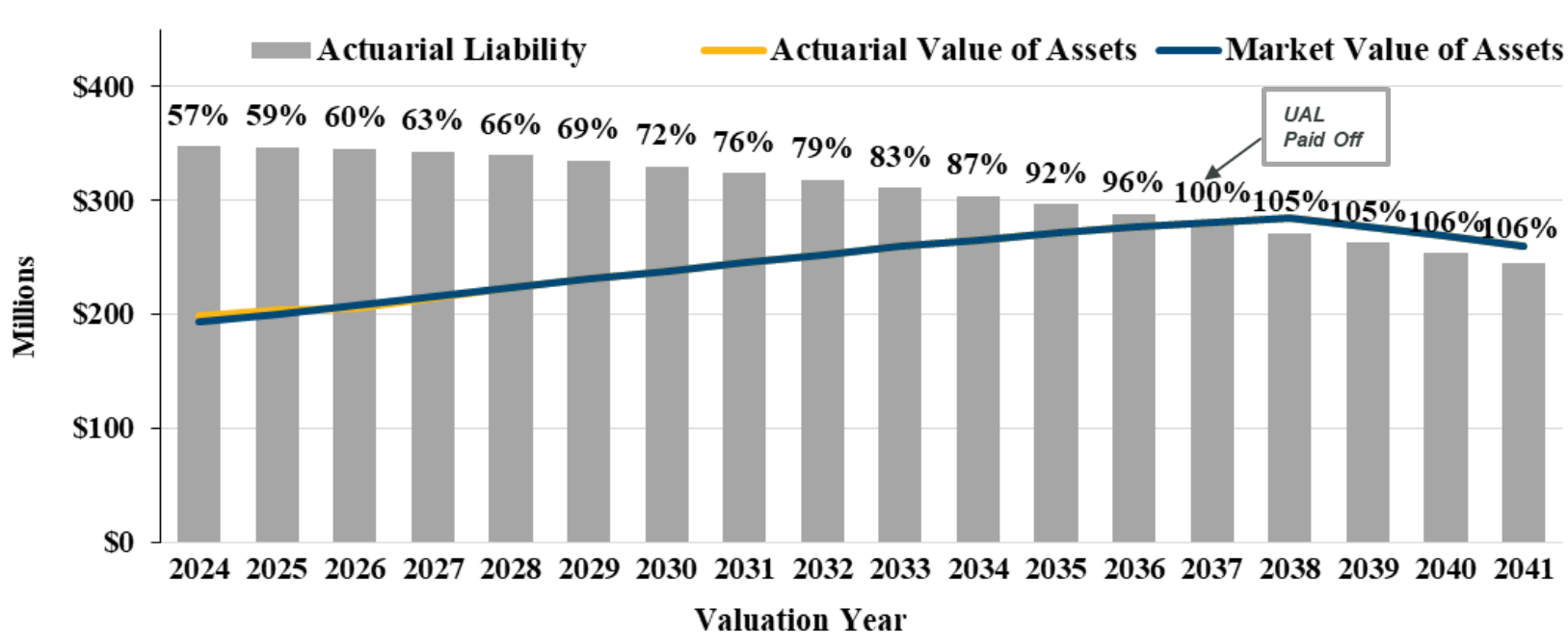
2014 Plan Liabilities



2024 Plan Liabilities

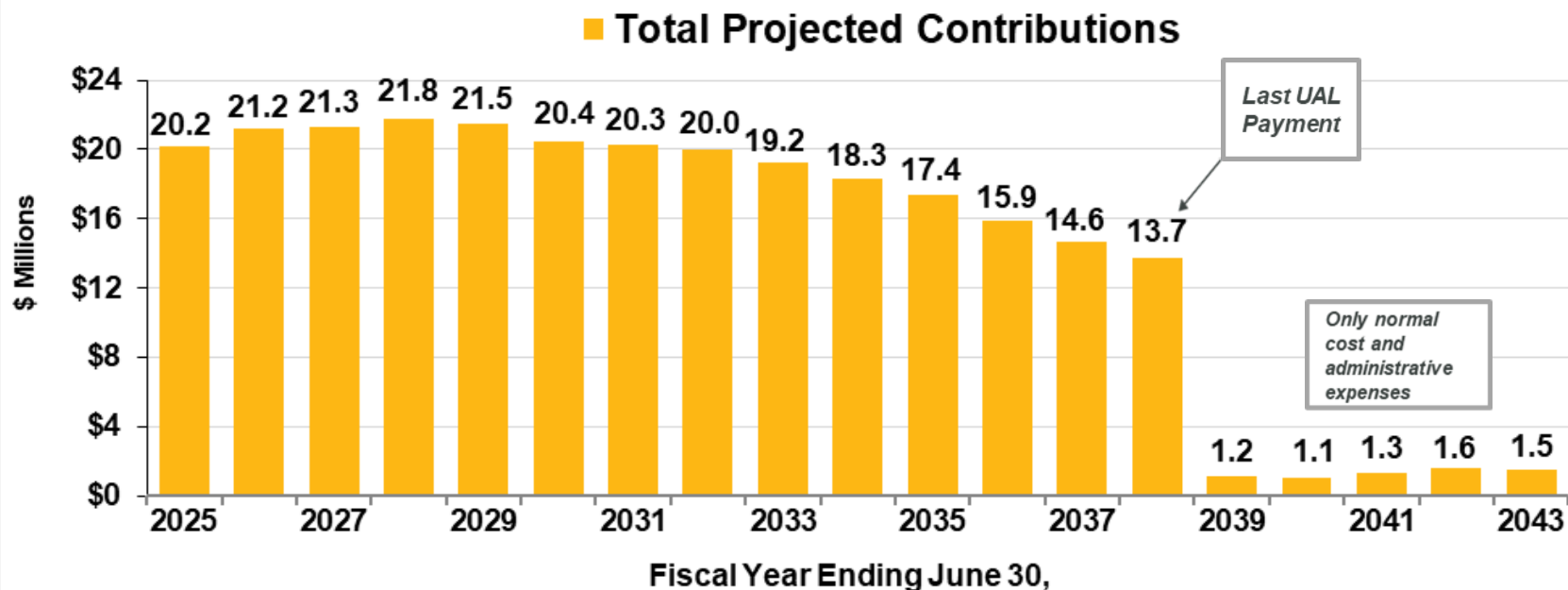


Projected Funded Ratio



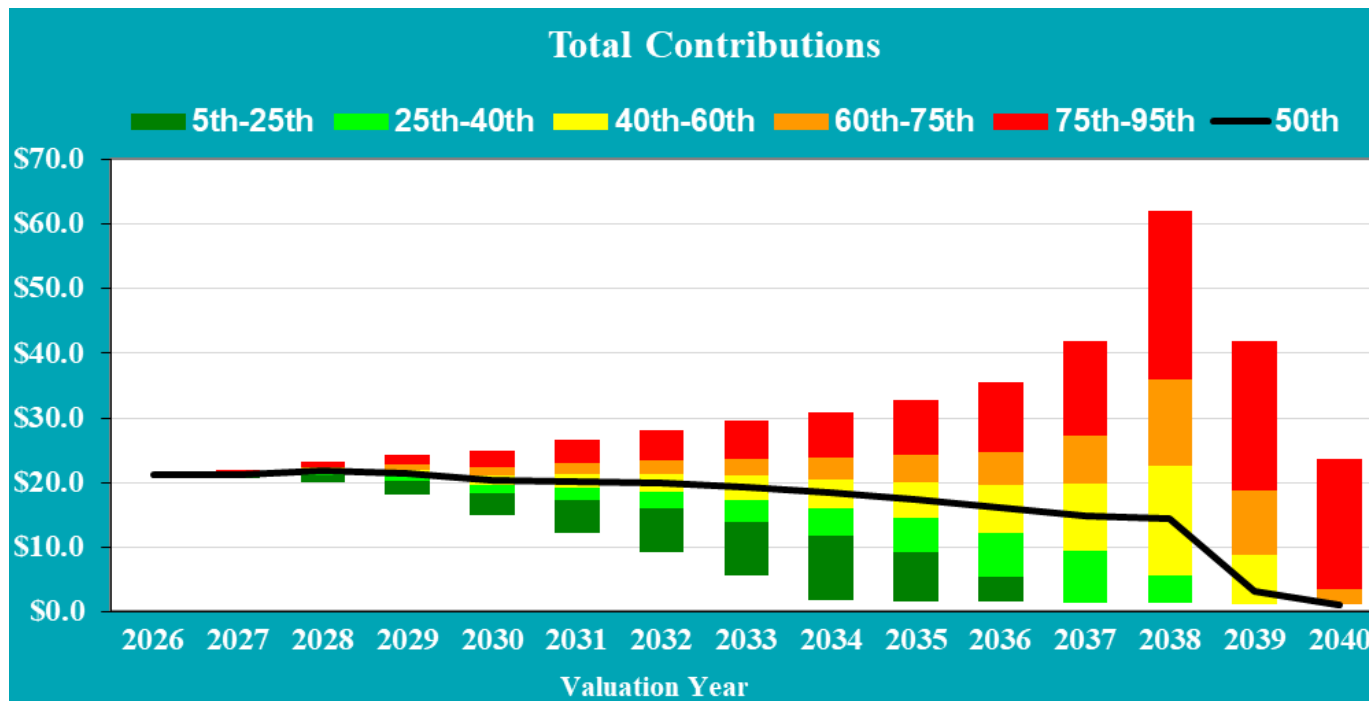
- The liabilities are expected to decrease over the period while the assets are expected to grow
- Some progress is expected in the funded ratio over the next two years as the net deferred investment losses are phased-in to the Actuarial Value of Assets
- The Plan is still projected to be fully funded as of the 2037 valuation

Projected Total Contributions



- Projected contributions have increased due to:
 - Continued phase-in of deferred investment losses from 2022
 - Salary increases higher than expected for 2024 valuation
- Total contributions are expected to gradually increase to \$21.8 million in FYE 2028 as net deferred asset losses are fully recognized
- Thereafter, contributions gradually decrease as the number of active members declines

Stochastic Projections of Total Contributions



- These projections show the probable range of future contributions based on variable investment returns, with all other assumptions met
- Based on the Plan's current investment risk profile
- It's important to understand that as the Plan approaches 2038, the risk of higher contributions increases under pessimistic scenarios with the current funding policy

Staff Recommendation

That the San Diego Metropolitan Transit System (MTS) Joint Budget Development & Executive Committee receive the SDTC Employee Retirement Plan's Actuarial Valuation as of July 1, 2024 (Attachment A) and forward a recommendation to the MTS Board of Directors to adopt the pension contribution amount of \$21,231,465 for fiscal year 2026.

Required Disclosures



The purpose of this presentation is to discuss the July 1, 2024 Actuarial Valuation Results for the Retirement Plans of San Diego Transit Corporation.

In preparing this presentation, we relied on information (some oral and some written) supplied by the plan administrator. This information includes, but is not limited to, the Plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

Cheiron utilizes ProVal, an actuarial valuation application leased from Winklevoss Technologies (WinTech) to calculate liabilities and project benefit payments. We have relied on WinTech as the developer of ProVal. We have a basic understanding of ProVal and have used ProVal in accordance with its original intended purpose. We have not identified any material inconsistencies in assumptions or output of ProVal that would affect this valuation.

Deterministic and stochastic projections in this presentation were developed using R-Scan, a proprietary tool used to illustrate the impact of changes in assumptions, methods, plan provisions, or actual experience (particularly investment experience) on the future financial status of the System. R-Scan uses standard roll-forward techniques that implicitly assume a stable active population.

Future results may differ significantly from the current results presented herein due to such factors as the following: plan experience differing from that anticipated by the assumptions; changes in assumptions; and, changes in Plan provisions or applicable law. The future outcomes become increasingly uncertain over time, and therefore the general trends and not the absolute values should be considered in the review of these projections.

This presentation has been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable law and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this presentation. This presentation does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

This presentation was prepared exclusively for the Retirement Board and MTS Board for the purposes described herein. Other users of this presentation are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

Anne D. Harper, FSA, EA, MAAA
Principal Consulting Actuary

Alice I. Alsberghe, ASA, EA, MAAA
Consulting Actuary



**Metropolitan
Transit
System**

Agenda Item No. 6

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
EXECUTIVE COMMITTEE

February 6, 2025

SUBJECT:

Comprehensive Operational Analysis (COA) & Potential Ballot Measure (Brent Boyd)

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Executive Committee recommend that the Board of Directors authorize staff to:

- 1) Pursue a COA, to be completed by November 2026; and
- 2) Begin preliminary efforts on researching the feasibility of placing a transit sales-tax measure, for the MTS service area only (or parts thereof), on the ballot for the November 2026 general election.

Budget Impact

Any contracts and their budget impacts associated with the comprehensive operational analysis or potential ballot measure will be presented to the Board of Directors for approval.

DISCUSSION:

Proposed Comprehensive Operations Analysis (COA)

A COA is a project that includes an examination and evaluation of a transit system to determine what improvements could be made to make a transit network more effective and efficient. This is a common type of project for transit agencies to implement occasionally when a fresh look at their transit networks would be beneficial.

The COA would analyze current and potential ridership, travel patterns, demographics, land use, operating costs, and system/segment performance (as guided by Board Policy 42).

MTS completed similar projects twice in the previous two decades:

- COA (2006)
- Transit Optimization Plan (TOP) (2017)

The COA in 2006 restructured the system by creating a core network of high-frequency services through significant route consolidation and straightening. An estimated 75% of routes were affected in some form, and ridership increased nearly 7% one year after implementation.

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However, it was curtailed by the Great Recession of 2008, which required significant cutbacks to the original plan.

The TOP, completed in 2017, updated the COA and added \$2 million in new services, with changes – again – adding to the core network of high-frequency routes. Roughly 60% of routes were altered. However, like the COA, improvements to the network were affected by the COVID-19 pandemic of 2020. Not only did the COVID-19 pandemic impact the network changes inspired by TOP, it also derailed plans for the proposed Elevate SD 2020 ballot measure, which built its proposed capital project and service improvement plan with the TOP project efforts as its basis.

Staff is recommending pursuing another COA due to a confluence of factors:

- Emergence from the long-term impacts from COVID;
- Changing demographics and travel patterns within the region;
- Significant transit investment in the MTS service area since TOP (including the Mid-Coast extension on the Blue Line, the Copper Line in east county, and Rapid bus services in the South Bay); and
- Forecasted budget deficits.

Regarding the budget concerns, MTS is facing a projected \$109 million structural deficit by FY 28, due to increased costs, ridership and fare revenue losses, weak sales tax performance, higher cost inflation, and other factors. MTS operating budgets since FY 20 have been balanced with one-time/emergency funding from federal stimulus bills and State Senate Bill (SB) 125. Those funding programs will be coming to an end and will create funding gaps once those funds are exhausted. A more detailed discussion of the structural budget deficit and the short-term and long-term options available to MTS to address it is planned for Agenda Item No. 7 on today's Executive Committee agenda.

The COA would lead to the development of two service plans for two distinct scenarios:

- Scenario 1 – Funding for Existing Needs Secured¹ PLUS Additional Funding for Service Improvements:
 - Up to \$75 million in additional annual revenues obtained to increase frequencies and spans (or realign services) on the existing transit network.
- Scenario 2 - No Increase in Regional Transit Funding Secured:
 - Budget shortfall of \$100-plus million annually, with an estimated \$30-\$50 million in savings required to come from service reductions/changes.

Overall, the goals of the COA will be to:

- Develop strategies to address current travel demand with projected funding levels.
- Integrate with the region's current and future multimodal transportation system.
- Realign existing services, operational frequency, and span of services based on proposed service strategies.

¹ A separate COA plan for a scenario where MTS secures sufficient funding to preserve existing services, but does not secure additional funding for expanded services, is not deemed necessary at this time since the existing services plan is already in place.

- Develop phasing plans and financial programs to support implementation of the service plans.
- Ensure that community input is considered throughout the study.

If approved, the specific tasks of the COA would be:

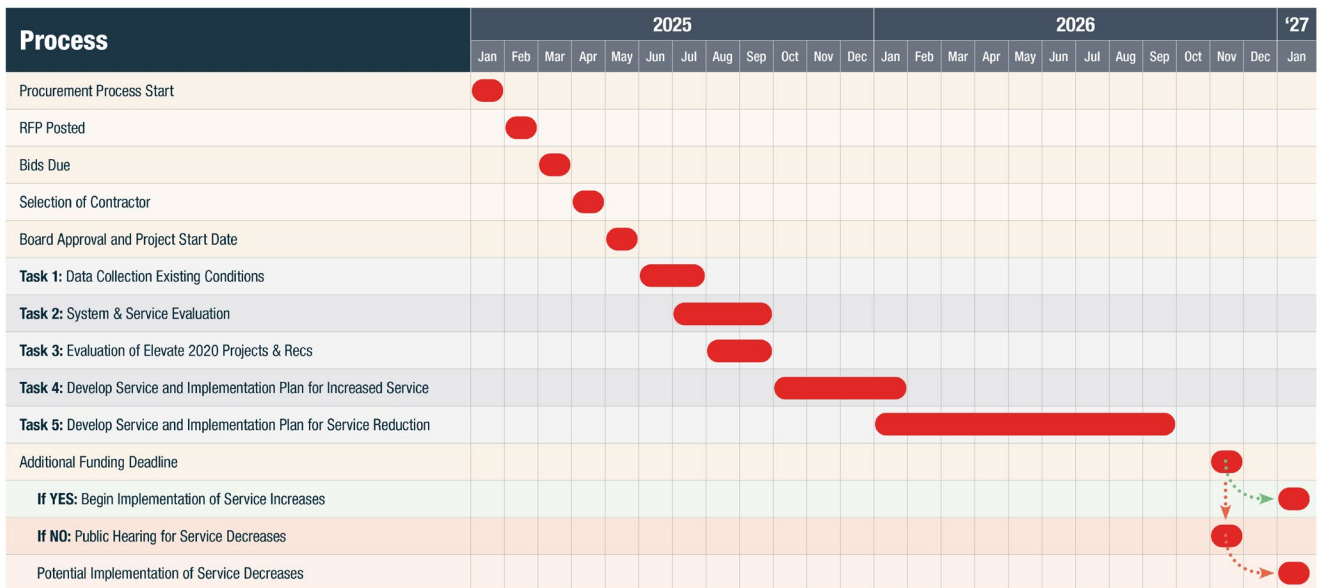
- Task 1: Data Collection / Review of Existing Conditions
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- Task 3: Evaluation of Recommendations from Elevate 2020
- Task 4: Develop Service and Implementation Plan for Increased Service (Scenario 1 above)
- Task 5: Develop Service Reduction Plan (Scenario 2 above)

Similar to past efforts, the project would be managed by the MTS Planning & Scheduling Department, with a consultant being selected to work with MTS staff to analyze existing conditions, assess the viability of prior recommendations from the Elevate SD 2020 effort, and to craft transit service network planning scenarios. The MTS Marketing and Communications Department will guide outreach efforts.

If approved, the project would start in late spring/early summer 2025, with the development of Scenario 1 (Service Increases) completed by early 2026. Scenario 2 (Service Decreases) would be completed in time for a public hearing in November 2026, if service cuts are required.

Significant public outreach would occur throughout the project.

The entire proposed timeline is included below:



Proposed Retail Transactions and Use Tax (Sales Tax) Measure Research

A potential source of annual recurring revenue for MTS is an MTS-specific sales tax pursuant to MTS's enabling legislation (Public Utilities Code section 120480 to 120488). Based on the

timeline of the upcoming fiscal cliff and ongoing budget decisions that the MTS Board will need to make in advance of that budget reality, MTS would be best positioned to explore all potential options for additional revenue before being faced with which scenario (Scenario 1 – Additional Funding Secured or Scenario 2 – No Additional Funding Secured) needs to be implemented following completion of the COA process in or about November 2026. November 2026 is also the next general election that will take place within the time frame required to prepare for such a measure.

MTS previously explored a sales tax measure between late 2018 and early 2020 (that effort was referred to as “Elevate SD 2020”). However, the unprecedented disruption of the COVID-19 pandemic stopped those efforts just before the MTS Board was set to consider a proposed sales tax measure expenditure plan (to have occurred between March and May 14, 2020). If the MTS Board is interested in preserving the ability to place a sales tax measure before the voters in November 2026, then planning and outreach for the expenditure plan related to that measure would need to begin in 2025. For Elevate SD 2020, MTS began collecting data, developing a program of projects, and preparing associated ridership and cost estimates in late 2018 and continuing into 2019. Once the program of projects was created, public outreach on the potential options was conducted during the remaining portion of 2019 and early 2020.

The technical requirements for a sales tax ballot measure require the MTS Board to take specific actions no later than May 2026, with other required actions necessary after that date to make sure the ballot measure is added to the November 2026 general election ballot. In order to give the Board as much time as possible to conduct due diligence in advance of the May 2026 required action dates, staff would need to revive the Elevate SD 2020 efforts and revise them to fit MTS’s current needs and policy goals. This work would include – but not be limited to - significant outreach and surveys of public opinion, economic analyses, and the development of a draft expenditure plan.

Therefore, staff recommends that the Executive Committee recommends that the MTS Board of Directors authorizes staff to:

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/s/Sharon Cooney
Sharon Cooney
Chief Executive Officer

Key Staff Contact: Mark Olson, 619.557.4588, mark.olson@sdmts.com



**Metropolitan
Transit
System**

Agenda Item No. 6

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February 6, 2025

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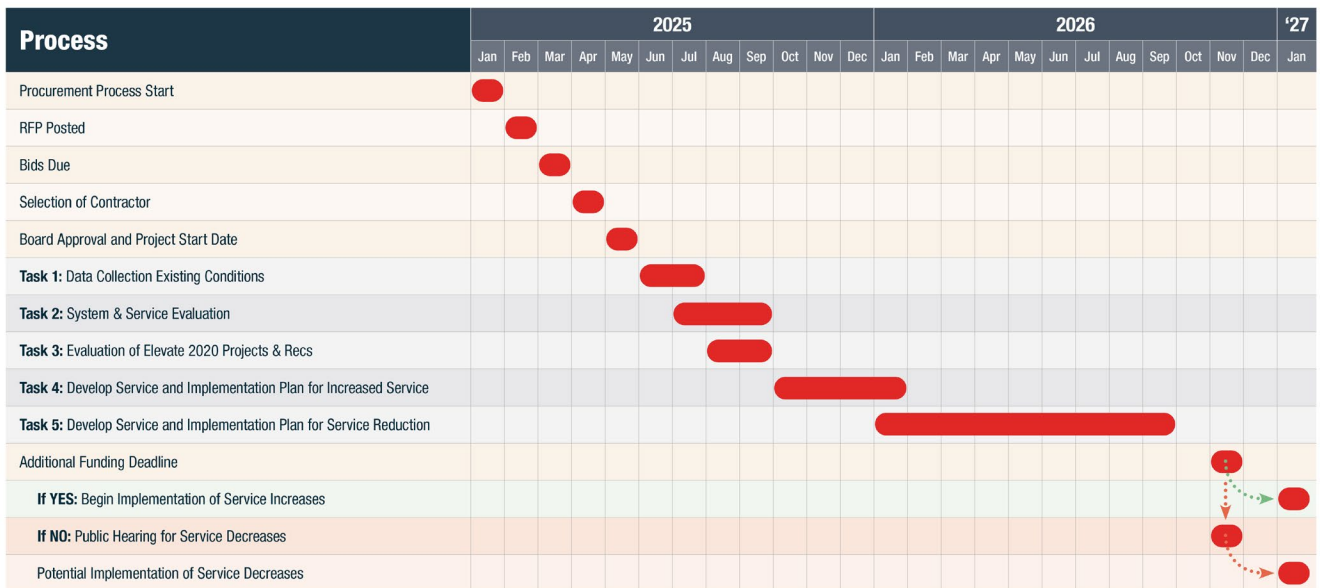
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The entire proposed timeline is included below:



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/s/Sharon Cooney
Sharon Cooney
Chief Executive Officer

Key Staff Contact: Mark Olson, 619.557.4588, mark.olson@sdmts.com

Comprehensive Operational Analysis & Potential Ballot Measure

Executive Committee

What is a COA?

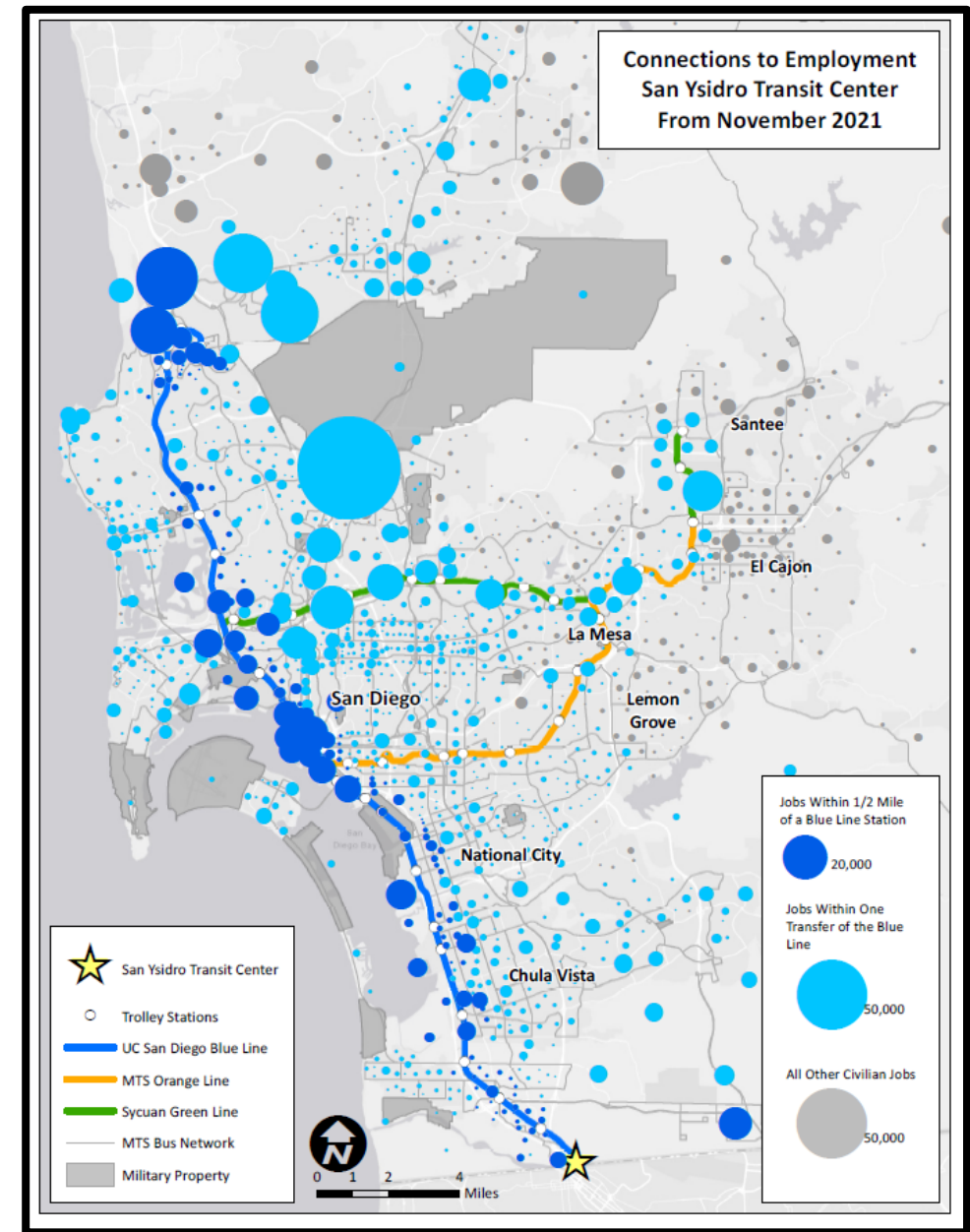
A comprehensive operational analysis (COA) is a project that features an examination and evaluation of a transit system to determine where improvements could be made to make transit service more effective and efficient.



What is a COA?

Analysis of:

- Current and potential ridership
- Travel patterns
- Demographics
- Current and future land use
- Operating Costs
- Performance in relation to Board Policy 42



Recent COAs by MTS

- **Comprehensive Operational Analysis (2006)**
 - Created a core network of high frequency services through significant route consolidation and straightening
 - 7% ridership gain after first year
 - Overall, 75% of routes were affected
 - Immediately boosted ridership throughout the overall network, but...
 - Was curtailed by Great Recession of 2008
- **Major changes after the COA**
 - Significant cut of weekend services
 - Realigned Trolley services (Green Line to downtown)
 - SuperLoop
 - I-15 Rapid routes
 - Mid-City Rapid

Recent COAs by MTS

- **Transit Optimization Plan (2017)**
 - Update to the COA
 - Added \$2 million in new service, with again, changes significantly adding to the network of high-frequency routes
 - Overall, 60% of MTS bus routes were affected
 - Provided basis for Elevate 2020 ballot-measure efforts, but...
 - Was curtailed by COVID Pandemic of 2020
- **Major changes after TOP**
 - COVID reductions
 - Operator shortages
 - Mid-Coast (Blue Line) extension to UTC & Copper Line
 - Otay Mesa & Iris Rapids
 - Electric buses
 - COVID recovery with SB125 funds and expansion of high-frequency services

Why Now?

- Through the major impacts of COVID
- Significant recent transit investments in the region
- Changing demographics and travel patterns
- Budget concerns



Goals of the COA

- Develop strategies to address current travel demand with projected funding levels
- Integration with the region's current and future multimodal transportation system
- Realign existing services and operational frequency and span of services based on proposed service strategies
- Develop phasing plans and financial programs to support implementation of the service plans
- Ensure that community input is considered throughout the study



Planning Scenarios of the COA

- **Scenario 1 – Additional funding procured:**
 - \$75 million in additional revenues expected to increase frequencies and spans (or realigning services) on the existing transit network.
- **Scenario 2 - No increase in regional transit funding:**
 - Budget shortfall of \$100-plus million annually, with an estimated \$30-\$50 million in savings required to come from service reductions/changes.

Planning Scenarios of the COA

- **Scenario 2 - No increase in regional transit funding:**
 - What does \$30-\$50 million in service cuts look like:
 - ALL weekend bus and Trolley service *(\$36 million)* **OR**
 - Complete elimination of the 15 worst-performing bus routes – would result in no service north of Mira Mesa *(\$30 million)* **OR**
 - 1/3 across the board cut to bus *(\$46 million)* **OR**
 - Complete elimination of Trolley service *(\$46 million)*
 - Specific target to be determined over next several months

COA Project Management

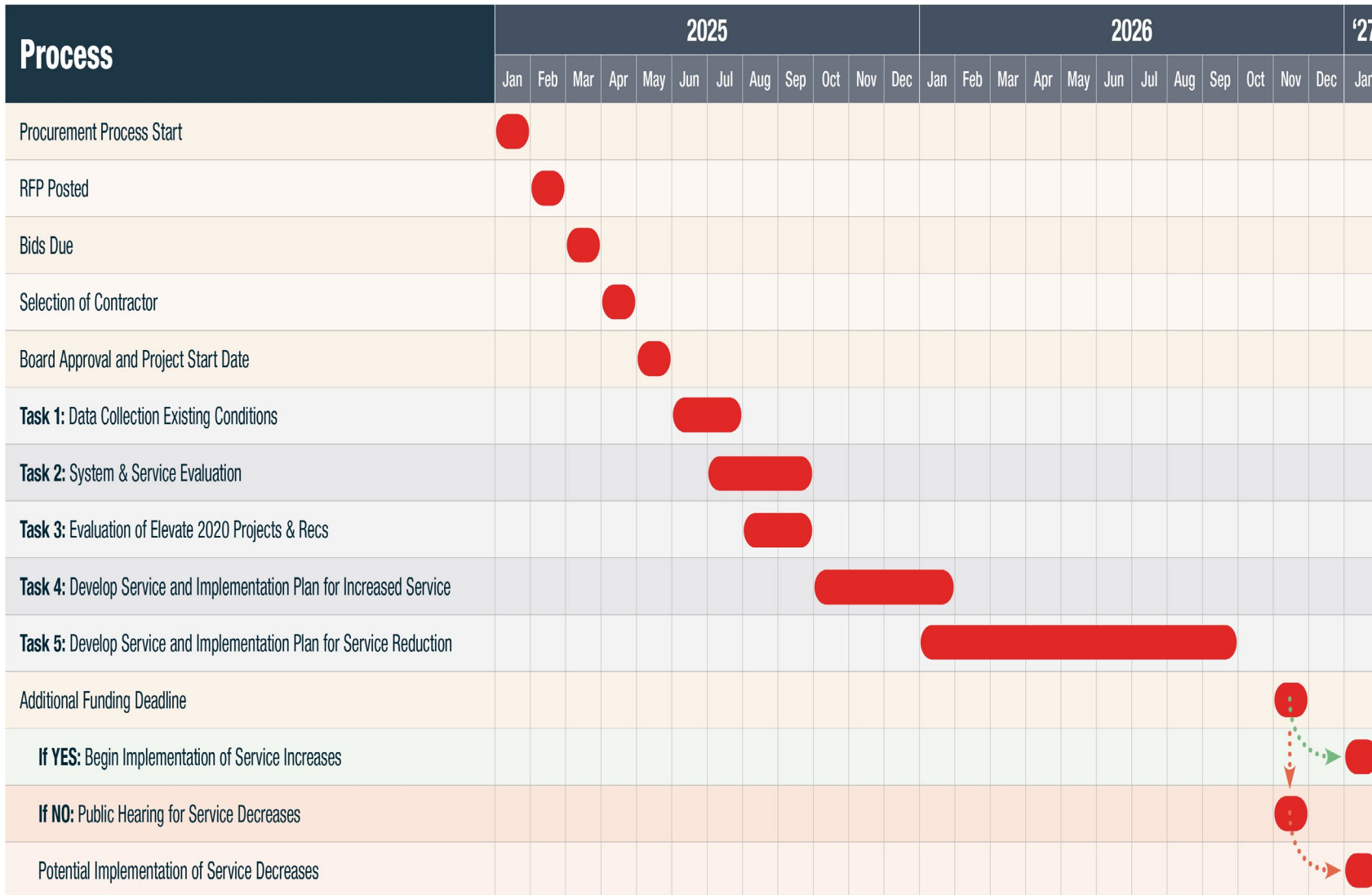
- The COA will be managed by the MTS Planning and Scheduling Department
- A contractor will be selected to analyze existing conditions, and to work with MTS staff in crafting planning scenarios, similar to past efforts
- MTS Marketing and Communications Department will guide outreach efforts

COA Tasks

- Data Collection / Review of Existing Conditions
- System and Service Evaluation
- Evaluation of Recommendations from Elevate 2020
- Develop Service and Implementation Plan for Increased Service (Ballot measure or other funding)
- Develop Service Reduction Plan (for no increase in funding)



COA Timeline



OUTREACH

- Spring/Summer 2025:
 - Community outreach events
 - Community town halls
 - Gauging desired areas of investment, community needs
- Fall 2025/Winter 2026:
 - Collect feedback on draft plan for increased service scenario
- Late Summer/Early Fall 2026:
 - Rider outreach for draft plan of service cut scenario

Potential Ballot Measure

Elevate 2020 Recap

- Extensive planning efforts completed in 2018-2020 for potential ballot measure for the MTS service area (Elevate 2020)
- Developed through feedback from:
 - MTS Board of Directors
 - Community Advisory Committee
 - Elevate SD 2020 working groups
 - Dozens of community outreach events
 - Outreach events at transit centers
 - Community forums
 - Vision Builder
 - Polling data
 - Focus groups
 - Collaboration with SANDAG and other jurisdictions
 - MTS Customer Service comments



Potential Ballot Measure

Elevate 2020 Recap

- Elevate 2020 resulted in following mix of recommendations:
 - Improved frequencies and spans on all Trolley lines
 - Improved Trolley infrastructure
 - Establishment of 21 Rapid bus routes
 - First/last mile connections
 - Local bus route frequency and span improvements
 - Mobility-on-demand services
 - Capital Improvements
 - Transit planning studies
- Proposed measure had been polling well, but Board of Directors ultimately decided not to proceed due to onset COVID pandemic

Potential Ballot Measure

2026 General Election

- Consideration of pursuing sales-tax measure in 2026 general election
- MTS service area only (or parts thereof), and would require 2/3 approval, though California Transit Association is pursuing legislation to drop requirement to 55%
- ½-cent sales tax expected to generate roughly \$300 million annually to help bridge budget gap and expand transit services
- Would require similar level of efforts as Elevate 2020, which would include significant outreach and surveys of public opinion, economic analyses, and the development of a draft expenditure plan completed by that time.
- Decision to pursue ballot measure must be made by May 2026

Recommendations

- That the San Diego Metropolitan Transit System Executive Committee recommends that the Board of Directors authorizes staff to:
 - Pursue a comprehensive operational analysis, to be completed by November 2026, and
 - Begin preliminary efforts on researching the feasibility of placing a transit sales-tax measure, for the MTS service area only (or parts thereof), on the ballot for the November 2026 general election

Questions/Comments



**Metropolitan
Transit
System**

Agenda Item No. 7

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
EXECUTIVE COMMITTEE

February 6, 2025

SUBJECT:

Structural Budget Deficit Planning (Gordon Meyer)

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Executive Committee forward a recommendation to the Board of Directors (Board) to take the following actions as part of building future operational and CIP budgets:

- 1) Exercise Innovative Clean Transit (ICT) Off-Ramp provisions (delay implementation) to provide maximum flexibility of capital funds in the short-term while minimizing impacts to State of Good Repair (SGR) projects
- 2) Shift flexible funds from the Capital Improvement Program (CIP) to the operating budget beginning in FY 2026 with the following targets by FY:
 - \$25 million in FY 2026
 - \$35 million in FY 2027
 - \$50 million in FY 2028
- 3) Maintain service levels at January 2025 levels:
 - Delay future Trolley service enhancements (7.5-minute Blue Line service) in FY 2026 and beyond and revise the Senate Bill (SB) 125 funding proposal
 - Delay \$22 million in future planned bus service enhancements in FY 2027 and FY 2028 and revise the SB 125 funding proposal

Budget Impact

None at this time. The direction from the Executive Committee and Board will be utilized to build the Operating and Capital budgets for FY 2026 and beyond, which will be brought back to the Board for adoption.



DISCUSSION:

Background:

Staff presented the MTS financial budgets (capital and operating) at the Board of Directors meeting on January 16, 2025 (Agenda Item No. 15). That presentation included a review of the major revenue streams that MTS receives on a recurring basis to fund its operating and capital budgets, as well as the activities funded by each separate budget. It also included an overview of the annual budget development processes for the operating and capital budgets. The presentation included the financial outlook for MTS and the challenges facing the agency in the coming years.

Since the January 16, 2025, Board meeting, staff has completed a high-level forecast of the current FY 2025 operating budget, as well as a revised five-year forecast of the operating budget reflective of current expense and revenue trends. During the Executive Committee meeting on February 6, 2025, staff will present a review of the FY 2025 operating budget results through November 2024, a forecast of the FY 2025 amended budget, a revised five-year forecast, a discussion of upcoming challenges and possible solutions, and staff recommendations.

Five-Year Forecast

Staff conducted a five-year forecast of the operating budget given current expense and revenue trends. MTS is projected to have a structural deficit, meaning recurring expenses are higher than recurring revenues, totaling \$84.5 million in FY 2025. The structural deficit is expected to grow steadily to over \$130 million by FY 2029. In the current forecast, MTS can balance the budget with non-recurring revenues through FY 2027, with expenses projected to exceed revenues (hit the “fiscal cliff”) in the first half of FY 2028. Non-recurring revenues include federal stimulus funds, SB 125 funds, and funds from the MTS operating deficit reserve. These funds have provided temporary relief to MTS in the short-term but are projected to be depleted in FY 2028, posing significant challenges to balancing the operating budget in FY 2028 and beyond.

The current five-year forecast reflects a few major themes. First, forecasted recurring revenues have declined significantly from prior forecasts given recent updates on projected sales tax revenues. Transportation Development Act (TDA) and *TransNet* receipts are trailing prior forecasts and growth expectations have been dampened significantly by both San Diego Association of Governments (SANDAG) and Avenu (SANDAG’s independent third-party consultant). TDA available for the MTS operating budget is projected to decrease by 16.2% in FY 2026, even after revising the FY 2025 projection downward from the original budget target. *TransNet* cash receipts are only projected to grow by 0.4% in FY 2026, far lower than projections included in prior forecasts. The current five-year forecast reflects these downward trends, with the compounding effect of slower revenue growth having a significant impact throughout the five-year period.

Another major theme is that passenger revenue continues to grow but is still not projected to return to pre-pandemic levels until FY 2029. Fare evasion and the impacts of the COVID-19 pandemic on travel patterns continue to put downward pressure on passenger revenue. Changes to the fare enforcement policy are expected to have a positive impact on fare revenue beginning in February 2025 and continuing throughout the five-year period, but the true impact remains to be seen.

The final major theme is that expenses continue to grow faster than recurring revenues. Recurring revenues are projected to grow by an average of 2.5% from FY 2026 to FY 2029, while expenses are projected to grow by an average of 4.4% during that same period. Expense growth can be attributed to a variety of factors including rising costs, but one major driver in FY 2026 and beyond are service enhancements that are currently planned to be funded with non-recurring SB 125 funding from the State of California (State). The current SB 125 funding plan includes a total of \$58.0 million in planned service enhancements between FY 2026 and FY 2028, with \$27.0 million being for services that have already been implemented as of January 2025. Implemented service enhancements include launching of the Iris Rapid (Route 227), the Route 910 overnight border-to-downtown express bus route, and the move to 15-minute service on the entire Trolley system. Future service enhancements that have not yet been implemented include \$22 million in bus service enhancements between FY 2027 and FY 2028, and an estimated \$9 million in Trolley service enhancements between FY 2026 and FY 2028 to provide 7.5-minute headways on the Blue Line. The five-year forecast not only assumes that all SB 125 services are implemented, but that they also continue past FY 2028 after SB 125 funds are projected to have been exhausted.

Based on the current five-year forecast, MTS will be unable to balance the operating budget in FY 2028 without significant increases to revenue or decreases to expenses.

Upcoming Challenges

The primary challenge MTS will face during the next few years is addressing the structural deficit and preparing for the upcoming fiscal cliff. Specific challenges, as discussed in the presentation, will include:

- Slowing sales tax revenue
- Fare evasion and passenger revenue growth
- Significant capital needs over the next five-years with the current five-year capital budget deficit already projected at \$463 million (65% funded) – including Innovative Clean Transit (ICT) projects
- Federal Transit Administration (FTA) apportionments and reauthorization
- Full *TransNet* reimbursement for Rapid bus routes and Mid-coast only expected through 2030
- Ballot measure, TDA reform, or other revenue increases uncertain

Potential Solutions

The overall goal in the next few years will be to extend the timing of the fiscal cliff and eliminate the structural deficit through reduced expenses and increased revenues. The solution will likely require a combination of different strategies at different stages dependent upon outcomes of potential revenue increases. Short-term and long-term strategies for MTS sustainability will require direction from the Executive Committee and Board.

Short-Term Solutions

Consistent with the staff recommendation, MTS can implement minor service reductions or delay any further service enhancements past January 2025. The current SB 125 funding plan includes a total of \$58.0 million in planned service enhancements between FY 2026 and FY 2028, with \$27.0 million being for services that have already been implemented as of January

2025. Postponing the future service enhancements mentioned above would reduce expenses by \$31 million between FY 2026 and FY 2028, while also removing the projected impact if we were to continue those services past SB 125 funds being spent. The \$31 million in SB 125 funding planned for these services would be transferred to preventing service reductions, an allowable expense under SB 125 funding guidelines. In fact, the current SB 125 plan approved by the Board and the State already includes \$126 million to prevent service reductions, and the proposed change would transfer funding from service enhancements to balancing the structural deficit. Although not recommended at this time, staff could also explore other service reductions in the short-term if directed by the Executive Committee or Board.

Another short-term solution is to request an “off-ramp” (delay) to the ICT State mandate to transition to zero emission technology. The ICT regulation was adopted in December 2018 and requires all public transit agencies to gradually transition to a 100 percent zero-emission fleet. Between 2023 and 2025, 25% of bus purchases were required to be zero-emission, with the requirement increasing to 50% between 2026 and 2028, and then finally increasing to 100% in 2029 and beyond. It applies to all transit agencies that own, operate, or lease buses with a Gross Vehicle Weight Rating (GVWR) greater than 14,000 lbs. It includes standard, articulated, over-the-road, double-decker, and cutaway buses. As an early adopter of the technology, MTS generated “credits” for buses that were purchased above and beyond the minimum requirements of the regulation. MTS generated 25 credits that can potentially be used to offset mandated purchasing requirements in future years.

The ICT ruling poses significant funding challenges to the MTS capital budget. ZEBs cost an average of 40-50% more than their CNG equivalents, in addition to having a lower range (potentially requiring more buses to operate the same level of service on longer-range routes). Implementation of the ICT mandate also requires significant capital needs to support vehicle requirements. Charging infrastructure needs at the existing five bus divisions is estimated to cost between \$500 million and \$600 million alone, in addition to the construction of a new bus division to accommodate the transition and fleet storage needs. The new division, referred to as the Clean Transit Advancement Campus (CTAC), is estimated to cost between \$250 million and \$350 million.

The ICT regulation comes with a variety of provisions that allow for exemptions from ZEB purchasing requirements. These exemptions reflect a delay of the requirement rather than a blanket exemption from the requirements. Two such provisions could potentially be applicable to MTS given the current financial outlook:

- When there is a delay in infrastructure or construction
- When a transit agency declares a financial emergency

As potential short-term solution, MTS can request a temporary exemption from the ICT purchasing requirements, which would reduce bus purchasing costs as well as capital infrastructure needs over the next three years. Pursuing an exemption would require MTS Board approval prior to a formal submission to the California Air Resources Board (CARB). Exemptions must be requested and approved on an annual basis. Requesting a temporary exemption for the next three years would reduce the CIP needs over the next three years and provide additional funding for the operating budget during that time. Potential impacts to ICT projects in the FY 2026, FY 2027, and FY 2028 CIP budgets would include:

- Delay zero emission bus purchases and use credits generated from MTS's early adoption to reduce ZEB purchasing requirements in the short-term
- Delay East County charging infrastructure
- Delay South Bay Phase II charging infrastructure
- Delay Imperial Avenue Division (IAD) Phase II charging infrastructure
- Delay Kearny Mesa Division (KMD) Phase II charging infrastructure
- Delay Clean Transit Advancement Campus (CTAC) construction

Pursuing changes in the FY 2026 through FY 2028 CIP does not impact previously approved CIPs, but rather represents a reduction in investment needs in the short-term for projects that are not currently funded.

The main purpose of requesting the temporary ICT exemption is to enable a temporary shift of recurring capital funding to the operating budget to delay the timing of the fiscal cliff. MTS could potentially shift between \$25 million and \$50 million in flexible funds, including TDA and State Transit Assistance (STA) revenue, from the capital budget to operations. Shifting these funds from the capital budget will come at a significant cost to the capital budget, which was already less than 65% funded over the next five years. Although capital funds could be shifted away from state of good (SGR) repair needs, staff is proposing to seek an exemption from the ICT zero emission transition projects instead, minimizing potential impacts to safety and service reliability. In the short-term, staff is proposing shifting the following funding amounts from capital:

- \$25 million in FY 2026
- \$35 million in FY 2027
- \$50 million in FY 2028

Long-Term Solutions

Potential long terms solutions include a variety of potential, yet uncertain, revenue increasing measures and/or implementing major service reductions.

The Transit Transformation Task Force is a group led by the California State Transportation Agency and established under SB 125, to develop policy recommendations to grow transit ridership, improve the transit experience, and address long-term operational needs. This task force is currently exploring a statewide sales tax increase that could potentially double the amount of TDA revenue available to MTS. This could equate to \$140 million of additional TDA revenue per year, which would essentially solve the structural deficit problem MTS is facing. The outcome of such a potential sales tax increase is uncertain at this time, with no official timeline available for when the outcome would be certain.

Another potential long-term solution would be to pursue a local ballot measure in November 2026. Elevate SD 2020 was originally estimated to generate approximately \$300 million per year when MTS analyzed it during 2019 and early 2020. Over a third of potential revenue generated from a local sales tax measure would need to go toward existing operations to cover the projected structural deficit. Furthermore, the local sales tax measure would require approval by a two-thirds majority vote, leaving the outcome uncertain.

Another long-term option is to implement fare increases. The last major fare increase was in 2009, and inflation has risen sharply since that period. Any changes to the regional transit fare

ordinance must be conducted by SANDAG and coordinated with North County Transit District (NCTD). SANDAG would likely conduct a fare study prior to a potential increase to assess potential impacts to ridership and fare revenue in the region.

Finally, long-term solutions to addressing the structural deficit will have to include major service reductions if none of the revenue increases mentioned above materialize. Also on today's Executive Committee agenda, in Agenda Item No. 6, staff has recommended that the agency move forward with a Comprehensive Operational Analysis (COA) to help guide strategic decisions on service reductions if necessary.

The potential short-term and long-term solutions described above represent a variety of choices and outcomes. Therefore, MTS staff recommends that MTS Executive Committee forward a recommendation to the Board of Directors to take the following actions as part of building future operational and CIP budgets:

- 1) Exercise ICT Off-Ramp provisions (delay implementation) to provide maximum flexibility of capital funds in the short-term while minimizing impacts to SGR projects
- 2) Shift flexible funds from the CIP to the operating budget beginning in FY 2026 with the following targets by FY:
 - \$25 million in FY 2026
 - \$35 million in FY 2027
 - \$50 million in FY 2028
- 3) Maintain service levels at January 2025 levels:
 - Delay future Trolley service enhancements (7.5-minute Blue Line service) in FY 2026 and beyond and revise the SB 125 funding proposal
 - Delay \$22 million in future planned bus service enhancements in FY 2027 and FY 2028 and revise the SB 125 funding proposal

/s/Sharon Cooney
Sharon Cooney
Chief Executive Officer

Key Staff Contact: Mark Olson, 619.557.4588, mark.olson@sdmts.com



Metropolitan
Transit
System

Item No. 7, 02/06/2025

Structural Budget Deficit Planning

Executive Committee



Meeting Overview

- Review Budget Development Process
- Review year to date operating budget results through first five months of FY 2025 (July through November)
- Review high level forecast of FY 2025 amended budget
 - Full development of FY 2025 amended budget is currently underway
- Review updated 5-year forecast
- Discuss scope of fiscal cliff, upcoming challenges
- Review potential strategies for delaying the fiscal cliff
- Review recommended action and projected impact

Operating Budget Development Process

- FY 2025 Operating Budget Amendment
 - Original budget adopted June 20th, 2024
 - Monthly financial status updates to board
 - Forecast changes to operating budget on monthly basis
 - Full midyear amendment process underway
 - Meeting with all departments to review current and proposed spending trends
 - Compile/review headcount changes and personnel
 - Update revenue forecasts based on most recent trends
 - Consolidate changes and present FY 2025 Amended Operating Budget to Board on March 13, 2025
- FY 2026 Operating Budget
 - Development begins concurrently with midyear amendment
 - Zero based budgeting process
 - Multiple EC/BDC meetings with adoption planned for May 15, 2025

CONSOLIDATED MTS OPERATIONS
 COMPARISON TO BUDGET – NOVEMBER 30, 2024 – FY 2025
 TOTAL OPERATING REVENUES (\$000'S)

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>VAR %</u>
Fare Revenue	\$ 32,110	\$ 32,394	\$ (284)	-0.9%
Other Operating Revenue	\$ 13,171	\$ 13,089	\$ 83	0.6%
Operating Revenue	\$ 45,281	\$ 45,483	\$ (202)	-0.4%

- Fare Revenue
 - Year to date revenue 7.0% higher than last year (\$2.1M)
 - Ridership 13.6% higher than last year (3.4M passengers, through October)
 - Average fare 5.4% lower than prior year (\$0.92 vs. \$0.97)
- Other Operating Revenue
 - Favorable interest income, energy credits, digital kiosk advertising
 - Unfavorable vehicle advertising revenue

CONSOLIDATED MTS OPERATIONS
 COMPARISON TO BUDGET – NOVEMBER 30, 2024 – FY 2025
 TOTAL OPERATING EXPENSES (\$000'S)

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>VAR %</u>
Personnel Costs	\$ 79,387	\$ 81,341	\$ 1,954	2.4%
Purchased Transportation	\$ 45,536	\$ 45,300	\$ (237)	-0.5%
Other Outside Services	\$ 20,133	\$ 19,480	\$ (653)	-3.4%
Energy	\$ 19,619	\$ 21,604	\$ 1,985	9.2%
Other Expenses	\$ 16,187	\$ 16,047	\$ (140)	-0.9%
Operating Expenses	\$ 180,863	\$183,771	\$ 2,909	1.6%

- Personnel – favorable security/flagging wages, SDTC defined contribution plans, and healthcare
- Purchased Transportation – unfavorable variable costs (per revenue mile)
- Other Outside Services – unfavorable engine/transmission repairs, CCTV maintenance
- Energy – favorable commodity rates for both CNG and electricity
- Other Expenses – unfavorable G&A costs due to handheld unit purchases within Security

CONSOLIDATED MTS OPERATIONS
 COMPARISON TO BUDGET – NOVEMBER 30, 2024 – FY 2025
 TOTAL OPERATING ACTIVITIES (\$000'S)

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>VAR %</u>
MTS Operating Revenue	\$ 45,281	\$ 45,483	\$ (202)	-0.4%
MTS Operating Expenses	\$ 180,863	\$ 183,771	\$ 2,909	1.6%
Total Net Operating Variance	\$ (135,582)	\$ (138,289)	\$ 2,707	2.0%

- Net operating income favorable \$2.7M through November
- Non-operating (subsidy) revenue not included here, reported in June
 - Sales tax receipts (TDA and Transnet) trailing forecasts
 - STA revenue lowered in January State budget revision
 - No SB-125 funds assumed in original budget
- This budget includes \$78.6M in non-recurring funding (Stimulus, SB-125, Reserves)

CONSOLIDATED MTS OPERATIONS
FY 2025 FORECAST
REVENUES LESS EXPENSES (\$000'S)

	FY 2025 Original	FY 2025 Forecast	Var.	Var. %
Operating Revenues	\$ 112,129	\$ 114,112	\$ 1,983	1.8%
Recurring Subsidy	257,433	252,429	(5,004)	-1.9%
Total Recurring Revenues	\$ 369,562	\$ 366,541	\$ (3,022)	-0.8%
Total Expenses	448,205	451,027	\$ 2,823	0.6%
Structural Deficit	\$ (78,642)	\$ (84,486)	\$ (5,844)	-7.4%
Reserves	31,642	25,486	(6,156)	19.5%
Federal Stimulus	47,000	47,000	-	0.0%
SB-125 Funding	-	12,000	12,000	
Revenues Less Expenses	\$ -	\$ -	\$ -	

- Projecting balanced budget, using \$25.5M from reserves
- Structural deficit of \$84.5M
 - \$4.5M in additional SB-125 service starting January 2025 (15-minute Trolley, Route 910)
 - Decreasing recurring revenues (sales tax and STA)

CONSOLIDATED MTS OPERATIONS

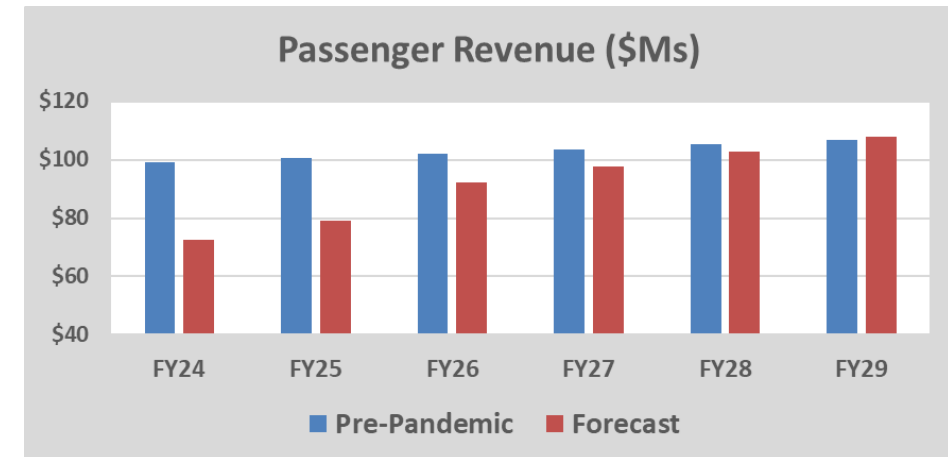
5-YEAR FORECAST ASSUMPTIONS

- Major Themes

- Revenue Assumptions

- Sales tax revenues (TDA, Transnet) assumptions based on SANDAG January update
 - FY24 sales tax receipts missed targets
 - SANDAG projects missing FY25 targets
 - 3.6% decrease in receipts for TDA in FY26
 - Projected decrease of \$14.6M (-16.2%) for MTS Operating Budget in FY26
 - Transnet receipts projected to increase slightly 0.4% in FY26
 - 44% reimbursement based
- Passenger revenue grows but does not return to pre-pandemic levels until FY29
- Assumes federal revenue stable

Economic Factor	FY26	FY27	FY28	FY29
TDA	-16.2%	3.0%	3.0%	3.0%
Transnet	1.8%	3.4%	3.4%	3.0%



CONSOLIDATED MTS OPERATIONS

5-YEAR FORECAST

ASSUMPTIONS

- Major Themes

- Service Levels

- Assume all additional bus/trolley service included in SB-125 plan
 - \$22.0M in future bus service enhancements
 - \$9.0M in future trolley service enhancements
 - Assumes added services continue past SB-125 funding (FY28)
 - Continued recovery of ADA Paratransit volumes

Economic Factor	FY26	FY27	FY28	FY29
CPI	3.5%	3.0%	3.0%	2.8%
Wage/Benefits	6.0%	4.5%	3.5%	3.5%
Purchased Transportation	4.1%	4.2%	2.5%	2.7%
Energy	4.8%	6.2%	3.8%	4.7%
Overall Average Growth	5.3%	6.0%	3.0%	3.1%

SB125 Funded Service Enhancements

Project Name	FY24	FY25	FY26	FY27	FY28	Total
Trolley Service Enhancements	-	3,000,000	6,000,000	6,000,000	6,000,000	21,000,000
Bus Service Enhancements	-	1,500,000	2,000,000	13,000,000	13,000,000	29,500,000
Iris Rapid Operations	3,000,000	4,000,000	4,000,000	4,000,000	4,000,000	19,000,000
Total	\$ 3,000,000	\$ 8,500,000	\$ 12,000,000	\$ 23,000,000	\$ 23,000,000	\$ 69,500,000

CONSOLIDATED MTS OPERATIONS

5-YEAR FORECAST

REVENUES LESS EXPENSES (\$000'S)

	FY 2025 Forecast	FY 2026 Projected	FY 2027 Projected	FY 2028 Projected	FY 2029 Projected
Operating Revenues	\$ 114,112	\$ 125,707	\$ 130,582	\$ 134,972	\$ 139,777
Recurring Subsidy	252,429	245,786	252,108	258,644	265,045
Total Recurring Revenues	\$ 366,541	\$ 371,493	\$ 382,690	\$ 393,616	\$ 404,823
Total Expenses	451,027	474,983	503,673	518,614	534,936
Structural Deficit	\$ (84,485)	\$ (103,490)	\$ (120,983)	\$ (124,998)	\$ (130,113)
Reserves	25,485	61,664	66	55	171
Federal Stimulus	47,000	-	-	-	-
SB-125 Funding	12,000	41,826	120,917	32,087	-
Revenues Less Expenses	\$ -	\$ -	\$ -	\$ (92,857)	\$ (129,942)

- Results:
 - Significant structural deficit increasing significantly with current assumptions
 - Balanced with one-time funding through FY27 and partly into FY28
 - Sales tax trend and possible recession adds new concerns to timing of fiscal cliff

Upcoming Challenges

- Addressing the structural deficit and preparing for upcoming fiscal cliff
- Slowing sales tax revenues
- Fare evasion
- Ridership still below pre-pandemic levels
- Significant capital needs over the next 5 years
 - Accumulated 5-year deficit reaching \$463M (65% funded)
 - Includes cost of ZEB implementation and compliance with the state's Innovative Clean Transit (ICT) regulation
- FTA apportionments and reauthorization
- Full Transnet reimbursement for BRT/Midcoast only guaranteed by SANDAG through FY 2030
- Ballot measure, TDA reform, or other revenue sources uncertain

Potential Solutions

- Require direction from BDC/Board on short-term and long-term strategies for MTS sustainability
- Overall goal is to extend timing of the fiscal cliff and eliminate structural deficit through reduced expenses and increased revenues
 - Target is roughly \$120M reduction to deficit per year
 - Will likely require combination of strategies at different stages
- Short-term strategies for delaying the fiscal cliff:
 - Minor Service reductions or delay any further service enhancements
 - SB-125 funds can be used to prevent service reductions rather than increase service
 - Already have \$126M for “Structural Deficit Balancing” in approved SB-125 plan
 - \$22.0M in additional bus service enhancements planned for FY 2027 – FY 2028
 - 7.5-minute service on the Blue Line planned for June 2025
 - Postpone service increases after January 2025 service change and amend SB-125 plan now?
 - No dedicated funding source past FY 2028

Potential Solutions

- Innovative Clean Transit (ICT) off-ramp
 - Large transit agencies are required to have 50% of new purchases as ZEBs on orders after 1/1/2026, and 100% of new purchases as ZEBs starting in 1/1/2029
 - ZEB's cost 40-50% more than CNG equivalent, lower range
 - MTS purchased ZEBs prior to regulatory requirements and generated "credits" as "Early Adopters" for vehicles purchased in advance of minimum ICT requirements
 - Significant capital needs to support vehicle requirements
 - Charging infrastructure investments at five existing divisions estimated to cost \$500-\$600M
 - Clean Transit Advancement Campus (CTAC) projected to cost \$250-\$350M alone
 - Request delay of ZEB transition plan
 - Reduce future vehicle purchases by taking advantage of credits and requesting temporary delays
 - Delay future infrastructure phases
 - Delay CTAC project construction and delay future phases at existing divisions
 - Requires MTS Board approval prior to formal submission to CARB for approval
 - Delay requests are only valid for one year at a time, must re-apply each year

Potential Solutions

- Shift recurring Capital funding to Operating budget (short-term)
 - Could safely shift \$25M-50M in flexible funding annually (STA and TDA)
 - Shifting STA and TDA has significant impact on Capital
 - Capital program is less than 65% funded over the next 5 years already
 - More projects would be delayed
 - State of Good Repair
 - ZEB transition
 - Potential ICT projects in FY26-FY28 CIP
 - Reduce ZEB purchases by using available ICT credits and requesting delays to ICT requirements
 - Delay East County charging infrastructure
 - Delay South Bay Phase II charging infrastructure
 - Delay IAD Phase II charging infrastructure
 - Delay KMD Phase II charging infrastructure
 - Delay CTAC construction

Potential Solutions

- Longer term strategies for delaying the fiscal cliff:
 - Transit Transformation Task Force – potential statewide sales tax increase (TDA)
 - Potential doubling of revenue (\$140M per year)
 - Would cover most of projected deficit, but timing and outlook extremely uncertain
 - Cannot be part of fiscal assumptions until outlook is certain
 - Ballot measure in November 2026?
 - Elevate SD was projected to generate roughly \$300M per year
 - Over a third would have need to go toward existing operations to cover structural deficit
 - 2/3 voting requirement
 - Highly uncertain, even tougher sell with large portion going to sustainment of operations

Potential Solutions

- Fare increases
 - Last major fare change was in 2009
 - \$72 monthly pass would be \$110 if adjusted for inflation
 - Any changes to regional transit fare ordinance must be conducted by SANDAG
- Comprehensive Operational Analysis (COA) and major service reductions
 - Major service reductions will be necessary without new substantial revenue source
 - COA will help guide strategic decisions on service reductions (or increases with ballot measure)

Recommended Strategy

- Exercise Innovative Clean Transit Off-Ramp provisions (delay)
 - Provides maximum flexibility of capital funds in short term while minimizing impact to SGR
- Shift flexible funds from the CIP to the operating budget beginning in FY26
 - \$25M in FY26
 - \$35M in FY27
 - \$50M in FY28
- Determine results of increased fare revenues due to enforcement
- Maintain service at January 2025 levels
 - Leave January 2025 trolley service (15-minute service) in place but no added 7.5-minute service in FY26 and beyond (\$3M per year estimated plan in current SB-125 plan)
 - Remove \$22M in future planned bus service enhancements from FY27 and FY28
 - Part of current SB-125 plan
 - Fund COA outcome to restructure services and gain efficiencies/minor budget savings where possible with minimal impact to riders
- See results of Transit Transformational Task Force (TDA)
- Potential ballot measure

CONSOLIDATED MTS OPERATIONS

5-YEAR FORECAST

REVENUES LESS EXPENSES (\$000'S)

	FY 2025 Forecast	FY 2026 Projected	FY 2027 Projected	FY 2028 Projected	FY 2029 Projected
Operating Revenues	\$ 114,112	\$ 125,707	\$ 130,582	\$ 134,972	\$ 139,777
Recurring Subsidy	252,429	245,786	252,108	258,644	265,045
Total Recurring Revenues	\$ 366,541	\$ 371,493	\$ 382,690	\$ 393,616	\$ 404,823
Total Expenses	451,027	471,983	489,673	504,614	520,473
Structural Deficit	\$ (84,485)	\$ (100,490)	\$ (106,983)	\$ (110,998)	\$ (115,650)
Reserves	25,485	61,664	66	55	171
Federal Stimulus	47,000	-	-	-	-
Shift from Capital to Ops	-	25,000	35,000	50,000	-
SB-125 Funding	12,000	13,826	71,917	60,944	45,143
Revenues Less Expenses	\$ -	\$ -	\$ -	\$ -	\$ (70,336)

- Results:

- Recommended actions projected to delay fiscal cliff until FY 2029
 - Provides additional time to determine outcomes of potential revenue increases
 - Significant structural deficit would still need to be addressed
 - Shift of capital funding to operations considered “one-time”

Staff Recommendation

Item No. 7, 02/06/2025

That the San Diego Metropolitan Transit System (MTS) Executive Committee forward a recommendation to the Board of Directors to:

- Exercise Innovative Clean Transit (ICT) Off-Ramp provisions (delay implementation) to provide maximum flexibility of capital funds in the short-term while minimizing impact to state of good repair projects
- Shift flexible funds from the Capital Improvement Program (CIP) to the operating budget beginning in FY 2026 with the following targets by fiscal year:
 - \$25 million in FY 2026
 - \$35 million in FY 2027
 - \$50 million in FY 2028
- Maintain service levels at January 2025 levels:
 - Delay future Trolley service enhancements (7.5-minute Blue Line service) in FY 2026 and beyond and revise the Senate Bill (SB) 125 funding proposal
 - Delay \$22 million in future planned bus service enhancements in FY 2027 and FY 2028 and revise the SB125 funding proposal



Board of Directors
Agenda

02/13/2025 at 9:00 a.m.

In-Person Participation: James R. Mills Building, 1255 Imperial Avenue, 10th Floor Board Room, San Diego CA 92101

Teleconference Participation: (669) 254-5252; Webinar ID: 160 280 5839, https://www.zoomgov.com/j/1602805839

Table header with columns: NO., ITEM SUBJECT AND DESCRIPTION, ACTION

1. Roll Call

2. Public Comments

This item is limited to five speakers with two minutes per speaker. Others will be heard after Board Discussion items. If you have a report to present, please give your copies to the Clerk of the Board.

CONSENT ITEMS

3. Approval of Minutes

Action would approve the January 16, 2025 Board of Director meeting minutes.

Approve

4. CEO Report

Informational

5. Imperial Avenue Division (IAD) High Pile Storage Construction – Work Order Agreement

Approve

Action would authorize the Chief Executive Officer (CEO) to execute Work Order MTSJOC324-63 under JOC MTS Doc. No. PWG324.0-21 (in substantially the same format as Attachment A) with ABCGC, in the amount of \$408,415.52, for the replacement of high pile storage racks, and improvements to the fire sprinkler system in the IAD RAM building parts storage.

6. Orange Line: Hitachi Switch Machines – Sole Source Contract Award

Approve

Action would authorize the Chief Executive Officer (CEO) to execute Contract L1697.0-25 (in substantially the same format as attachment A) with Hitachi Rail STS USA, Inc. (Hitachi) in the amount of \$542,607.45 for the purchase of switch machines.

7. Orange Line Improvement Project: Electrified Electrocodes – Sole Source Contract Award

Approve

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1700.0-25 (in substantially the same format as Attachment A), a sole



source award to KB Signaling Operation, LLC (KB Signaling), in the amount of \$1,355,932.79 for the purchase of Electrified Electrocodes (specialized track circuit systems).

8. **Orange Line Improvement Project - Siemens Signal Instrument Components – Sole Source Contract Award** Approve
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1698.0-25 (in substantially the same format as Attachment A), a sole source award to Siemens Mobility, Inc. (Siemens), in the amount of \$427,849.39 for the purchase of Siemens signal instrument components.
9. **Clarifier Waste Services - Contract Award** Approve
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG418.0-25 (in substantially the same format as Attachment A) with Asbury Environmental Services, dba: World Oil (World Oil) for a five (5) year period in the amount of \$381,145.19.
10. **Iris Rapid Bus Stop Construction Additional Stop at Westbound Imperial Beach Blvd and 13th Street – Change Order** Approve
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWB380.2-24 (in substantially the same format as Attachment B), with Hazard Construction Engineering LLC (Hazard Construction), in the amount of \$413,092.00 for the Iris Rapid construction of Rapid 227 bus stop improvements at westbound Imperial Beach Blvd and 13th St.
11. **Broadway Rail Replacement – Work Order Agreement** Approve
Agenda Item will be provided prior to Board Meeting.
12. **Operations Budget Status Report For December 2024** Informational
13. **San Diego Metropolitan Transit System (MTS) Transit Asset Management (TAM) Plan – Fiscal Year (FY) 2025 Update** Informational
14. **Uninterrupted Power Supply (UPS) On-Site Repair and Support –Contract Amendment** Approve
Agenda Item will be provided prior to Board Meeting.
15. **Semiannual Uniform Report of Disadvantaged Business Enterprise (DBE) Awards and Payments** Informational

DISCUSSION ITEMS

16. **San Diego Transit Corporation (SDTC) Pension Investment Status (Jeremy Miller, with RVK Inc., and Mike Thompson)** Approve
Agenda Item will be provided prior to Board Meeting.
17. **San Diego Transit Corporation (SDTC) Employee Retirement Plan’s** Approve

Actuarial Valuation as of July 1, 2024 (Anne Harper and Alice Alsberghe with Cheiron Inc., and Mike Thompson)

Agenda Item will be provided prior to Board Meeting.

18. **Comprehensive Operational Analysis (COA) & Potential Ballot Measure (Brent Boyd)** Approve
Agenda Item will be provided prior to Board Meeting.
19. **Structural Budget Deficit Planning (Gordon Meyer)** Approve
Agenda Item will be provided prior to Board Meeting.

OTHER ITEMS

20. **Chair, Board Member and Chief Executive Officer's (CEO's) Communications**
21. **Remainder of Public Comments Not on The Agenda**
This item is a continuation of item No. 2 (Public Comment), in the event all speakers who request to comment on item No. 2 are not called. If all Public Comment is accepted during item No. 2, no additional public comment will be accepted under this item.

ADJOURNMENT

22. **Next Meeting Date**
The next Board of Director's meeting is scheduled for March 13, 2025 at 9:00am.
23. **Adjournment**



**Metropolitan
Transit
System**

Agenda Item No. 4

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

February 13, 2025

SUBJECT:

Chief Executive Officer's (CEO) Report

INFORMATIONAL

In accordance with Board Policy No. 52, "Procurement of Goods and Services", attached are listings of contracts, purchase orders, and work orders that have been approved within the CEO's authority (up to and including \$150,000) for the period January 9, 2025 – February 5, 2025.

Also attached is a report of a non-competitive contract award under "immediate remedial measures" exception.

CEO TRAVEL REPORT (since last Board meeting)

January 17	California Transit Association Executive Committee	Sacramento, CA
February 5	CalSTA Transit Transformation Task Force Meeting	Riverside, CA

BOARD MEMBER TRAVEL REPORT (since last Board meeting)

N/A

1255 Imperial Avenue, Suite 1000, San Diego, CA 92101-7490 • (619) 231-1466 • sdmts.com

San Diego Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc. and San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations). MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego. MTS is also the For-Hire Vehicle administrator for multiple cities in San Diego County.





**Metropolitan
Transit
System**

DRAFT FOR EXECUTIVE COMMITTEE REVIEW DATE: 2/6/2025

Agenda Item No. 5

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

February 13, 2025

SUBJECT:

Imperial Avenue Division (IAD) High Pile Storage Construction – Work Order Agreement

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute Work Order MTSJOC324-63 under Job Order Contract (JOC) MTS Doc. No. PWG324.0-21 (in substantially the same format as Attachment A) with ABC General Contracting, Inc. (ABC GC), in the amount of \$408,415.52, for the replacement of high pile storage racks, and improvements to the fire sprinkler system at the IAD Richard A. Murphy (RAM) building parts storage.

Budget Impact

The total contract cost is estimated at \$415,603.63. The project will be funded by the Capital Improvement Program (CIP) 3006112501 – Fire Sprinkler Upgrade - IAD. Under separate MTS Doc No. L1282.-16, with The Gordian Group, MTS will pay a 1.76% JOC software license fee in the amount of \$7,188.11.

DISCUSSION:

As part of a routine inspection by the City of San Diego Fire Department, the storage racks and fire sprinkler systems currently in place at the Parts Storage area in the IAD RAM building were found to be non-code compliant and deemed in need of replacement and upgrading. Due to the height of the existing racks being over 5 feet, along with their current condition, new racks with fire sprinklers incorporated into the racks or shelving were required to be installed. With the help of a fire code consultant and storage rack specialist, a concept was developed and permitted by the City of San Diego for construction. The completion of this project will return the storage racks and fire sprinkler system in the Parts Storage area in the IAD RAM building to a State of Good Repair (SGR) and bring it into compliance with the City of San Diego and City of San Diego Fire Department requirements.

On October 6, 2020, MTS issued an Invitation for Bids (IFB) seeking a contractor to provide a JOC building and facilities construction services that primarily consists of repair, remodeling, or

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other repetitive work, and general building and facility contracting services. These services include, but are not limited to, demolition, maintenance, and modification of existing buildings and facilities, as well as any required incidental professional and technical services.

JOC is a procurement method under which public agencies may accomplish frequently encountered repairs, maintenance, and construction projects through a single, competitively procured long-term agreement.

The JOC program includes a catalog of pricing for a variety of potential tasks to be performed under the contract that have been pre-priced by the contractor, the Gordian Group. All potential contractors are subject to the pricing within this catalog. Each contractor then includes an adjustment factor, escalating their proposed price from the catalog price, to determine the total cost of the task order. The adjustment factor represents an average percentage increase over the catalog price (i.e. 1.25 adjustment factor represents 25% above the catalog price) for that respective task within the project. To select the lowest responsive and responsible bidder, MTS staff compares each contractor's proposed adjustment factor.

Nine (9) bids were received, and MTS determined that ABCGC was the lowest responsive and responsible bidder. On December 10, 2020 (Agenda Item No. 11), the MTS Board authorized the CEO to execute MTS Doc. No. PWG324.0-21 with ABCGC for General Building Construction Services.

Today's proposed action would issue a work order to ABCGC under this JOC master agreement. Pricing for this repair work order was reviewed and determined to be fair and reasonable. ABCGC will be the prime contractor for the high pile storage and fire sprinkler system replacement and upgrade. Subcontractors for this work include Design Build Fire Protection, Harborside Construction, Johnson Controls Fire Protection and Warehouse Solutions, Inc. Work is expected to be completed by June 2025.

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to execute Work Order MTSJOC324-63 under JOC MTS Doc. No. PWG324.0-21 (in substantially the same format as Attachment A) with ABCGC, in the amount of \$408,415.52, for the replacement of high pile storage racks, and improvements to the fire sprinkler system in the IAD RAM building parts storage.

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Mark Olson, 619.557.4588, mark.olson@sdmts.com

Attachment: A. Draft Work Order MTSJOC324-63



Metropolitan Transit System

JOB ORDER CONTRACT WORK ORDER

PWG324.0-21
CONTRACT NUMBER

MTSJOC324-63
WORK ORDER NUMBER

THIS AGREEMENT is entered into this _____ day of _____ 2025, in the state of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following, hereinafter referred to as "Contractor":

Name: ABC General Contractor, Inc. Address: 3120 National Avenue

Form of Business: Corporation San Diego, CA 92113
(Corporation, partnership, sole proprietor, etc.)

Telephone: (619) 247-7113

Authorized person to sign contracts: Travis Brozowski President
Name Title

Pursuant to the existing Job Order Contract (MTS Doc. No. PWG324.0-21), MTS issues a Work Order to Contractor to complete the detailed Scope of Work (attached as Exhibit A.), the Cost Breakdown for the Scope of Work (attached as Exhibit B.), and the subcontractor listing form applicable to this Work Order (attached as Exhibit C.)

TOTAL PAYMENTS TO CONTRACTOR SHALL NOT EXCEED \$408,415.52

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	ABC GENERAL CONTRACTOR, INC.
By: <u>Sharon Cooney, Chief Executive Officer</u>	Firm: _____
Approved as to form:	By: _____ Signature
By: <u>Karen Landers, General Counsel</u>	Title: _____



EXHIBIT A
(Scope of Work)

DRAFT



San Diego Metropolitan Transit System

1255 Imperial Ave
San Diego, California 92101

Final Scope of Work

Date: 1/10/2025

Job Order Contracting

To: _____ **From:** _____

Contract No: PWG324.0-21
Job Order No: MTSJOC324-63
Job Order Title: IAD High Pile Storage Construction
Location: IAD
 100 16th St.
 San Diego, CA 92101

Brief Scope of Work:

The following items detail the scope of work as discussed at the site. All requirements necessary to accomplish the items set forth below shall be considered part of this scope of work.

SCOPE OF WORK/MINIMUM TECHNICAL SPECIFICATIONS

1 GENERAL:

This project will be phase 2 of the IAD High Pile project in which the schematics permitted in phase one are to be built. All work is to occur within IAD RAM Building.

2 STAGING:

Contractor is to keep and store all materials and equipment within the work area as possible. Any further staging would have to be coordinated with the MTS Project Manager. There may be some available space within or adjacent to the RAM Building. All property stored onsite is the responsibility of the contractor and MTS shall not be held liable for any and all equipment, material, tools, etc.

3 TEMP FACILITIES:

The contractor is to provide their own temporary restrooms and wash facilities as needed. Contractor is responsible for temp power and water.

4 SAFETY AND ACCESS:

Diligent caution must be taken during the undertaking of this work. All work will occur within an active bus yard. Key personnel will be granted badges for access. Only vehicles necessary for the performance of the work shall be parked within the yard adjacent to the RAM Building.

5 WASTE:

The contractor is responsible for legally disposing of any and all waste in relation to the work. The contractor shall not use any onsite receptacles to dispose of material generated during the performance of this contract. Contractor is responsible for general cleanup at the end of each work day.

6 SCHEDULE AND SEQUENCING:

All work shall be completed within One Hundred Twenty (120) calendar days from issuance of Notice to Proceed. It is assumed there will be some lead time for some items, which is included in the duration. The work shall commence once all material is available and the work can proceed without stoppages.

7 DETAILED SCOPE OF WORK:

Contractor will demo and remove all racking to be replaced per permitted schematics from phase 1. Contractor is to provide and install all new racking per approved schematics. Contractor will make all alterations necessary to existing fire sprinkler system in order to be compliant per approved schematics. Contractor will demo and replace existing fire backflow with new stainless-steel backflow. MTS will be responsible for removal and relocation of all stored materials and will be responsible for replacement of all stored materials at the completion of the project. Contractor is to provide all stamped/permitted schematics at the close of the project.

All job orders include the labor, equipment, and material costs for a complete and in-place installation, unless otherwise noted.

EXHIBIT B
(Cost Breakdown)

DRAFT



Price Proposal Detail Report

By Division

Version: 2.0

Job Order: MTSJOC324-63

Approved

Job Order Name: IAD High Pile Storage Construction

Proposal Value: \$403,181.62

Approved Date: December 20, 2024 Location: IAD 100 16th St. San Diego, CA 92101

Contractor: ABC General Inc.

Contract Number: PWG324.0-21

Contract Name: JOC Building and Facilities Construction Services. - Option 3

Division		Install Total	NPP Total	Demo Total	Division Total
01	General Requirements	\$81,472.43	\$0.00	\$0.00	\$81,472.43
02	Existing Conditions	\$55,726.78	\$0.00	\$0.00	\$55,726.78
05	Metals	\$31,799.18	\$0.00	\$0.00	\$31,799.18
06	Wood, Plastics, and Composites	\$4,250.70	\$0.00	\$0.00	\$4,250.70
09	Finishes	\$20,291.94	\$0.00	\$0.00	\$20,291.94
10	Specialties	\$82,784.64	\$0.00	\$0.00	\$82,784.64
21	Fire Suppression	\$84,166.78	\$0.00	\$0.00	\$84,166.78
22	Plumbing	\$7,821.89	\$0.00	\$0.00	\$7,821.89
23	Heating, Ventilating, And Air-Conditioning (HVAC)	\$28,190.83	\$0.00	\$0.00	\$28,190.83
34	Transportation	\$6,676.45	\$0.00	\$0.00	\$6,676.45
Total:		\$403,181.62	\$0.00	\$0.00	\$403,181.62
Line Count: 38				Proposal Total:	\$403,181.62

The Percentage of Non Pre-Priced on this Proposal:

0.0%



Price Proposal Detail Report

By Division

Version: 2.0

Job Order: MTSJOC324-63

Approved

Job Order Name: IAD High Pile Storage Construction

Proposal Value: \$403,181.62

Location: IAD 100 16th St. San Diego, CA 92101

Approved Date: December 20, 2024

Contractor: ABC General Inc.

Contract Number: PWG324.0-21

Contract Name: JOC Building and Facilities Construction Services. - Option 3

01 General Requirements \$81,472.43

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
1	012216000004	Reimbursable Fees	Install	2,104.00	\$1.00	EA	1.0000	\$2,104.00

Accepted

History: 1.1 Added, 1.2 Modified, 1.3 Accepted, 2.0 Accepted

Includes Labor No Includes Equipment No Includes Materials Yes

Owner Comments: V:1.2-permit fees should not have markup

User Note: Additional \$2,104 in CoSD Permit Fees; \$9,604 Total (\$7,500 where budgeted in 324-11)

Item Note: Reimbursable Fees will be paid to the contractor for eligible costs as directed by Owner. Insert the appropriate quantity to adjust the base cost to the actual Reimbursable Fee. If there are multiple Reimbursable Fees, list each one separately and add a comment in the "note" block to identify the Reimbursable Fee (e.g. sidewalk closure, road cut, various permits, extended warranty, expedited shipping costs, etc.). A copy of each receipt shall be submitted with the Price Proposal.

Total: \$2,104.00

Division 01 General Requirements Total: \$2,104.00

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
2	012216000004	Reimbursable Fees	Install	15,000.16	\$1.00	EA	1.1579	\$17,368.69

Accepted

History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted

Includes Labor No Includes Equipment No Includes Materials Yes

User Note: Warehouse Solutions Structural Calculations (\$15,000.16) (Mid Permit for Resubmittal)

Item Note: Reimbursable Fees will be paid to the contractor for eligible costs as directed by Owner. Insert the appropriate quantity to adjust the base cost to the actual Reimbursable Fee. If there are multiple Reimbursable Fees, list each one separately and add a comment in the "note" block to identify the Reimbursable Fee (e.g. sidewalk closure, road cut, various permits, extended warranty, expedited shipping costs, etc.). A copy of each receipt shall be submitted with the Price Proposal.

Total: \$17,368.69

Division 01 General Requirements Total: \$17,368.69

* Includes Price Changes due to Construction Task Catalog update



Price Proposal Detail Report

By Division

Version: 2.0

Job Order: MTSJOC324-63

Approved

Job Order Name: IAD High Pile Storage Construction

Proposal Value: \$403,181.62

Approved Date: December 20, 2024 Location: IAD 100 16th St. San Diego, CA 92101

Contractor: ABC General Inc.

Contract Number: PWG324.0-21

Contract Name: JOC Building and Facilities Construction Services. - Option 3

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
3	012216000004	Reimbursable Fees	Install	13,391.00	\$1.00	EA	1.1579	\$15,505.44

Accepted

History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted

Includes Labor No Includes Equipment No Includes Materials Yes

User Note: DB Fire - FLUE Design Costs (Mid Permit for Resubmittal) 9,560+2,200+3611

Item Note: Reimbursable Fees will be paid to the contractor for eligible costs as directed by Owner. Insert the appropriate quantity to adjust the base cost to the actual Reimbursable Fee. If there are multiple Reimbursable Fees, list each one separately and add a comment in the "note" block to identify the Reimbursable Fee (e.g. sidewalk closure, road cut, various permits, extended warranty, expedited shipping costs, etc.). A copy of each receipt shall be submitted with the Price Proposal.

Total: \$15,505.44

Division 01 General Requirements Total: \$15,505.44

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
4	012216000004	Reimbursable Fees	Install	13,750.00	\$1.00	EA	1.1579	\$15,921.13

Accepted

History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted

Includes Labor No Includes Equipment No Includes Materials Yes

User Note: Johnson Controls - Fire Panel Upgrades

Item Note: Reimbursable Fees will be paid to the contractor for eligible costs as directed by Owner. Insert the appropriate quantity to adjust the base cost to the actual Reimbursable Fee. If there are multiple Reimbursable Fees, list each one separately and add a comment in the "note" block to identify the Reimbursable Fee (e.g. sidewalk closure, road cut, various permits, extended warranty, expedited shipping costs, etc.). A copy of each receipt shall be submitted with the Price Proposal.

Total: \$15,921.13

Division 01 General Requirements Total: \$15,921.13

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
5	012220000082	Project Manager	Install	8.00	\$150.00	HR	1.1579	\$1,389.48

Accepted

History: 1.1 Added, 1.2 Modified, 1.3 Accepted, 2.0 Accepted

Includes Labor Yes Includes Equipment No Includes Materials No

User Note: Time to coordinate City of SD Inspections, 3 Inspections at 4 hours each
Time to coordinate Fire Marshall Inspections, 2 Inspections at 4 hours each
Total: 20 Hours

Total: \$1,389.48

Division 01 General Requirements Total: \$1,389.48

* Includes Price Changes due to Construction Task Catalog update



Price Proposal Detail Report

By Division

Version: 2.0

Job Order: MTSJOC324-63

Approved

Job Order Name: IAD High Pile Storage Construction

Proposal Value: \$403,181.62

Approved Date: December 20, 2024 Location: IAD 100 16th St. San Diego, CA 92101

Contractor: ABC General Inc.

Contract Number: PWG324.0-21

Contract Name: JOC Building and Facilities Construction Services. - Option 3

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
6	012223000053	17' Electric, Scissor Platform Lift	Install	3.00	\$292.86	WK	1.1579	\$1,017.31

Accepted

History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted

Includes Labor No Includes Equipment No Includes Materials Yes

User Note: For Shelving Installation
1 Scissor lift for 3 weeks

Total:	\$1,017.31
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Division 01 General Requirements Total: \$1,017.31

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
7	012223000053	17' Electric, Scissor Platform Lift	Install	10.00	\$292.86	WK	1.1579	\$3,391.03

Accepted

History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted

Includes Labor No Includes Equipment No Includes Materials Yes

User Note: Over Fire Sprinkler Modifications, 2x5 weeks

Total:	\$3,391.03
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Division 01 General Requirements Total: \$3,391.03

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
8	012223000053	17' Electric, Scissor Platform Lift	Install	2.00	\$292.86	WK	1.1579	\$678.21

Accepted

History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted

Includes Labor No Includes Equipment No Includes Materials Yes

User Note: 2 Weeks to paint new Sprinkler Line

Total:	\$678.21
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Division 01 General Requirements Total: \$678.21

* Includes Price Changes due to Construction Task Catalog update



Price Proposal Detail Report

By Division

Version: 2.0

Job Order: MTSJOC324-63

Approved

Job Order Name: IAD High Pile Storage Construction

Proposal Value: \$403,181.62

Approved Date: December 20, 2024 Location: IAD 100 16th St. San Diego, CA 92101

Contractor: ABC General Inc.

Contract Number: PWG324.0-21

Contract Name: JOC Building and Facilities Construction Services. - Option 3

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
9	012223000979	5,000 LB Straight Mast, Industrial Warehouse Forklift With Full-Time Operator	Install	3.00	\$4,531.87	WK	1.1579	\$15,742.36
Accepted		History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted Includes Labor Yes Includes Equipment No Includes Materials Yes						

User Note: For Shelving Installation
1 Forklift for 3 weeks

Total:	\$15,742.36
Division 01 General Requirements Total: \$15,742.36	

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
10	017113000004	First 25 Miles, Equipment Delivery, Pickup, Mobilization And Demobilization Using A Tractor Trailer With Up To 53' Bed	Install	2.00	\$715.07	EA	1.1579	\$1,655.96
Accepted		History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted Includes Labor Yes Includes Equipment Yes Includes Materials No						

User Note: New Shevling Equipment Delivery
1-Forklift
1-Scissor Lift

Item Note: Includes loading, tie-down of equipment, delivery of equipment, off loading on site, rigging, dismantling, loading for return and transporting away. For equipment such as bulldozers, motor scrapers, hydraulic excavators, gradalls, road graders, loader-backhoes, heavy duty construction loaders, tractors, pavers, rollers, bridge finishers, straight mast construction forklifts, telescoping boom rough terrain construction forklifts, telescoping and articulating boom man lifts with >40' boom lengths, etc.

Total:	\$1,655.96
Division 01 General Requirements Total: \$1,655.96	

* Includes Price Changes due to Construction Task Catalog update



Price Proposal Detail Report

By Division

Version: 2.0

Job Order: MTSJOC324-63

Approved

Job Order Name: IAD High Pile Storage Construction

Proposal Value: \$403,181.62

Approved Date: December 20, 2024 Location: IAD 100 16th St. San Diego, CA 92101

Contractor: ABC General Inc.

Contract Number: PWG324.0-21

Contract Name: JOC Building and Facilities Construction Services. - Option 3

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
11	017113000004	First 25 Miles, Equipment Delivery, Pickup, Mobilization And Demobilization Using A Tractor Trailer With Up To 53' Bed	Install	2.00	\$715.07	EA	1.1579	\$1,655.96
Accepted		History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted Includes Labor Yes Includes Equipment Yes Includes Materials No						

User Note: Scissor Lifts (2) for Over Fire Sprinkler Modifications

Item Note: Includes loading, tie-down of equipment, delivery of equipment, off loading on site, rigging, dismantling, loading for return and transporting away. For equipment such as bulldozers, motor scrapers, hydraulic excavators, gradalls, road graders, loader-backhoes, heavy duty construction loaders, tractors, pavers, rollers, bridge finishers, straight mast construction forklifts, telescoping boom rough terrain construction forklifts, telescoping and articulating boom man lifts with >40' boom lengths, etc.

							Total:	\$1,655.96
							Division 01 General Requirements Total:	\$1,655.96

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
12	017113000004	First 25 Miles, Equipment Delivery, Pickup, Mobilization And Demobilization Using A Tractor Trailer With Up To 53' Bed	Install	1.00	\$715.07	EA	1.1579	\$827.98
Accepted		History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted Includes Labor Yes Includes Equipment Yes Includes Materials No						

User Note: Scissor Lift for Painter

Item Note: Includes loading, tie-down of equipment, delivery of equipment, off loading on site, rigging, dismantling, loading for return and transporting away. For equipment such as bulldozers, motor scrapers, hydraulic excavators, gradalls, road graders, loader-backhoes, heavy duty construction loaders, tractors, pavers, rollers, bridge finishers, straight mast construction forklifts, telescoping boom rough terrain construction forklifts, telescoping and articulating boom man lifts with >40' boom lengths, etc.

							Total:	\$827.98
							Division 01 General Requirements Total:	\$827.98

* Includes Price Changes due to Construction Task Catalog update



Price Proposal Detail Report

By Division

Version: 2.0

Job Order: MTSJOC324-63

Approved

Job Order Name: IAD High Pile Storage Construction

Proposal Value: \$403,181.62

Approved Date: December 20, 2024 Location: IAD 100 16th St. San Diego, CA 92101

Contractor: ABC General Inc.

Contract Number: PWG324.0-21

Contract Name: JOC Building and Facilities Construction Services. - Option 3

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
13	017136000005	>4 To 8 Hours On Site, Electromagnetic (SIR/GPR) Survey, Earth, Concrete, Masonry Or Asphalt	Install	1.00	\$1,951.92	EA	1.1579	\$2,260.13
Accepted		<i>History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted</i>						
		Includes Labor No Includes Equipment No Includes Materials Yes						

User Note: CPL before Drilling Flooring 8"

Total:	\$2,260.13
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Division 01 General Requirements Total:	\$2,260.13
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Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
14	017413000003	Collect Existing Debris And Load Into Truck Or Dumpster	Install	40.00	\$21.83	CY	1.1579	\$1,011.08
Accepted		<i>History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted</i>						
		Includes Labor Yes Includes Equipment Yes Includes Materials No						

User Note: Existing Racks

Item Note: Per CY of debris removed.

Total:	\$1,011.08
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Division 01 General Requirements Total:	\$1,011.08
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Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
15	017419000016	40 CY Dumpster (5 Ton) "Construction Debris"	Install	1.00	\$814.98	EA	1.1579	\$943.67
Accepted		<i>History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted</i>						
		Includes Labor No Includes Equipment No Includes Materials Yes						

User Note: Existing Racks

Item Note: Includes delivery of dumpster, rental cost, pick-up cost, hauling, and disposal fee. Non-hazardous material.

Total:	\$943.67
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Division 01 General Requirements Total:	\$943.67
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02 Existing Conditions	\$55,726.78
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* Includes Price Changes due to Construction Task Catalog update



Price Proposal Detail Report

By Division

Version: 2.0

Job Order: MTSJOC324-63

Approved

Job Order Name: IAD High Pile Storage Construction

Proposal Value: \$403,181.62

Approved Date: December 20, 2024 Location: IAD 100 16th St. San Diego, CA 92101

Contractor: ABC General Inc.

Contract Number: PWG324.0-21

Contract Name: JOC Building and Facilities Construction Services. - Option 3

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
16	024116130008	By Pneumatic Tools/Hand, Steel Framed Building Demolition	Install	675.00	\$57.95	CCF	1.1579	\$45,292.71
Accepted		History: 1.1 Added, 1.2 Modified, 1.3 Accepted, 2.0 Accepted Includes Labor Yes Includes Equipment Yes Includes Materials No						

User Note: Best fit line for Demoining the existing racks and fire sprinkler systems, 5,876SF x 14' = 82,264CF = 823CCF

Total:	\$45,292.71
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Division 02 Existing Conditions Total: \$45,292.71

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
17	024119130282	3/4" Diameter Drilling In Concrete Per Inch Of Depth	Install	3,520.00	\$2.56	IN	1.1579	\$10,434.07
Accepted		History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted Includes Labor Yes Includes Equipment Yes Includes Materials Yes						

User Note: 440 Wedge Anchors 8" deep

Total:	\$10,434.07
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Division 02 Existing Conditions Total: \$10,434.07

05 Metals \$31,799.18

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
18	050519000086	1/2" Diameter x 5-1/2" Length, Hot Dipped Galvanized Steel, Wedge Anchor Expansion Bolt	Install	440.00	\$22.45	EA	1.1579	\$11,437.74
Accepted		History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted Includes Labor Yes Includes Equipment Yes Includes Materials Yes						

User Note: 440 Anchors

Total:	\$11,437.74
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Division 05 Metals Total: \$11,437.74

* Includes Price Changes due to Construction Task Catalog update



Price Proposal Detail Report

By Division

Version: 2.0

Job Order: MTSJOC324-63

Approved

Job Order Name: IAD High Pile Storage Construction

Proposal Value: \$403,181.62

Approved Date: December 20, 2024 Location: IAD 100 16th St. San Diego, CA 92101

Contractor: ABC General Inc.

Contract Number: PWG324.0-21

Contract Name: JOC Building and Facilities Construction Services. - Option 3

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
19	050519000138	5/8" Diameter x 4-3/4" Length, Zinc Plated Steel, Concrete Strike Anchor	Install	680.00	\$25.86	EA	1.1579	\$20,361.44
Accepted		History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted Includes Labor Yes Includes Equipment Yes Includes Materials Yes						

User Note: 1 per hanger, Estimated 8 anchors into roof deck per head/stick of pipe

Total:	\$20,361.44
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Division 05 Metals Total: \$20,361.44

06 Wood, Plastics, and Composites \$4,250.70

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
20	061633000013	3/4" Interior BC Plywood Wall Sheathing	Install	1,536.00	\$2.39	SF	1.1579	\$4,250.70
Accepted		History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted Includes Labor Yes Includes Equipment Yes Includes Materials Yes						

User Note: Used on some of the shelves as barriers (48 sheets @ 48x96)

Item Note: Applied to wall studs.

Total:	\$4,250.70
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Division 06 Wood, Plastics, and Composites Total: \$4,250.70

09 Finishes \$20,291.94

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
21	099123000367	Acid Wash (Muriatic Acid) Conduit Or Pipe With Glove/Mitt	Install	59.00	\$34.88	CSF	1.1579	\$2,382.87
Accepted		History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted Includes Labor Yes Includes Equipment Yes Includes Materials Yes						

User Note: Fire Sprinkler Piping, 5,867SF

Total:	\$2,382.87
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Division 09 Finishes Total: \$2,382.87

* Includes Price Changes due to Construction Task Catalog update



Price Proposal Detail Report

By Division

Version: 2.0

Job Order: MTSJOC324-63

Approved

Job Order Name: IAD High Pile Storage Construction

Proposal Value: \$403,181.62

Approved Date: December 20, 2024 Location: IAD 100 16th St. San Diego, CA 92101

Contractor: ABC General Inc.

Contract Number: PWG324.0-21

Contract Name: JOC Building and Facilities Construction Services. - Option 3

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
22	099123000368	Metal Primer Conduit Or Pipe With Glove/Mitt	Install	59.00	\$55.82	CSF	1.1579	\$3,813.40

Accepted

History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted

Includes Labor Yes Includes Equipment Yes Includes Materials Yes

User Note: Fire Sprinkler Piping, 5,867SF

Total:	\$3,813.40
--------	------------

Division 09 Finishes Total: \$3,813.40

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
23	099123000369	Enamel, Oil Base Paint, First Coat Conduit Or Pipe With Glove/Mitt	Install	59.00	\$43.68	CSF	1.1579	\$2,984.05

Accepted

History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted

Includes Labor Yes Includes Equipment Yes Includes Materials Yes

User Note: Fire Sprinkler Piping, 5,867SF

Total:	\$2,984.05
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Division 09 Finishes Total: \$2,984.05

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
24	099123000370	Enamel, Oil Base Paint, Second Coat Conduit Or Pipe With Glove/Mitt	Install	59.00	\$35.52	CSF	1.1579	\$2,426.59

Accepted

History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted

Includes Labor Yes Includes Equipment Yes Includes Materials Yes

User Note: Fire Sprinkler Piping, 5,867SF

Total:	\$2,426.59
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Division 09 Finishes Total: \$2,426.59

* Includes Price Changes due to Construction Task Catalog update



Price Proposal Detail Report

By Division

Version: 2.0

Job Order: MTSJOC324-63

Approved

Job Order Name: IAD High Pile Storage Construction

Proposal Value: \$403,181.62

Approved Date: December 20, 2024 Location: IAD 100 16th St. San Diego, CA 92101

Contractor: ABC General Inc.

Contract Number: PWG324.0-21

Contract Name: JOC Building and Facilities Construction Services. - Option 3

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
25	099123000371	Epoxy Coating, First Coat Conduit Or Pipe With Glove/Mitt	Install	59.00	\$66.23	CSF	1.1579	\$4,524.58
Accepted		<i>History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted</i>						
		Includes Labor Yes Includes Equipment Yes Includes Materials Yes						

User Note: Fire Sprinkler Piping, 5,867SF

Total:	\$4,524.58
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Division 09 Finishes Total: \$4,524.58

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
26	099123000372	Epoxy Coating, Second Coat Conduit Or Pipe With Glove/Mitt	Install	59.00	\$60.90	CSF	1.1579	\$4,160.45
Accepted		<i>History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted</i>						
		Includes Labor Yes Includes Equipment Yes Includes Materials Yes						

User Note: Fire Sprinkler Piping, 5,867SF

Total:	\$4,160.45
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Division 09 Finishes Total: \$4,160.45

10 Specialties								\$82,784.64
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Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
27	102623130147	Hugger Hanger, For 3" Steel Pipe	Install	680.00	\$25.34	EA	1.1579	\$19,952.01
Accepted		<i>History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted</i>						
		Includes Labor Yes Includes Equipment Yes Includes Materials Yes						

User Note: 85 Heads, estimated 8 per head line

Total:	\$19,952.01
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Division 10 Specialties Total: \$19,952.01

* Includes Price Changes due to Construction Task Catalog update



Price Proposal Detail Report

By Division

Version: 2.0

Job Order: MTSJOC324-63

Approved

Job Order Name: IAD High Pile Storage Construction

Proposal Value: \$403,181.62

Approved Date: December 20, 2024 Location: IAD 100 16th St. San Diego, CA 92101

Contractor: ABC General Inc.

Contract Number: PWG324.0-21

Contract Name: JOC Building and Facilities Construction Services. - Option 3

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
28	105613160009	75" High Baked Enamel Steel Storage Shelving 7 Shelf, Open With 36" Wide Shelf	Install	372.03	\$145.86	LF	1.1579	\$62,832.63

Accepted

History: 1.1 Added, 1.2 Modified, 1.3 Accepted, 2.0 Accepted

Includes Labor Yes Includes Equipment Yes Includes Materials Yes

Owner Comments: V:1.2-Removed Demo item to reflect above item

User Note: Shelving Volume Per Plans-6,976CF
Line Item Volume 372.03Lfx75"x36"

Total:	\$62,832.63
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Division 10 Specialties Total: \$62,832.63

21 Fire Suppression	\$84,166.78
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Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
29	210130910011	Disarm/Arm System	Install	25.00	\$56.96	EA	1.1579	\$1,648.85

Accepted

History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted

Includes Labor Yes Includes Equipment Yes Includes Materials No

User Note: Daily Shut Down for In-Rack Installation, 25 days

Total:	\$1,648.85
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Division 21 Fire Suppression Total: \$1,648.85

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
30	210519000009	4" Diameter, 0 - 1,000 GPM Fire Service Meter Flanged, With Cast Iron Housing	Install	1.00	\$7,921.73	EA	1.1579	\$9,172.57

Accepted

History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted

Includes Labor Yes Includes Equipment Yes Includes Materials Yes

User Note: New Flow Meter

Total:	\$9,172.57
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Division 21 Fire Suppression Total: \$9,172.57

* Includes Price Changes due to Construction Task Catalog update



Price Proposal Detail Report

By Division

Version: 2.0

Job Order: MTSJOC324-63

Approved

Job Order Name: IAD High Pile Storage Construction

Proposal Value: \$403,181.62

Approved Date: December 20, 2024 Location: IAD 100 16th St. San Diego, CA 92101

Contractor: ABC General Inc.

Contract Number: PWG324.0-21

Contract Name: JOC Building and Facilities Construction Services. - Option 3

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
31	211313000003	Exposed Piping, Light Hazard, Complete Wet-Pipe Sprinkler System, Per Head	Install	169.00	\$329.24	EA	1.1579	\$64,427.36
Accepted		<i>History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted</i> Includes Labor Yes Includes Equipment Yes Includes Materials Yes						
User Note:		84 Overhead Sprinklers 85 In-Rack Sprinklers						
Item Note:		Includes branch pipe and fittings, supports and sprinkler heads.						

Total:	\$64,427.36
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Division 21 Fire Suppression Total:	\$64,427.36
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Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
32	211326000005	6" Deluge Valve With Trim And Release Equipment	Install	1.00	\$7,701.87	EA	1.1579	\$8,918.00
Accepted		<i>History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted</i> Includes Labor Yes Includes Equipment Yes Includes Materials Yes						
User Note:		New Riser						

Total:	\$8,918.00
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Division 21 Fire Suppression Total:	\$8,918.00
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22 Plumbing	\$7,821.89
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Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
33	221116000038	6" Schedule 40, Seamless, Threaded Galvanized Steel Pipe	Install	40.00	\$69.74	LF	1.1579	\$3,230.08
Accepted		<i>History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted</i> Includes Labor Yes Includes Equipment Yes Includes Materials Yes						

User Note: 40' OF 6" BULK PIPE

Total:	\$3,230.08
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Division 22 Plumbing Total:	\$3,230.08
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* Includes Price Changes due to Construction Task Catalog update



Price Proposal Detail Report

By Division

Version: 2.0

Job Order: MTSJOC324-63

Approved

Job Order Name: IAD High Pile Storage Construction

Proposal Value: \$403,181.62

Approved Date: December 20, 2024 Location: IAD 100 16th St. San Diego, CA 92101

Contractor: ABC General Inc.

Contract Number: PWG324.0-21

Contract Name: JOC Building and Facilities Construction Services. - Option 3

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
34	221116000082	6", 150 LB, Galvanized Malleable Iron 45 Degree Elbow	Install	3.00	\$1,321.88	EA	1.1579	\$4,591.81

Accepted *History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted*

Includes Labor Yes Includes Equipment Yes Includes Materials Yes

User Note: IN THE NEW 6" BULK PIPE

Total:	\$4,591.81
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Division 22 Plumbing Total: \$4,591.81

23 Heating, Ventilating, And Air-Conditioning (HVAC) \$28,190.83

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
35	230120910024	Shut Down Existing Interior Piping System	Install	25.00	\$195.31	EA	1.1579	\$5,653.74

Accepted *History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted*

Includes Labor Yes Includes Equipment Yes Includes Materials Yes

User Note: Daily Shut Down for In-Rack Installation, 25 days

Item Note: Includes lock out/tag out and average line tracing. Use when valves are greater than 25' from work. When the shut-off valves for multiple lines are located with a 10' radius, the quantity used shall be one.

Total:	\$5,653.74
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Division 23 Heating, Ventilating, And Air-Conditioning (HVAC) Total: \$5,653.74

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
36	230120910033	>250 To 500', 1-1/2" To 4" Diameter Pipe, Purge Liquid System	Install	25.00	\$719.58	EA	1.1579	\$20,830.04

Accepted *History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted*

Includes Labor Yes Includes Equipment Yes Includes Materials No

User Note: Purge Daily during In-rack sprinkler installation, 25 days

Total:	\$20,830.04
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Division 23 Heating, Ventilating, And Air-Conditioning (HVAC) Total: \$20,830.04

* Includes Price Changes due to Construction Task Catalog update



Price Proposal Detail Report

By Division

Version: 2.0

Job Order: MTSJOC324-63

Approved

Job Order Name: IAD High Pile Storage Construction

Proposal Value: \$403,181.62

Approved Date: December 20, 2024 Location: IAD 100 16th St. San Diego, CA 92101

Contractor: ABC General Inc.

Contract Number: PWG324.0-21

Contract Name: JOC Building and Facilities Construction Services. - Option 3

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
37	230120910035	>1,000 To 2,000', 1-1/2" To 4" Diameter Pipe, Purge Liquid System	Install	1.00	\$1,474.26	EA	1.1579	\$1,707.05
Accepted		History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted Includes Labor Yes Includes Equipment Yes Includes Materials No						

User Note: Overhead Sprinklers, purge after completion of Overhead work (1 Time)

Total: \$1,707.05

Division 23 Heating, Ventilating, And Air-Conditioning (HVAC) Total: \$1,707.05

34 Transportation \$6,676.45

Record #	CSI Number	Description	Type	Quantity	Unit Price	UOM	Factor	Line Total
38	340543000297	Drill Out 1/2" Diameter Fastener/Anchor In Concrete	Install	248.00	\$23.25	EA	1.1579	\$6,676.45
Accepted		History: 1.1 Added, 1.2 Accepted, 1.3 Accepted, 2.0 Accepted Includes Labor Yes Includes Equipment Yes Includes Materials Yes						

User Note: Assume close to new value

Total: \$6,676.45

Division 34 Transportation Total: \$6,676.45

Proposal Total: \$403,181.62

Div The Percentage of Non Pre-Priced on this Proposal: 0.0%

* Includes Price Changes due to Construction Task Catalog update

EXHIBIT C
(Subcontractor Listing)

DRAFT

San Diego Metropolitan Transit System

1255 Imperial Ave
San Diego, CA 92101

Subcontractor Report

Date: 12/20/2024
Job Order Contracting

Contract #: PWG324.0-21
Job Order #: MTSJOC324-63
Job Order Title: IAD High Pile Storage Construction
Job Order Value: \$408,415.52
Location: IAD
Contractor: ABC General Inc.
Subcontractors: Design Build Fire Protection Inc
 Harborside Construction Inc
 JOHNSON CONTROLS FIRE PROTECTION LP
 Warehouse Solutions

Subcontractor Name	License Number	Describe Nature of Work (Trade)	Certifications	Subcontractor Total	Participation %
Design Build Fire Protection Inc 13771 Danielson Street Ste G, Poway, CA 92064	926322	Plumber	No Certification	\$122,286.00	29.94%
Harborside Construction Inc 2010 Garrison Way, El Cajon, CA 92019	730817	Racks and Paint	No Certification	\$55,000.00	13.47%
JOHNSON CONTROLS FIRE PROTECTION LP 3568 RUFFIN ROAD SOUTH, SAN DIEGO, CA 92123		Electrician	No Certification	\$13,750.00	3.37%
Warehouse Solutions PO Box 60727, San Diego, CA 92166	918115	Laborer	No Certification	\$105,980.28	25.95%

Summary

Certification Name	Value	% Subcontracted
No Certification	\$297,016.28	72.72%
Total	\$297,016.28	72.72%



**Metropolitan
Transit
System**

DRAFT FOR EXECUTIVE COMMITTEE REVIEW DATE: 2/6/2025

Agenda Item No. 6

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

February 13, 2025

SUBJECT:

Orange Line: Hitachi Switch Machines – Sole Source Contract Award

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute Contract L1697.0-25 (in substantially the same format as attachment A) with Hitachi Rail STS USA, Inc. (Hitachi) in the amount of \$542,607.45 for the purchase of switch machines.

Budget Impact

The total contract cost of the materials is estimated to be \$542,607.45, inclusive of 7.75% CA Sales Tax (Attachment B). The project will be funded by the Capital Improvement Program (CIP) 2005123501 – Orange Line Rail Signals Part 2.

DISCUSSION:

The Orange Line Improvement Project occurs in two phases and will make trolley system improvements at various locations within the 17.6-mile line, benefitting the cities of San Diego, Lemon Grove, La Mesa, and El Cajon. The Project goal is to increase train speeds, improve service reliability and operating flexibility, maintain grade crossing safety, and increase the State of Good Repair (SGR).

The Phase 2 Project will upgrade the signal system and grade crossing warning systems to support bi-directional running between Massachusetts Avenue Station and El Cajon Transit Center. The Orange Line automatic block signal (ABS) system was initially built for unidirectional running, with the grade crossing warning systems monitoring trains approaching the normal traffic direction. Trains operating reverse current of traffic must do so under a set of rules that significantly reduce efficiency. Trains must stop one car length approaching each grade crossing to activate the warning system and then proceed once the gates are in the down position. Trains must operate at restricted speed, which limits the Maximum Authorized Speed (MAS) to 20 mph.

1255 Imperial Avenue, Suite 1000, San Diego, CA 92101-7490 • (619) 231-1466 • sdmts.com

San Diego Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc. and San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations). MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego. MTS is also the For-Hire Vehicle administrator for multiple cities in San Diego County.



While the design has progressed, MTS CIP staff and the design team have been working on a project implementation schedule to meet the Transit and Intercity Rail Capital Program (TIRCP) grant’s required completion date of June 30, 2028. The scheduling effort identified required start dates for construction. When compared with known lead times for specialty equipment to be installed by the contractor, staff identified that equipment lead times could put the construction schedule at risk. To limit the schedule risk associated with long lead equipment, the MTS Capital Projects team proposes that MTS directly purchase the signaling equipment so that it can be provided as “owner-furnished equipment” to the construction contractor for installation. The following items are planned to be pre-purchased to meet the Phase 2 schedule:

#	Item	MTS Board Meeting	Total
1	Catenary Poles	November 14, 2024 (Agenda Item (AI) 16)	\$167,653.40
2	Switch Machines	Proposed Action	\$542,607.45
3	PSO Assemblies	February 13, 2025 (AI 7) - <i>proposed action</i>	\$427,849.39
4	Electrocodes	February 13, 2025 (AI 12) - <i>proposed action</i>	\$1,355,932.79
5	Signal Instrument Components	Spring 2025	TBD
6	Special Trackwork Materials	Spring 2025	TBD
7	Signal Houses	Spring 2025	TBD
8	Signal Cable	Summer 2025	TBD

[INSERT DESCRIPTION OF SWITCH MACHINE AND WHAT IT IS NEEDED FOR / HOW IT RELATES TO THE SIGNALING/WARNING SYSTEM PROJECT] Today’s proposed action awards a sole source contract to Hitachi for the purchase of these highly specialized switch machines, as Hitachi is the sole manufacturer of this equipment.

The Independent Cost Estimate (ICE) is based on MTS’ past purchase history of equipment. Based on a comparison of the ICE amount of \$627,105.00 and the quote received of \$542,607.45, staff has determined Hitachi’s pricing to be fair and reasonable. The table below shows the difference between MTS’s ICE and Hitachi’s quote.

ENTITY	CERTIFICATION	AMOUNT
MTS ICE		\$627,105.00 *
Hitachi	Small Business	\$542,607.45 *
(Difference between MTS ICE vs Hitachi’s quote)		\$84,497.55

**Inclusive of taxes*

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to execute Contract L1697.0-25 (in substantially the same format as Attachment A) with Hitachi in the amount of \$542,607.45 for the purchase of switch machines.

Sharon Cooney
 Chief Executive Officer

Key Staff Contact: Mark Olson, 619.557.4588, mark.olson@sdmts.com

Attachments: A. Draft MTS Doc. No. L1697.0-25
B. Hitachi Quote



Metropolitan Transit System

**STANDARD AGREEMENT
FOR
MTS DOC. NO. L1697.0-25**

THIS AGREEMENT is entered into this _____ day of _____, 2025 in the State of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following, hereinafter referred to as "Contractor":

Name: Hitachi Rail STS USA, Inc. Address: 1000 Technology Drive
Pittsburgh PA 15219
City State Zip
 Form of Business: Corporation Email: Joseph.Pozza@hitachirail.com
 (Corporation, Partnership, Sole Proprietor, etc.)
 Telephone: (412) 688-2400

Authorized person to sign contracts Joseph Pozza President
 Name Title

The Contractor agrees to provide goods as specified in the Quote (Exhibit A), and in accordance with the Standard Agreement, including Standard Conditions (Exhibit B), and Forms (Exhibit C).

The contract term shall commence upon full execution of the Agreement and concludes 8 months (7 months for materials to deliver plus 1 month for invoices) thereafter from Notice to Proceed (NTP). This timeframe allows for the completion of deliveries and processing of all invoices.

Payment terms shall be net 30 days from invoice date. The total cost of this contract shall not exceed \$542,607.45 [\$503,580.00 + \$39,027.45 (CA 7.75% sales tax)] without the express written consent of MTS.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	HITACHI RAIL STS USA, INC.
By: <u>Sharon Cooney, Chief Executive Officer</u>	By _____
Approved as to form:	Title: _____
By: <u>Karen Landers, General Counsel</u>	



Hitachi Rail STS USA, Inc.
 645 Russell St, Batesburg, SC 29006
 Ph. +1 800-652-7276 - Fax +1 803-532-2940

HITACHI RAIL STS USA, Inc.

Prepared For: Roman Lazcano

Prepared By: Angie Hartley

Email: roman.lazcano@sdmts.com

Office Phone: 800-652-7276

Phone:

Cell Phone:

Fax:

Fax: 803-532-2940

Reference: SDMTS

FOB: DESTINATION

Email: angie.hartley@hitachirail.com

Payment Terms: Net 30

Quote Valid For: March 28, 2025

QUOTATION

Item	Qty	Part Number	Description	Unit Price (USD)	Total Price (USD)	Lead Time (ARO)
1	10	N4511600535	M23A,RH,189,HV,VENTS	\$22,890.00	\$228,900.00	6-7 Months (ARO)
2	12	N4511600536	M23A,LH,189,HV,VENTS	\$22,890.00	\$274,680.00	6-7 Months (ARO)
			NOTE: DISCOUNT APPLIED DUE TO QUANTITY ORDERED			
Total Equipment Price					\$503,580.00	

Tax (7.75%) \$39,027.45
Grand Total \$542,607.45

Terms:

1 Quote per our Terms and conditions included in the following pages

Notes:

1 Freight Charges Are Included



**Metropolitan
Transit
System**

DRAFT FOR EXECUTIVE COMMITTEE REVIEW DATE: 2/6/2025

Agenda Item No. 7

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

February 13, 2025

SUBJECT:

Orange Line Improvement Project: Electrified Electrocodes – Sole Source Contract Award

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1700.0-25 (in substantially the same format as Attachment A), a sole source award to KB Signaling Operation, LLC (KB Signaling), in the amount of \$1,355,932.79 for the purchase of Electrified Electrocodes (specialized track circuit systems).

Budget Impact

The total cost of this contract is estimated to be \$1,355,932.79, inclusive of 7.75% CA Sales Tax (Attachment B). The project will be funded by the Capital Improvement Program (CIP) 2005123501 – Orange Line Rail Signals Part 2.

DISCUSSION:

The Orange Line Improvement Project (OLIP) occurs in two phases and will make trolley system improvements at various locations within the 17.6-mile line, benefitting the cities of San Diego, Lemon Grove, La Mesa, and El Cajon. The Project goal is to increase train speeds, improve service reliability and operating flexibility, maintain grade crossing safety, and increase the State of Good Repair.

The Phase 2 Project will upgrade the signal system and grade crossing warning systems to support bi-directional running between Massachusetts Avenue Station and El Cajon Transit Center. The Orange Line Automatic Block Signal (ABS) system was initially built for unidirectional running, with the grade crossing warning systems monitoring trains approaching the normal traffic direction. Trains operating reverse current of traffic must do so under a set of rules that significantly reduce efficiency. Trains must stop one car length approaching each grade crossing to activate the warning system and then proceed once the gates are in the down position. Trains must operate at restricted speed, which limits the Maximum Authorized Speed (MAS) to 20 mph.

1255 Imperial Avenue, Suite 1000, San Diego, CA 92101-7490 • (619) 231-1466 • sdmts.com

San Diego Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc. and San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations). MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego. MTS is also the For-Hire Vehicle administrator for multiple cities in San Diego County.



State of Good Repair work includes replacement of equipment that is beyond its useful life. Signal instrument shelters and the associated equipment within this area are approximately 35 years old, have served their useful life, and need upgrading. These upgrades will improve the overall reliability, performance, and maintenance of the Orange Line.

While the design has progressed, MTS Capital Projects staff and the design team have been working on a project implementation schedule to meet the Transit and Intercity Rail Capital Program (TIRCP) grant’s required completion date of June 30, 2028. The scheduling effort identified required start dates for construction. When compared with known lead times for specialty equipment to be installed by the contractor, staff identified that equipment lead times could put the construction schedule at risk. To limit the schedule risk associated with long lead equipment, the MTS Capital Projects team proposes that MTS directly purchase the signaling equipment so that it can be provided as “owner-furnished equipment” to the construction contractor for installation. The following items are planned to be pre-purchased to meet the Phase 2 schedule:

#	Item	MTS Board Meeting	Total
1	Catenary Poles	November 14, 2024 (Agenda Item (AI) 16)	\$167,653.40
2	Hitachi Switch Machines	February 13, 2025 (AI 6) - <i>proposed action</i>	\$542,607.45
3	Siemens PSO Assemblies	February 13, 2025 (AI 8) - <i>proposed action</i>	\$427,849.39
4	KB Signaling Electrocodes	Proposed Action	\$1,355,932.79
5	Signal Instrument Components	Spring 2025	TBD
6	Special Trackwork Materials	Spring 2025	TBD
7	Signal Houses	Spring 2025	TBD
8	Signal Cable	Summer 2025	TBD

Due to the long lead time (15 months), KB Signaling Electrified Electrocodes were identified for an MTS direct purchase. Electrified Electrocodes are specialized track circuit systems that detect train movements between signals and set directions of train travel. These are a critical component of the overall signaling upgrades included in OLIP Phase 2. Today’s proposed action awards a sole source contract to KB Signaling for the purchase of these highly specialized components. As the original manufacturer, KB Signaling is the sole provider of these parts.

KB Signaling has provided pricing for the Electrified Electrocodes, including lead time for deliveries. Staff conducted a cost/price analysis and determined that the pricing is fair and reasonable based on MTS’ past purchase history and in comparison to the MTS Independent Cost Estimate (ICE). The difference appears to be due to increased costs in supply chain and labor. Although staff requested a Best and Final Offer (BAFO), KB Signaling did not revise their pricing and confirmed that their initial quote is their final pricing. The table below highlights the difference between MTS’ ICE and KB Signaling quote.

ENTITY	CERTIFICATION	AMOUNT
<i>MTS ICE</i>		\$1,230,903.68 *
KB Signaling	N/A	\$1,355,932.79 *
(Difference between MTS ICE vs KB Signaling quote)		\$125,029.11

**Inclusive of taxes*

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to execute MTS Doc. No. L1700.0-25 (in substantially the same format as Attachment A), a sole source award to KB Signaling, in the amount of \$1,355,932.79 for the purchase of Electrified Electrocodes.

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Mark Olson, 619.557.4588, mark.olson@sdmts.com

Attachments: A. Draft MTS Doc. No. L1700.0-25
B. KB Signaling Quote



Metropolitan Transit System

**STANDARD AGREEMENT
FOR
MTS DOC. NO. L1700.0-25**

THIS AGREEMENT is entered into this _____ day of _____, 2025 in the State of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following, hereinafter referred to as "Contractor":

Name: KB Signaling Operation LLC Address: 2712 S. Dillingham Road
 Grain Valley MO 64029
 City State Zip
 Form of Business: Limited Liability Company
 (Corporation, Partnership, Sole Proprietor, etc.) Email: mary-lou.mason-kb@alstomgroup.com
 Telephone: 816-652-0152

Authorized person to sign contracts Jeff Baker General Manager
 Name Title

The Contractor agrees to provide goods as specified in the Quote (Exhibit A), and in accordance with the Standard Agreement, including Standard Conditions (Exhibit B), and Forms (Exhibit C).

The contract term shall commence upon full execution of the Agreement and concludes 16 months (15 months for delivery of materials plus 1 month for invoices) thereafter from Notice to Proceed (NTP). This timeframe allows for the completion of deliveries and processing of all invoices.

Payment terms shall be net 30 days from invoice date. The total cost of this contract shall not exceed \$1,355,932.79 [\$1,258,406.30 + \$97,526.49 (CA 7.75% sales tax)] without the express written consent of MTS.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	KB SIGNALING OPERATION LLC
By: <u>Sharon Cooney, Chief Executive Officer</u>	By _____
Approved as to form:	Title: _____
By: <u>Karen Landers, General Counsel</u>	



Customer
SAN DIEGO TROLLEY 1255 IMPERIAL AVENUE SAN DIEGO CA 92101 USA

Delivery address
SAN DIEGO TROLLEY 1255 IMPERIAL AVENUE SAN DIEGO CA 92101 USA

Quotation details
Quotation no. : 200092151 Date: JAN-15-2025 Customer no. : KBE003604 Contact Name: Your enquiry no.: RFQ ROMAN LAZCANO Dated : JAN-15-2025 Your phone no. : Your fax no. : Contact person: Phone no.: Telefax no. : Email :

Please reference this quotation number on your future PO.

Item	Quantity Unit	Valuation Type	Our material number Your part number Description	Unit Price USD	Total unit price USD	Lead Time approx.
100	85.000 EA		800-088031-001 Final Assy E2Code EEC NO CAB	14,804.7800	1,258,406.30	15 Months
Subtotal					1,258,406.30	
Taxes					97,526.49	
Total					USD 1,355,932.79	

Terms of delivery : EXW PREPAID
Terms of payment : Payable within 30 days
Quotation valid to: MAR-31-2025
Prices: Quote is valid until date provided on quote, subject to confirmation thereafter. Please note that in rare circumstances, prices could be subject to change without notice.
 Minimum Purchase Order value policy which requires a minimum purchase order value of \$500 per individual customer purchase order.

Delivery: Lead time is subject to quantity availability and will be confirmed at receipt of order.
Freight charges: Freight is included in the price.
 Taxes are not included.

Company details
KB Signaling Operation LLC 2712 S. Dillingham Road GRAIN VALLEY MO64029 USA / VAT:

Contact
KB Signaling Operation - WB <div align="right">Page 1 of 2</div> 609 Enterprise Drive MO 64093 USA Tel.: Fax.:

Customer

SAN DIEGO TROLLEY
1255 IMPERIAL AVENUE
SAN DIEGO CA 92101
USA

Order details

Order no. : **200092151**
Date: JAN-15-2025
Customer no. : KBE003604

Terms and Conditions:

"Sale of any products or Services by Seller is expressly conditioned on Buyer's assent to "Sale of any products or Services by Seller is expressly conditioned on Buyer's assent to "KB Transportation Incorporated - San Diego Metropolitan Transit System - Version October 29, 2024"

Company details

KB Signaling Operation LLC

2712 S. Dillingham Road
GRAIN VALLEY MO64029
USA / VAT:

Contact

KB Signaling Operation - WB

609 Enterprise Drive
MO 64093
USA
Tel.: Fax.:



**Metropolitan
Transit
System**

DRAFT FOR EXECUTIVE COMMITTEE REVIEW DATE: 2/6/2025

Agenda Item No. 8

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS

February 13, 2025

SUBJECT:

Orange Line Improvement Project - Siemens Signal Instrument Components – Sole Source Contract Award

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1698.0-25 (in substantially the same format as Attachment A), a sole source award to Siemens Mobility, Inc. (Siemens), in the amount of \$427,849.39 for the purchase of Siemens signal instrument components.

Budget Impact

The total contract cost of the materials is estimated to be \$427,849.39, inclusive of 7.75% CA Sales Tax (Attachment B). The project will be funded by the Capital Improvement Program (CIP) 2005123501 – Orange Line Rail Signals Part 2.

DISCUSSION:

The Orange Line Improvement Project (OLIP) occurs in two phases and will make trolley system improvements at various locations within the 17.6-mile line, benefitting the cities of San Diego, Lemon Grove, La Mesa, and El Cajon. The Project goal is to increase train speeds, improve service reliability and operating flexibility, maintain grade crossing safety, and increase the State of Good Repair.

The Phase 2 Project will upgrade the signal system and grade crossing warning systems to support bi-directional running between Massachusetts Avenue Station and El Cajon Transit Center. The Orange Line automatic block signal (ABS) system was initially built for unidirectional running, with the grade crossing warning systems monitoring trains approaching the normal traffic direction. Trains operating reverse current of traffic must do so under a set of rules that significantly reduce efficiency. Trains must stop one car length approaching each grade crossing to activate the warning system and then proceed once the gates are in the down position. Trains must operate at restricted speed, which limits the maximum authorized speed (MAS) to 20 mph.

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San Diego Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc. and San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations). MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego. MTS is also the For-Hire Vehicle administrator for multiple cities in San Diego County.



State of Good Repair work includes replacement of equipment that is beyond its useful life. Signal instrument shelters and the associated equipment within this area are approximately 35 years old, have served their useful life, and need upgrading. These upgrades will improve the overall reliability, performance, and maintenance of the Orange Line.

While the design has progressed, MTS CIP staff and the design team have been working on a project implementation schedule to meet the Transit and Intercity Rail Capital Program (TIRCP) grant's required completion date of June 30, 2028. The scheduling effort identified required start dates for construction. When compared with known lead times for specialty equipment to be installed by the contractor, staff identified that equipment lead times could put the construction schedule at risk. To limit the schedule risk associated with long lead equipment, the MTS Capital Projects team proposes that MTS directly purchase the signaling equipment so that it can be provided as "owner-furnished equipment" to the construction contractor for installation. The following items are planned to be pre-purchased to meet the Phase 2 schedule:

#	Item	MTS Board Meeting	Total
1	Catenary Poles	November 14, 2024 (Agenda Item (AI) 16)	\$167,653.40
2	Hitachi Switch Machines	February 13, 2025 (AI 6) - <i>proposed action</i>	\$542,607.45
3	Siemens PSO Assemblies	Proposed Action	\$427,849.39
4	KB Signaling Electrocodes	February 13, 2025 (AI 7) - <i>proposed action</i>	\$1,355,932.79
5	Signal Instrument Components	Spring 2025	TBD
6	Special Trackwork Materials	Spring 2025	TBD
7	Signal Houses	Spring 2025	TBD
8	Signal Cable	Summer 2025	TBD

Due to the long lead time, Siemens PSO 4000 crossing assemblies, PSO 4000 transceiver assemblies, and PSO 4000 transmitter assemblies were identified for MTS direct purchase. Today's proposed action awards a sole source contract to Siemens for the purchase of these highly specialized components. These parts are only available from Siemens, who is the original manufacturer.

Siemens has provided pricing for each component. Staff has performed a cost/price analysis and deemed the cost to be fair and reasonable based on past purchase history and in comparison, to the MTS Independent Cost Estimate (ICE). The table below shows the difference between MTS's ICE and Siemens' quote.

ENTITY	CERTIFICATION	AMOUNT
<i>MTS ICE</i>		\$464,402.50 *
Siemens	N/A	\$427,849.39 *
(Difference between MTS ICE vs Siemens' quote)		\$36,553.11

**Inclusive of taxes*

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to execute MTS Doc. No. L1698.0-25 (in substantially the same format as Attachment A), a sole source

award to Siemens, in the amount of \$427,849.39 for the purchase of Siemens signal instrument components.

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Mark Olson, 619.557.4588, mark.olson@sdmts.com

Attachments: A. Draft MTS Doc. No. L1698.0-25
B. Siemens Quote



Metropolitan Transit System

**STANDARD AGREEMENT
FOR
MTS DOC. NO. L1698.0-25**

THIS AGREEMENT is entered into this _____ day of _____, 2025 in the State of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following, hereinafter referred to as "Contractor":

Name: Siemens Mobility, Inc. Address: 939 S. Main Street
 Marion KY 42064
 City State Zip
 Form of Business: Corporation Email: chris.thomas@siemens.com
 (Corporation, Partnership, Sole Proprietor, etc.)
 Telephone: (505) 475-3108

Authorized person to sign contracts Christopher Thomas Estimating Manager, RI Freight & Products
 Name Title

The Contractor agrees to provide goods as specified in the Quote (Exhibit A), and in accordance with the Standard Agreement, including Standard Conditions (Exhibit B), and Forms (Exhibit C).

The contract term shall commence upon full execution of the Agreement and concludes approximately 11 weeks (7 weeks for materials to deliver plus 4 weeks for invoices) thereafter from the Notice to Proceed (NTP). This timeframe allows for the completion of deliveries and processing of all invoices.

Payment terms shall be net 30 days from invoice date. The total cost of this contract shall not exceed \$427,849.39 [\$397,076.00 + \$30,773.39 (CA 7.75% sales tax)] without the express written consent of MTS.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	SIEMENS MOBILITY, INC.
By: <u>Sharon Cooney, Chief Executive Officer</u>	By _____
Approved as to form:	Title: _____
By: <u>Karen Landers, General Counsel</u>	



Cust Document No
13546-0

Sales Group-Quotation No MMR - 13546-0	Date 12/19/2024
---	--------------------

Quotation No
13546-0

Quotation Date
12/19/2024

Validity Period
12/19/2024 - 3/19/2025

Customer No
30027236

Page 1 of 1

Sold To:

Ship To:

SAN DIEGO TROLLEY INC
1255 IMPERIAL AVE
SAN DIEGO CA 92101-7493 US

SAN DIEGO TROLLEY INC
1255 IMPERIAL AVE
SAN DIEGO CA 92101-7493 US

Bill To:

SAN DIEGO TROLLEY INC
1255 IMPERIAL AVE
SAN DIEGO CA 92101-7493 US

Line Item	Material Number/Description	Qty	Unit Price USD	Total Price USD
10	NYK:70007A4740001 PSO4000 XING MOD Lead time: 7 weeks	24.00 PC	8,893.00	213,432.00
20	NYK:70007A4750001 TRANSCIVER ASSEMBLY, PSO 4000 Lead time: 7 weeks	12.00 PC	4,597.00	55,164.00
30	NYK:70007A4710001 TRANSMITTER ASSEMBLY, PSO 4000 Lead time: 7 weeks	44.00 PC	2,920.00	128,480.00
<p>Anticipated Delivery: Schedule to be negotiated after receipt of purchase order. Please include the quotation reference on any purchase order(s) resulting from this quotation and address the purchase order to the following: Victor Martinez - Sales Siemens Mobility, Inc., 2400 Nelson Miller Parkway Louisville, KY 40223 Email: victormartinez@siemens.com Customer Service Email: ra.csorders.ic@siemens.com</p>				

Payment Terms:

Expected Order Total: 397,076.00

Tax (7.75%) \$30,773.39

Grand Total \$427,849.39



**Metropolitan
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System**

DRAFT FOR EXECUTIVE COMMITTEE REVIEW DATE: 2/6/25

Agenda Item No. 9

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS

February 13, 2025

SUBJECT:

Clarifier Waste Services - Contract Award

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWG418.0-25 (in substantially the same format as Attachment A) with Asbury Environmental Services, dba: World Oil (World Oil) for a five (5) year period in the amount of \$381,145.19.

Budget Impact

The total contract is estimated to be \$381,145.19 (Attachment C). This project will be funded by the following:

Description	Funding	Amount
San Diego Transit Corporation (SDTC) -Bus Maintenance Operations	331014-536600	\$191,965.19
San Diego Trolley, Inc. (SDTI) - LRV Maintenance	350016-571210	\$189,180.00
	Total	\$381,145.19

DISCUSSION:

MTS requires comprehensive clarifier waste services that will include, but not limited to pumping, handling, collection, storage, transportation, recycling/disposal of various types of waste in accordance with federal, state and local environmental compliance laws and regulations. These services keep MTS compliant with acceptable discharge levels of industrial wastewater from its facilities.

MTS notified twenty (20) prospective vendors with an Invitation for Bid (IFB) on October 24, 2024. Two (2) bids were received from the following firms with unit pricing for the next five (5) years:



Bidder Name	Bid Amount	Certifications
World Oil	\$381,145.19	N/A
United Pumping Services, Inc.	\$773,419.51	Minority Business Enterprise (MBE)

MTS has deemed World Oil to be a responsive and responsible bidder. Based on a comparison of MTS' Independent Cost Estimate (ICE) of \$453,904.86 and past purchase history, World Oil's bid was determined to be fair and reasonable.

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to execute MTS Doc. No. PWG418.0-25 (in substantially the same format as Attachment A) World Oil for a five (5) year period in the amount of \$381,145.19.

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Mark Olson, 619.557.4588, mark.olson@sdmts.com

Attachments: A. Draft Agreement, MTS Doc. No. PWG418.0-25
B. Scope of Work
C. Bid Form



Metropolitan Transit System

**STANDARD AGREEMENT
FOR
MTS DOC. NO. PWG418.0-25
CLARIFIER WASTE SERVICES**

THIS AGREEMENT is entered into this _____ day of _____, 2025 in the State of California by and between San Diego Metropolitan Transit System (“MTS”), a California public agency, and the following, hereinafter referred to as "Contractor":

Name: Asbury Environmental Services dba: World Oil Address: 9302 Garfield Avenue
Southgate, CA 90280
 Form of Business: Corporation City State Zip
 (Corporation, Partnership, Sole Proprietor, etc.) Email: sdamelin@worldoilcorp.com
 Telephone: (562) 928-0100

Authorized person to sign contracts Shane Damelin Vice President, Business Development
 Name Title

The Contractor agrees to provide services as specified in the conformed Scope of Work/Technical Specification (Exhibit A), Contractor’s Cost/Pricing Form (Exhibit B), and in accordance with the Standard Agreement, including Standard Conditions (Exhibit C), Federal Requirements (Exhibit D), and Forms (Exhibit E).

The contract term is for five (5) years effective March 1, 2025 through February 28, 2030.

Payment terms shall be net 30 days from invoice date. The total cost of this contract shall not exceed \$381,145.19 without the express written consent of MTS.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	ASBURY ENVIRONMENTAL SERVICES, DBA: WORLD OIL
By: _____ Sharon Cooney, Chief Executive Officer Approved as to form: By: _____ Karen Landers, General Counsel	By _____ Title: _____



SCOPE OF WORK/TECHNICAL SPECIFICATIONS

4.1. OVERVIEW

MTS is seeking the services of an experienced and qualified licensed Contractor to provide comprehensive clarifier waste services that include, but not limited to pumping, handling, collection, storage, transportation, recycling/disposal in accordance with federal, state and local environmental compliance laws and regulations, in coordination with San Diego Trolley Inc. (SDTI – Group A, which is MTS’s Trolley division) and San Diego Transit Corp. (SDTC – Group B.1 & B.2, which is MTS’s Bus division). Each group has more than one site location. During the course of the contract, MTS may add other locations and Contractor’s pricing shall apply.

On the bid form, costs shall be all-inclusive including but not limited to the cost for materials, labor, equipment, fuel, tax, overhead, profit and all other related costs necessary to meet the work requirements described, but not identified on the bid form. MTS will not pay additional costs.

MTS will award one (1) contract for five (5) years with an anticipated effective date of January 1, 2025 to December 31, 2029 to the lowest responsive, responsible bidder, and issue two (2) purchase orders for invoicing purposes, one for each group.

Bidders must have five (5) years’ experience in hazardous waste services as a prime contractor or a subcontractor. Proof of experience/past performance shall be provided using the Status of Current and Past Contracts Form in this IFB.

The Contractor and receiving facilities shall be registered and maintain all applicable permits, certifications, licenses and exemptions as required by the local, state and federal regulatory agencies. Documentation must be maintained in compliance with local, state and federal guidelines governing the packaging, marking, labeling and transportation of hazardous waste, and be made available to MTS upon request.

By submitting a bid Contractor certifies that:

- A. It has furnished proof of appropriate permits and licenses required to perform the specified services;
- B. It has submitted a copy of confined space certification required to perform the specified services;
- C. Transporter meets Department of Transportation (DOT) requirements including but not limited to DOT transporter sticker, training, and up to date driving records on the safe transport of the hazardous materials described.

A bid will not be considered responsive unless MTS is in receipt of the required documentation.

4.2. CONTRACTOR REQUIREMENTS

- A. Contractor shall provide materials, equipment, and trained personnel for the pick-up and transportation and disposal of hazardous waste from the various MTS sites. Only trained and certified technicians shall perform the services.

- B. Contractor shall assist MTS with the reduction and/or elimination of hazardous waste streams, when possible, and recycling of hazardous waste when regulatory feasible. Contractor will be responsible for pumping out and cleaning sumps and separators in accordance with the schedule described herein.
- C. Contractor shall perform all work in a clean, safe and professional manner, causing no hazards to MTS' staff, facility, the environment or Contractor's service personnel.
- D. Transporter shall be DOT compliant of laws and regulations including but not limited to verifying waste containers and labels are according to the manifests and ensure manifests match picked up containers.
- E. All hazardous waste must be handled, collected, stored and disposed in accordance with federal, state and local environmental compliance laws and regulations. Contractor must ensure that all disposal facilities utilized under the terms of the resultant agreement are licensed, permitted and financially secure.
- F. Contractor must ensure that all prior arrangements, including required testing (chemical analysis), characterization, and best-approved alternative handling method (i.e., recycling, treatment, and/or disposal) are made with, and copy of test results are provided to, the designated destination facility before transporting hazardous waste from an MTS facility.
- G. Contractor shall designate a point of contact to act as its representative for the performance of services including account management, administration, technical assistance, and all other issues related to the services. Contractor shall provide all necessary administrative support and fulfill all regulatory requirements associated with the performance of the terms of this IFB.
- H. After each service call, MTS will be notified of the status, progress and results of each scheduled and unscheduled visit with a detailed service report provided no later than one (1) day after the service call. Each report must be submitted for MTS' designated representative's review, approval signature and record.
- I. The transportation, treatment and disposal of hazardous waste generated by MTS' facilities shall be conducted in accordance with the requirements of the California Code of Regulations (CCR) Title 22, Division 4.5, Environmental Health Standards for the Management of Hazardous Waste.
- J. Contractor and receiving facilities agree to generate and make the appropriate distribution of all required shipment and handling documentation (bill of lading, manifests, labels, etc.) to record each transfer of hazardous waste as specified in CR, Title 22, Section 66262.20 and 66266.130.

- K. Contractor must ensure that all hazardous waste transported from MTS' facilities is properly packaged, labeled, placarded and manifested in accordance with CCR, Title 22, Sections 66262.20-33 and 66266.130 (used oil filters), and state and Federal DOT regulations.
- L. Contractor shall ensure MTS receives completed manifests no later than 30 days after pick up. Manifests shall be mailed to MTS Environmental Health and Safety Manager at: 1255 Imperial Ave. Suite 1000, San Diego, CA 92101.
- M. Contractor shall be responsible for documentation and regulatory requirements and shall document all services provided under the terms of this agreement. Contractor shall provide separate year-end waste reports for Group A and Group B respectively, which at a minimum identifies; each waste pick up type (i.e. hazardous waste, recycled oil, etc.), service date, manifest number and weight (pounds/tons).
- N. Contractor and receiving facilities shall make available, upon request by MTS, all records related to the transport and treatment of hazardous materials generated by MTS facilities for a period of up to five (5) years.

4.3. ADDITIONAL SPECIFICATIONS

A. Holiday Schedule

Working days are defined as Monday through Friday, excepting MTS holidays. The following days are MTS holidays:

1. New Year's Day – January 1
2. Martin Luther King, Jr. Day – Third Monday in January
3. President's Day – Third Monday in February
4. Memorial Day – Last Monday in May
5. Independence Day – July 4
6. Labor Day – First Monday in September
7. Veteran's Day – November 11
8. Thanksgiving Day – Fourth Thursday in November
9. Day after Thanksgiving – Friday after Thanksgiving Day
10. Christmas Day – December 25

When one of the above holidays falls on a Saturday, the Friday preceding will be observed as a holiday. When one of the above holidays falls on a Sunday; the Monday following will be observed as a holiday. When December 25 falls on a Tuesday, December 24 will additionally be observed as a holiday. When December 25 falls on a Thursday, December 26 will additionally be observed as a holiday.

B. Mobilization and Emergency Service

For Group A – SDTI, Contractor shall have adequate staff, equipment and vehicles and must respond within twenty-four (24) hours when contacted for an emergency. Based on past history, SDTI approximates twelve (12) hours for emergency calls per year, which may or may not be utilized. Contractor will only bill emergency hours when used.

For Group B.1 & B.2 – SDTC, Contractor shall have adequate staff, equipment and vehicles to clean and haul away all waste (hazardous and non-hazardous) on the same day the locations are cleaned. In the case of a “High Oil” alarm, emergency oil skimming service may be required. Contractor must respond within twenty-four (24) hours to a request for oil skimming. Contractor will only bill emergency skimming when utilized.

C. Confined Space Entry Certification

All Xerxes fiberglass oil waste separator (OWS) units require technicians who are properly equipped, trained and certified to perform confined space entry work. The cost for confined space entry equipment, training and certification shall be included in the appropriate unit cost. MTS will not pay additional costs.

D. Filter Cleaning

All OWS filters / screens are to be cleaned by contractor using high pressure washing method.

E. Hazardous Waste Transportation

Contractor shall have adequately equipped and sized vacuum trucks to properly remove and transport OWS wastes to the waste disposal facility. Trucks shall be inspected by MTS upon arrival. Those that do not meet minimum “Out of Service” California Highway Patrol safety standards (tire condition, suspension defects, placards, lighting) shall not be used to haul wastes. All costs associated with the truck washer fees, pumping and transporting of hazardous materials shall be included in the unit cost. MTS will not pay additional costs.

F. Hazardous Waste Manifesting

All hazardous materials transported shall be properly manifested. OWS wastes are transported as Non-RCRA Hazardous Waste Liquid; State Waste Number: 133. A legible Generator’s Initial Copy of the Manifest form (EPA Form 8700-22 rev. 3-05) shall be delivered to the MTS Facility Manager or designee before the material is removed from the property. If solids and liquids pricing per gallon is different, Contractor shall supply documentation from the deposit facility of the actual volume of solids and liquids transported (See ATT2 Waste Classifications on PlanetBids).

G. Generator Waste Profile Testing

Upon award of the contract, the Contractor shall conduct laboratory testing of the oil water separators and at the bus washer water clarifier at each site location (IAD & KMD) for the purpose of obtaining a waste profile for the disposal facility. At least one (1) sample from the separators and one (1) sample from the bus washer clarifier at each location shall be tested. The Contractor shall forward a copy of all tests to each group's MTS Facility Manager.

Waste will be classified as:

1. Non Hazardous - Liquid
2. Non Conforming - Liquid
3. Non RCRA (Hazardous) - Liquid
4. Non Hazardous - Solid
5. Non Conforming - Solid
6. Non RCRA (Hazardous) - Solid

If laboratory testing designates the bus washer clarifier contents as non-hazardous, the Contractor shall make arrangements to dispose of this material as Non-Hazardous Waste and transport the material with a Non-Hazardous Waste Manifest.

Contractor shall perform all sampling and testing required by the hazardous materials disposal site operator. Testing may need to be accomplished annually, depending on the waste disposal facilities requirements. Costs to sample and test hazardous wastes shall be included in the unit cost. MTS shall not pay additional costs.

Sump cleaning and disposal services shall include liquid and solid waste removal, tank washing and separator filter cleaning or replacement as required. Cleaning and disposal services are required at least once and may go up to three (3) times per year at each division depending on operational needs.

4.4. [NOT APPLICABLE] CONTRACTOR'S INFORMATION SECURITY RESPONSIBILITIES**4.5. [NOT APPLICABLE] BUY AMERICA****4.7.1. [NOT APPLICABLE] CONSTRUCTION MATERIALS****4.7.2. [NOT APPLICABLE] MANUFACTURED PRODUCT****4.7.3. [NOT APPLICABLE] ROLLING STOCK****4.7.4. [NOT APPLICABLE] IRON OR STEEL****4.6. SAFETY DATA SHEETS (SDS)**

Upon award, Contractors shall email the SDS for materials/ chemicals that will be used or stored at the construction site during the duration of the project, attention Ngan Nguyen, MTS Environmental Health and Safety Specialist at Ngan.Nguyen@sdmts.com for review or comment if needed. The Contractor shall notify the MTS Environmental Health and Safety Specialist if there are changes or updates to the SDS during the term of the contract to ensure the MTS recordkeeping is kept updated throughout the contract.

4.7. NO RIGHT TO POST SIGNS

The Contractor shall not post or otherwise affix signs, decals or other media on MTS property or equipment, except as required to maintain safety during the course of repair or maintenance work. No permanent signs, decals, or other media may be installed without MTS's express written permission.

4.8. [NOT APPLICABLE] WARRANTY

4.9. [NOT APPLICABLE] REPLACEMENT PARTS

4.10. [NOT APPLICABLE] DELIVERY AND ACCEPTANCE

4.11. [NOT APPLICABLE] LIQUIDATED DAMAGES

4.12. [NOT APPLICABLE] ACQUISITION OF ROLLING STOCK

4.13. INVOICES

Invoices must be sent to the MTS Accounting Department, via email, at ap@sdmts.com. All invoices must have the Purchase Order and contract number clearly displayed to ensure timely payment. MTS will not pay on packing slips, receiving documents, delivery documents, or other similar documents. Invoices must be submitted for payment.

Payment terms shall be net 30 days from invoice date.

Contractors must also indicate if any of the invoiced amount(s) is for service or work provided by a subcontractor and indicate the amount that will be paid to the subcontractor. Contractors must also comply with the prompt payment requirements in the *Prompt Progress Payments* section of the Standard Conditions.

NOTE: Advanced payment is not allowable.

**CLARIFIER WASTE SERVICES IFB
MTS DOC. PWG418.0-25**

MTS BID FORM - GROUP A (SDTI)

Bidder Name: Asbury Environmental Services

#	Labor Type	# of Hours*	Hourly Rate	Total Labor <i>Hours x Hourly Rate</i>
1	Truck & Transportation M-F, non-holiday Yr 1	96	\$ 155.00	\$ 14,880.00
2	Emergency call - Truck & Trans Yr 1	12	\$ 210.00	\$ 2,520.00
3	Truck & Transportation M-F, non-holiday Yr 2	96	\$ 160.00	\$ 15,360.00
4	Emergency call - Truck & Trans Yr 2	12	\$ 216.00	\$ 2,592.00
5	Truck & Transportation M-F, non-holiday Yr 3	96	\$ 165.00	\$ 15,840.00
6	Emergency call - Truck & Trans Yr 3	12	\$ 223.00	\$ 2,676.00
7	Truck & Transportation M-F, non-holiday Yr 4	96	\$ 170.00	\$ 16,320.00
8	Emergency call - Truck & Trans Yr 4	12	\$ 230.00	\$ 2,760.00
9	Truck & Transportaion M-F, non-holiday Yr 5	96	\$ 175.00	\$ 16,800.00
10	Emergency call - Truck & Trans Yr 5	12	\$ 236.00	\$ 2,832.00
Subtotal Labor:				\$ 92,580.00

#	Item Description (Oily Water)	Qty*	Unit Of Measure	Unit Price	Total Price
1	Oily water liquids (includes disposal of solids less than 30%) Yr 1	26000	gal	\$ 0.51	\$ 13,260.00
2	Oily water (solids) Yr 1	6000	gal	\$ 0.54	\$ 3,240.00
3	Oily water liquids (includes disposal of solids less than 30%) Yr 2	26000	gal	\$ 0.54	\$ 14,040.00
4	Oily water (solids) Yr 2	6000	gal	\$ 0.57	\$ 3,420.00
5	Oily water liquids (includes disposal of solids less than 30%) Yr 3	26000	gal	\$ 0.57	\$ 14,820.00
6	Oily water (solids) Yr 3	6000	gal	\$ 0.60	\$ 3,600.00
7	Oily water liquids (includes disposal of solids less than 30%) Yr 4	26000	gal	\$ 0.60	\$ 15,600.00
8	Oily water (solids) Yr 4	6000	gal	\$ 0.63	\$ 3,780.00
9	Oily water liquids (includes disposal of solids less than 30%) Yr 5	26000	gal	\$ 0.63	\$ 16,380.00
10	Oily water (solids) Yr 5	6000	gal	\$ 0.66	\$ 3,960.00
Subtotal Services:					\$ 92,100.00

#	Other Expenses	Qty*	Unit Rate	Total Cost <i>Qty x Unit Rate</i>
1	Truck wash out fee (if required) Yr 1	4	\$ 175.00	\$ 700.00
2	Truck wash out fee (if required) Yr 2	4	\$ 200.00	\$ 800.00
3	Truck wash out fee (if required) Yr 3	4	\$ 225.00	\$ 900.00
4	Truck wash out fee (if required) Yr 4	4	\$ 250.00	\$ 1,000.00
5	Truck wash out fee (if required) Yr 5	4	\$ 275.00	\$ 1,100.00
Subtotal Other Expenses:				\$ 4,500.00

SDTI Total Services: \$ 189,180.00

**Note: Numbers/quantities are provided as an approximate guideline only. Actual usage may be more or less than estimated. MTS reserves the right to increase or decrease usage and hold or postpone any work related to the above line items based on operational needs and funding availability. Costs shall be all-inclusive including but not limited to the cost for materials, labor, equipment, fuel, tax, overhead, profit and all other related costs necessary to meet the work requirements described, but not identified on the bid form. MTS will not pay additional costs.*

**CLARIFIER WASTE SERVICES IFB
MTS DOC. NO. PWG418.0-25**

MTS BID FORM - GROUP B (SDTC)

Bidder Name: Asbury Environmental Services

#	Labor Type	Quantity	Unit Of Measure <small>(ea, lb, ft, box, gal)</small>	Total Price
1	IAD clarifier cleaning service with carbon filter and monitoring Yr-1	1	ea - (1) service per year	\$ 17,217.84
2	IAD clarifier cleaning service with carbon filter and monitoring Yr-2	1	ea - (1) service per year	\$ 18,153.24
3	IAD clarifier cleaning service with carbon filter and monitoring Yr-3	1	ea - (1) service per year	\$ 19,088.64
4	IAD clarifier cleaning service with carbon filter and monitoring Yr-4	1	ea - (1) service per year	\$ 20,024.04
5	IAD clarifier cleaning service with carbon filter and monitoring Yr-5	1	ea - (1) service per year	\$ 20,959.44
6	KMD clarifier cleaning service with carbon filter and monitoring Yr-1	1	ea - (1) service per year	\$ 14,639.32
7	KMD clarifier cleaning service with carbon filter and monitoring Yr-2	1	ea - (1) service per year	\$ 15,466.84
8	KMD clarifier cleaning service with carbon filter and monitoring Yr-3	1	ea - (1) service per year	\$ 16,294.36
9	KMD clarifier cleaning service with carbon filter and monitoring Yr-4	1	ea - (1) service per year	\$ 17,121.88
10	KMD clarifier cleaning service with carbon filter and monitoring Yr-5	1	ea - (1) service per year	\$ 17,949.40
11	IAD / KMD Emergency clarifier skimming service Yr 1-5	5	ea	\$ 3,010.04
Total Labor:				\$ 179,925.03

**Note: Numbers/quantities are provided as an approximate guideline only. Actual usage may be more or less than estimated. MTS reserves the right to increase or decrease usage and hold or postpone any work related to the above line items based on operational needs and funding availability. Costs shall be all-inclusive including but not limited to the cost for materials, labor, equipment, fuel, tax, overhead, profit and all other related costs necessary to meet the work requirements described, but not identified on the bid form. MTS will not pay additional costs.*

**CLARIFIER WASTE SERVICES IFB
MTS DOC. NO. PWL418.0-25**

GROUP A - SDTI	
LABOR TYPE	
Term	Annual Total
YEAR 1 (1/1/25 to 12/31/25)	\$ 17,400.00
YEAR 2 (1/1/26 to 12/31/26)	\$ 17,952.00
YEAR 3 (1/1/27 to 12/31/27)	\$ 18,516.00
YEAR 4 (1/1/28 to 12/31/28)	\$ 19,080.00
YEAR 5 (1/1/29 to 12/31/29)	\$ 19,632.00
TOTAL	\$ 92,580.00

OILY WATER	
Term	Annual Total
YEAR 1 (1/1/25 to 12/31/25)	\$ 16,500.00
YEAR 2 (1/1/26 to 12/31/26)	\$ 17,460.00
YEAR 3 (1/1/27 to 12/31/27)	\$ 18,420.00
YEAR 4 (1/1/28 to 12/31/28)	\$ 19,380.00
YEAR 5 (1/1/29 to 12/31/29)	\$ 20,340.00
TOTAL	\$ 92,100.00

OTHER EXPENSES	
Term	Annual Total
YEAR 1 (1/1/25 to 12/31/25)	\$ 700.00
YEAR 2 (1/1/26 to 12/31/26)	\$ 800.00
YEAR 3 (1/1/27 to 12/31/27)	\$ 900.00
YEAR 4 (1/1/28 to 12/31/28)	\$ 1,000.00
YEAR 5 (1/1/29 to 12/31/29)	\$ 1,100.00
TOTAL	\$ 4,500.00

GROUP B - SDTC	
Term	Annual Total
YEAR 1 (1/1/25 to 12/31/25)	\$ 31,857.16
YEAR 2 (1/1/26 to 12/31/26)	\$ 33,620.08
YEAR 3 (1/1/27 to 12/31/27)	\$ 35,383.00
YEAR 4 (1/1/28 to 12/31/28)	\$ 37,145.92
YEAR 5 (1/1/29 to 12/31/29)	\$ 38,908.84
YEAR 1-5 (1/1/25 to 12/31/29) IAD / KMD Emergency clarifier skimming service	\$ 15,050.20
TOTAL	\$ 191,965.19

GRAND TOTAL (BASIS OF AWARD)	\$ 381,145.19
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**Metropolitan
Transit
System**

DRAFT FOR EXECUTIVE COMMITTEE REVIEW DATE: 2/6/2025

Agenda Item No. 10

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS

February 13, 2025

SUBJECT:

Iris Rapid Bus Stop Construction Additional Stop at Westbound Imperial Beach Blvd and 13th Street – Change Order

RECOMMENDATION:

That the San Diego Metropolitan Transit System (MTS) Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. PWB380.2-24 (in substantially the same format as Attachment B), with Hazard Construction Engineering LLC (Hazard Construction), in the amount of \$413,092.00 for the Iris Rapid construction of Rapid 227 bus stop improvements at westbound Imperial Beach Blvd and 13th St.

Budget Impact

The total cost of this amendment is \$413,092.00, bringing the total contract cost to \$4,903,893.89. The total funding authority with the remaining 15% contingency would be \$5,485,608.60. These costs will be funded by MTS Capital Improvement Program (CIP) account 1009113001 - Iris Rapid Route and Station Infrastructure Improvements.

The projects costs are summarized below:

Item	Cost	Board Meeting	Contract Total	Funding Authority	Contingency Balance
Base Bid	\$ 4,410,884.00	April 25, 2024 (AI.13)	\$4,410,884.00	\$4,410,884.00	
15% Contingency	\$ 661,632.60	April 25, 2024 (AI.13)	\$4,410,884.00	\$5,072,516.60	\$ 661,632.60
Amendment 1	\$ 79,917.89	December 19, 2024, CEO Approval (contingency)	\$4,490,801.89	\$5,072,516.60	\$ 581,714.71
<i>Amendment 2 (add Imperial Beach Blvd/13th Street Stop Amenities)</i>	<i>\$ 413,092.00</i>	<i>Today's Proposed Action</i>	<i>\$4,903,893.89</i>	<i>\$5,485,608.60</i>	<i>\$ 581,714.71</i>



DISCUSSION:

In 2018, MTS staff applied for and received a Transit and Intercity Rail Capital Program (TIRCP) grant to add a new Rapid Bus feeder service between Imperial Beach and the Otay Mesa International Border crossing, connecting both communities to the UC San Diego Blue Line Trolley. Consistent with the grant program's goal to significantly reduce emissions of greenhouse gases, the new rapid route is served by twelve (12) new, 60-foot Battery Electric Buses (BEB). The Iris Rapid service, also known as Rapid 227, started on October 15, 2023. The route operates at 7.5-min headways in the peak hours, with buses from the MTS South Bay Maintenance Facility (SBMF) on Main Street in Chula Vista.

MTS completed a route plan for Iris Rapid, which identified station stops along the route, and recommended upgrades at each location, including new shelters and Variable Message Signs (VMS) at the stops, and the addition of four (4) bus bays on the west side of the trolley tracks at the Iris Avenue Transit Center. On April 14, 2022 (Agenda Item (AI) 11), the MTS Board approved the award of construction contract PWB342.0-22 to Palm Engineering Construction Company Inc. (Palm), for the Iris Rapid Route and Stations Infrastructure project. In February 2023, due to concerns about the contractor's financial position and ability to perform, the contract was modified with a deductive change order to limit the work to the west bus island at the Iris Transit Center. Completion of the west bus islands allowed the Rapid 227 service to begin in October 2023.

On April 25, 2024 (AI 13), the MTS Board of Directors authorized an agreement with Hazard Construction to construct the remaining improvements related to the Iris Rapid (Rapid 227) Project. The work authorized was designated as "Group A & B" and consisted of 8 Iris Rapid Bus Stops, Traffic Signal modifications at Coronado Ave/Beyer Blvd/30th, and the Iris Transit Center East work. The Group A & B cost total was \$4,410,884.00. As part of the Board's approval, a 15 percent contingency was authorized to cover potential change orders during construction. Based on the contract base bid, this resulted in a \$661,632.60 allowance for contingency, for a total contract funding approval of \$5,072,516.60.

On December 19, 2024, Amendment 1 to the Hazard Construction contract was executed (Attachment A), approving various construction change orders in the amount of \$79,917.89 for underground utility mark out, concrete doweling, utility adjustments, and additional field verified quantities of work installed beyond original bid quantities at Iris Rapid Transit Center East. This work was authorized under the CEO's contingency authority in the April 25, 2024 (AI 13) contract approval.

At that time of contract award, the Board was not asked to authorize a second set of work "Group C". Group C work consisted of 3 additional bus stop improvement locations: Westbound Imperial Beach Blvd & 3rd St, Westbound Imperial Beach Blvd & 8th St, and Westbound Imperial Beach Blvd & 13th St. Hazard Construction's bid for this work was \$1,072,287.00. However, approval of this Group C work was deferred pending a meet and confer process with the City of Imperial Beach. After implementation of the Rapid 227 service in October 2023, which included routing down Third Street in the City of Imperial Beach, MTS received feedback from the City that local residents were requesting that the bus routing be relocated away from Third Street. The City requested that MTS conduct outreach about this potential change.

Since that time, the Rapid 227 was re-routed from Third Street to Ninth Street. This action eliminated the need for any Rapid 227 bus stop improvements at Westbound Imperial Beach

Blvd & 3rd St or Westbound Imperial Beach Blvd & 8th St. However, Rapid 227 continues to stop on westbound Imperial Beach Blvd & 13th Street under the adjusted routing. On November 8, 2024, MTS received communications from the City of Imperial Beach requesting that MTS construct the special Rapid 227 transit amenities at that stop.

Amendment No. 2, totaling \$413,092.00, would add the revised Group C scope into the Hazard Construction contract – adding only the work associated with the bus stop at westbound Imperial Beach Blvd & 13th Street. This approval would add funding to this contract in excess of the current approvals and contingency, bringing the total funding authority (including contingency) to \$5,485,608.60.

Today's Proposed Action

Therefore, staff recommends that the MTS Board of Directors authorize the CEO to execute MTS Doc. No. PWB380.2-24 (in substantially the same format as Attachment B), with Hazard Construction, in the amount of \$413,092.00 for the Iris Rapid construction of Rapid 227 bus stop improvements at westbound Imperial Beach Blvd and 13th St.

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Mark Olson, 619.557.4588, mark.olson@sdmts.com

Attachments: A. Executed Amendment 1, PWB381.1-24 – Various change orders
B. Draft Amendment 2, PWB381.2-24 – Additional bus stop at westbound Imperial Beach Blvd and 13th St.



CONSTRUCTION CHANGE ORDER

Project Name: Iris Rapid Transit Center East and Bus Stops Construction
To: San Diego Metropolitan Transit System
From (Contractor): Hazard Construction Engr LLC

Contract Number: PWB380.0-24

Date: 12/7/2024
Amendment Number: 1
MTS CCO Number: CCOs 2, 3, 4, 5, 8 & 9

SUBCONTRACTORS AND OTHER THIRD PARTY CONTRACTORS

Any time there is a change to a Subcontractor or Other Third Party Contractors resubmit Attachment: SUBCONTRACTORS and THIRD PARTY CONTRACTORS. Any change to these forms after bid submittal must be made in accordance with Public Contract Code sections 4100 et seq., as applicable, and as permitted by MTS.

OVERALL DESCRIPTION OF WORK

This CCO is prepared in accordance with and incorporates Section Changes and Extra Work Payment of the Contract Documents and consists of the following:

A. FOR UNIT PRICE CCOS ONLY (AS APPLICABLE)

Contractor REF#	Description	Bid Item	Quantity	QTY Change	Amount
CCO 5	Crushed Aggregate Base	Group B - Item #06	66	36.44	\$ 5,830.40
CCO 5	6" Concrete Curb	Group B - Item #09	31	13	\$ 650.00
CCO 5	Concrete Bus Pad	Group B - Item #10	41	18.94	\$ 8,144.20
CCO 8	Crushed Aggregate Base	Group B - 06	66	20.82	\$ 3,331.20
CCO 8	Concrete Bus Pad	Group B - 10	41	9.08	\$ 3,904.40
CCO 8	Concrete Cross Gutter (6')	Group B - 11	210	3	\$ 33.00
CCO 8	Concrete Sidewalk	Group B - 12	1390	289.59	\$ 2,895.90
Subtotal A:					\$ 24,789.10

B. FOR LUMP SUM CCOS ONLY (AS APPLICABLE)

Contractor REF#	Description	Amount
CCO 2	Utility Mark out at TCE by CP&L	\$ 3,277.00
CCO 3	Drill and install #3 & #5 dowels	\$ 4,187.29
CCO 4	Water Valve Relocation	\$ 5,154.98
CCO 5	Added concrete panels	\$ 9,530.05
CCO 7 (No cost, Add 5 days)	No Cost Pedestrian Ramp, Increase by 5 days	
CCO 9 (Also add 1 day)	Added Lighting at (7) Bus Shelters	\$ 32,979.47
Subtotal B:		\$ 55,128.79

C. FOR TIME & MATERIALS CCOS ONLY (AS APPLICABLE)

Contractor REF#	Description	Bid Item	Amount
		Payroll Costs:	
		Equipment Costs	
		Materials Costs	
		Consultant Costs	
		Supplemental Costs	
		Consultant Costs	
		Other - Describe Services	
		Bonds & Insurance total:	
		Contractor Overhead & Profit on Subcontractors:	
		Contractor Overhead & Profit total:	
Subtotal C:			\$ -

Total = (A+B+C) \$ 79,917.89

Original Contract value:	\$ 4,410,884.00
Adjustment by Previous Amendment(s)	\$ -
Adjustment by this Change Order	\$ 79,917.89
New Contract Amount	\$ 4,490,801.89

The Contract Time due to this Change Order will be (Increased or Unchanged):	Increased	by	6	days
Original Completion Date:	7/8/2025			
Adjustment to Completion Date by Previous Change Order(s) [Number of Calendar Days]:	0			
New Completion Date adjusted by this Change Order:	7/14/2025			

Contractor accepts the terms and conditions stated above as full and final settlement of any and all claims arising out of or related to the subject of this Change Order and acknowledges that the compensation (time and cost) set forth herein comprises the total compensation due for the work or change defined in the Change Order, including all impact on any unchanged work. By signing this Change Order, the Contractor acknowledges and agrees that the stipulated compensation includes payment for all Work contained in the Change Order, plus all payment for any acceleration of interruption of schedules, extended overhead costs, delay, and all impact or cumulative impact on all Work under this Contract. The signing of this Change Order acknowledges full mutual accord and satisfaction for the change and that the stated time and/or cost constitute the total equitable adjustment owed the Contractor as a result of the change. The Contractor hereby releases and agrees to waive all rights, without exception or reservation of any kind whatsoever, to file any further claim or request for equitable adjustment of any type, for any reasonably foreseeable cause that shall arise out of, or as a result of, this Change Order and/or its impact on the remainder of the Work under the Contract.

Contractor: **JASON A. MORDHURST, PRESIDENT** Date: **12/20/24**
 MTS Chief Executive Officer: **Sharon Conroy** Date: **12/19/24**

Follow all applicable procedures and provide all appropriate documentation as required by the Contract Documents.

1255 Imperial Avenue, Suite 1000, San Diego, CA 92101-7490 • (619) 231-1466 • sdmmts.com

San Diego Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc. and San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations). MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, San Marcos, and the County of San Diego. MTS is also the For-Hire Vehicle administrator for multiple cities in San Diego County.



CHANGE ORDER 2

CONTRACT CHANGE ORDER NO. 02

PROJECT NAME: IRIS BUS STOPS AND TRANSIT CENTER
 MTS WORK ORDER NUMBER: PWB380.0-24

Date: October 30, 2024

To: Hazard Construction Engr LLC. (Contractor)

You are directed to make the following changes from the Contract Documents or do the following described work not included in the Contract Documents for this Contract. **NOTE: This change order is not effective until approved by the Metropolitan Transit System (MTS).**

Change requested by: Contractor

This change order provides for the additional service required to retain the service of a private utility locating firm for MTS' utility mark out at the Transit Center East. Once the utility has been marked out, it is the responsibility of the Contractor to verify and determine the exact location and depth. The Contractor shall be responsible for coordinating its Work with all utility companies during the construction of the Work per Construction Agreement Section 3.3 "Existence of Utility at the Work Site".

Extra Work at Lump Sum:

Work shall be paid in accordance with Section 3.34, "Changes and Extra Work Payment," of the Standard Construction Agreement, and all applicable documents of the contract documents.

Lump Sum price includes all labor, materials, equipment, tools, and incidentals necessary to provide utility markout services for the project, and in agreement with the Engineer.

For the work involved in this change order, the Contractor will receive and accept the agreed Lump Sum payment of \$3,277.00. This sum constitutes full and complete compensation, including mark-ups by reason of this change.

Total Extra Work at Lump Sum: \$3,277.00

Contract Time of Completion:

A determination of the delay in completion of the contract due to the work specified by contract change order No. 02 has been made in accordance with the provisions of Section 6-9, "Liquidated Damages" of the Standard Construction Agreement.

This change order will adjust the contract time of completion by adding an additional (0) calendar days.

Total Cost of this Change Order Increase \$ 3,277.00

This Change Order adjusts the time of completion as follows: (0) Calendar Days

<p>This Change Order constitutes a complete and final resolution of all claims of the Contractor for additional time or additional compensation related to or affected by work that is the subject of this Change Order. Without limiting the applicability of other sections, this Change Order is subject to the standard specifications, Contract special provisions, newly provided plans and specifications, and applicable standard drawings.</p> <p>No Contract Change Order will be binding upon the Metropolitan Transit System (MTS) until signed by the authorized representatives of MTS Capital Projects Department.</p>	
<p>RECOMMENDED BY: Hassan Mustafa, Resident Engineer (Sign and Print Name & Title)</p>	<p>DATE:</p>
<p>ACCEPTED BY CONTRACTOR: (Sign and Print Name & Title)</p>	<p>DATE:</p>
<p>Project Manager, MTS: (Sign and Print Name & Title)</p>	<p>DATE:</p>
<p>Procurement Specialist, MTS: (Sign and Print Name & Title)</p>	<p>DATE:</p>



HAZARD CONSTRUCTION COMPANY | Lic. #750542 A/C31
 HAZARD CM ENGR LLC | Lic. #1039495 A/C31
 HAZARD CONSTRUCTION ENGR LLC | Lic. #1038899 A/C31

Att.A, Item 10, 02/13/25

10529 Vine Street
 Lakeside, CA 92040
 Phone (858) 587-3600
 Fax (858) 453-6034
 hazardconstruction.com

CHANGE ORDER REQUEST NO. 02

24001- 10 - Iris Bus Stops

October 03, 2024

To: Natalie Ven
 MTS - Metropolitan Transit System
 1255 Imperial Avenue, Suite 1000
 San Diego, CA 92101
Phone:
Email: natalie.ven@sdmts.com

From: Kirk Kharas
 Hazard Construction Engr LLC
 10529 Vine Street
 Lakeside, CA 92040
Phone: 858.587.3600
Email: kkharas@hazardcon.com

<u>COR</u> <u>Item</u>	<u>Description</u>	<u>Quantity</u>	<u>UM</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Change</u> <u>(Days)</u>
1	Utility Mark out at TCE by CP&L	.00	LS	\$.000	\$3,277.00	
Total:					\$3,277.00	

Please issue a Contract Change Order to allow for inclusion in our Contract Agreement.
 Thank you for your cooperation.



HAZARD CONSTRUCTION COMPANY | Lic. #750542 A/C31
HAZARD CM ENGR LLC | Lic. #1039495 A/C31
HAZARD CONSTRUCTION ENGR LLC | Lic. #1038899 A/C31

Att.A, Item 10, 02/13/25
10529 Vine Street
Lakeside, CA 92040
Phone (858) 587-3600
Fax (858) 453-6034
hazardconstruction.com

MTS – Iris Rapid Bus Stops and Transit Center East

October 2, 2024

Change Order Request #2 - Utility mark out by CP&L at Transit Center East

Following up on Hazard’s email dated September 13, 2024, regarding using a private utility mark out company to mark out utilities at Transit Center East.

Select Electric Cost	\$2,979.09
(Please see attached back up from Select Electric)	
Hazard markup @ 10%	<u>\$297.91</u>
Total	<u>\$3,277.00</u>

Please issue a Contract Change Order in the amount of \$3,277.00 for utility mark out by a private company, CP&L for Select Electric at Transit Center East.

We are requesting 10 Calendar days due to delay in getting demolition started at TCE due to lack of utility mark out. Demolition was originally scheduled for 9/20/24 but could not start until 9/30/24.



October 1, 2024

To: Hazard Communications
Attn: Kirk Kharas

RE: 22-014 12-18-23 MTS Iris Bus Stops

SUBJ: **CCO 01 Iris Transit Center East**

Description : Locate underground facilities in conflict with proposed conduit path and excavation locations. Mark on the surface to indicate any offset/depth

Select Electric Inc.'s quoted price and schedule for the referenced change order request is as follows:

L/S: \$2,979.09
Duration: 1 Working Days

This change proposal is based on the usual cost elements such as labor, materials, and markup and does not include any amount for impacts such as interference, utility conflict, disruptions, rescheduling, change in the sequence of work, delays and/ or associated acceleration. We expressly reserve the right to submit our request for any of these items should we be faced with performing work under any of these conditions.

This quote is valid for 30 calendar days from the above date and void thereafter. All work affected by either the acceptance or rejection of the enclosed change order quotation is on hold pending notification.

Back-up data is attached for your reference.

Respectfully,

Michael Lichtenwalter
Michael Lichtenwalter
Project Manager



Cable, Pipe & Leak Detection

1483 North 2nd Street, 201
El Cajon, CA 92021

Att.A, Item 10, 02/13/25

ESTIMATE	#834
ESTIMATE DATE	Sep 18, 2024
TOTAL	\$2,425.00

2790 Buisness Park Drive
Vista, CA 92081-

☎ (619) 460-6060
✉ ap@selectelectricinc.com

SERVICE ADDRESS

1440 30th St, SEI Job #3623 - Iris Bus
Stops*PW*
San Diego, CA 92102

CONTACT US

☎ (619) 873-1530
✉ Accounting@cpldetection.com

ESTIMATE

Services	qty	unit price	amount
Utility Service - Prevailing Wage Rate - 2 Hr. Minimum Locate any and all locatable utilities in clouded area on attached photo. Estimated time onsite: 8 hours If additional time is needed: \$300 per hour Ordered by: Robin Zauss 619-951-7082 Robin.Zauss@selectelectricinc.com	1.0	\$2,400.00	\$2,400.00
Utility Service - Utility Fuel Surcharge	1.0	\$25.00	\$25.00
Service - Utility Locating Disclaimer Access to all areas in and around work site, including utility rooms, manholes/utility vaults, shut off valves, sewer/drain lines, and other structures may be necessary to complete the mark out. As-built drawings/facility maps may be needed to locate utilities that are non-conductive and/or find structures that are not visible. Depths and line size to be provided where available; depths will be considered estimated until potholed/verified. Storm Drain Lines and Sewer lines over 6" in diameter may require CCTV to locate and will be charged at an additional rate. Trips or requests for locating outside of scope will be charged at the hourly rates listed on CPL's current rate sheet.	1.0	\$0.00	\$0.00
Estimate - Conditions and Approval This proposal is based on the estimated hourly breakdown of CPL's current rate sheet. If approved it is the minimum amount that will be charged upon completion of field work. Estimate is good for 60 days. Payment terms (Established Customers) - Net 30 Days - Any unpaid balance remaining due past due date will be subject to interest at an annual rate of 18% (1.5% per month).	1.0	\$0.00	\$0.00

New Customer Policy - Full payment will be required up completion of services via credit card that has been pre authorized. If charges for services are anticipated to be in excess of \$1000.00, we will require a 35% retainer to be paid prior to commencement of services. Retainer payment can be made via check, ACH or credit card. If by credit card a 3% processing fee will be added.

By signing below, this proposal/estimate is herby accepted according to the scope of work, fees and Terms and Conditions contained herein. CPL is authorized to proceed with the work described and invoice Client upon completion.

Signature/Date

Printed Name

Services subtotal: \$2,425.00

Subtotal \$2,425.00

Total \$2,425.00

CHANGE ORDER 3

CONTRACT CHANGE ORDER NO. 03

PROJECT NAME: IRIS BUS STOPS AND TRANSIT CENTER
 MTS WORK ORDER NUMBER: PWB380.0-24

Date: November 13, 2024

To: Hazard Construction Engr LLC. (Contractor)

You are directed to make the following changes from the Contract Documents or do the following described work not included in the Contract Documents for this Contract. **NOTE: This change order is not effective until approved by the Metropolitan Transit System (MTS).**

Change requested by: Contractor

This change order provides for the additional dowels at the following locations:

1. Drill and install #3 dowels, 3/8" diameter x 6" long, 24" on center into the existing northern sidewalk at Location 11.
2. Drill and install #5 dowels, 5/8" diameter x 18" long, 24" on center into the existing PCC slab at Location 11.

Extra Work at Lump Sum:

Work shall be paid in accordance with Section 3.34, "Changes and Extra Work Payment," of the Standard Construction Agreement, and all applicable documents of the contract documents.

Lump Sum price includes all labor, materials, equipment, tools, and incidentals necessary to install dowels installed in the field for the project, and in agreement with the Engineer.

For the work involved in this change order, the Contractor will receive and accept the agreed Lump Sum payment of \$4,187.27. This sum constitutes full and complete compensation, including mark-ups by reason of this change.

Total Extra Work at Lump Sum: \$4,187.27

Contract Time of Completion:

A determination of the delay in completion of the contract due to the work specified by contract change order No. 03 has been made in accordance with the provisions of Section 6-9, "Liquidated Damages" of the Standard Construction Agreement.

This change order will adjust the contract time of completion by adding an additional (0) calendar days.

Total Cost of this Change Order Increase \$4,187.27

This Change Order adjusts the time of completion as follows: (0) Calendar Days

<p>This Change Order constitutes a complete and final resolution of all claims of the Contractor for additional time or additional compensation related to or affected by work that is the subject of this Change Order. Without limiting the applicability of other sections, this Change Order is subject to the standard specifications, Contract special provisions, newly provided plans and specifications, and applicable standard drawings.</p> <p>No Contract Change Order will be binding upon the Metropolitan Transit System (MTS) until signed by the authorized representatives of MTS Capital Projects Department.</p>	
<p>RECOMMENDED BY: Hassan Mustafa, Resident Engineer (Sign and Print Name & Title)</p>	<p>DATE:</p>
<p>ACCEPTED BY CONTRACTOR: (Sign and Print Name & Title)</p>	<p>DATE:</p>
<p>Project Manager, MTS: (Sign and Print Name & Title)</p>	<p>DATE:</p>
<p>Procurement Specialist, MTS: (Sign and Print Name & Title)</p>	<p>DATE:</p>



HAZARD CONSTRUCTION COMPANY | Lic. #750542 A/C31
 HAZARD CM ENGR LLC | Lic. #1039495 A/C31
 HAZARD CONSTRUCTION ENGR LLC | Lic. #1038899 A/C31

Att.A, Item 10, 02/13/25

10529 Vine Street
 Lakeside, CA 92040
 Phone (858) 587-3600
 Fax (858) 453-6034
 hazardconstruction.com

CHANGE ORDER REQUEST NO. 06

24001- 10 - Iris Bus Stops

November 12, 2024

To: Natalie Ven
 MTS - Metropolitan Transit System
 1255 Imperial Avenue, Suite 1000
 San Diego, CA 92101
Phone:
Email: natalie.ven@sdmts.com

From: Kirk Kharas
 Hazard Construction Engr LLC
 10529 Vine Street
 Lakeside, CA 92040
Phone: 858.587.3600
Email: kkharas@hazardcon.com

<u>COR</u>	<u>Description</u>	<u>Quantity</u>	<u>UM</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Change (Days)</u>
1	PCC Slab Dowels at Transit Center East	.00	LS	\$.000	\$4,187.27	2
Total:					\$4,187.27	

Please issue a Contract Change Order to allow for inclusion in our Contract Agreement.
 Thank you for your cooperation.



HAZARD CONSTRUCTION COMPANY | Lic. #750542 A/C31
HAZARD CM ENGR LLC | Lic. #1039495 A/C31
HAZARD CONSTRUCTION ENGR LLC | Lic. #1038899 A/C31

Att.A, Item 10, 02/13/25
10529 Vine Street
Lakeside, CA 92040
Phone (858) 587-3600
Fax (858) 453-6034
hazardconstruction.com

MTS – Iris Rapid Bus Stops and Transit Center East

November 12, 2024

Change Order Request #6 – PCC Slab Dowels at Transit Center East

Per response from MTS to RFI 8 on 10/16/24, the following is the price for PCC slab doweling at Transit Center East. As directed, this work was tracked on time and material.

Per the attached Extra Work Tickets 1 LS @ \$4187.27 = \$4,187.27

Please issue a Contract Change Order in the amount of \$4,187.27 for PCC Slab Doweling at Transit Center East.

Please add 2 WD of additional contract time.

EW Billing Package #1.0 for PC 8004..P04 - 11/08/2024

Hazard Construction Company

CO Detail - Job 24001-10
All Billings - Contract: PWB380.0-24

Billing	DATES			LAST PAYMENT			DISPOSITION VARIANCE					Company	
	Perform	Report	Submit	Number	Period	Billed	Paid	Balance	Pending	Disputed	Writeoff		AltBillNo
804	• PC 8001..P04 - EWTM - Drill Pavement Dowels												
5.0 F	10/17/24	10/31/24	11/08/24		P	2,191.76		-2,191.76	-2,191.76				HAZARD
	[19227] Drill and install 130 each #5 x 18" rebar dowels at transition of old and new slabs												
8.0 F	10/23/24	10/31/24	11/08/24		P	1,162.82		-1,162.82	-1,162.82				HAZARD
	[19232] Drill and install 99 each #3 x 16" rebar dowels at loc #11 existing sidewalk												
12.0 F	10/30/24	11/08/24	11/08/24		P	275.26		-275.26	-275.26				HAZARD
	[19237] Drill and install 70 each rebar dowels at loc #11 for white paving reinforcement												
13.0 F	10/31/24	11/08/24	11/08/24		P	557.43		-557.43	-557.43				HAZARD
	[19238] Drill and install 60 each rebar dowels at loc #11 for white paving reinforcement												
				804		4,187.27		-4,187.27	-4,187.27				
				Grand Totals		4,187.27		-4,187.27	-4,187.27				

DAILY EXTRA WORK REPORT

Att.A, Item 10, 02/13/25

Metropolitan Transit System

Invoice: **FL 21226**

Contract: **PWB380.0-24**

Change Order **804**

Contractor Job: **24001-10 - Iris Bus Stops**

Cost Code: **8001..P04**

Billing Number **5.0**

Work Performed By: **Hazard Construction Company**

DEWR No. **19227** Signed

Report Date **10/31/2024**

Description of Work: **Drill and install 130 each #5 x 18" rebar dowels at transition of old and new slabs**

Report No. **R.C.**

Perform Date **10/17/2024**

Labor Charges

Craft/Level	Employee Name	RT Hrs	OT/DT Hrs	Subs Units	RT Rate	OT/DT Rate	Subs Rate	Extended
L01 CPT F	J Groves	3.00			80.970			242.910
L02 CPT J	S Lopez	3.00			77.970			233.910
L03 CPT J	R Martinez	3.00			77.970			233.910
L04 LBRAP A6	A Diego Sanchez	3.00			56.180			168.540
L05 LBR G4	A Garcia	3.00			73.200			219.600
L06 LBR G4	C Bonilla	3.00			73.200			219.600

Labor Charges

RT Labor		1,318.47
SC 9.00%		118.66
OT/DT Labor		0.00
Subtotal Labor		1,437.13
Subsistence		0.00
Other Expenses		0.00
MU 15.00%		215.57
Labor Total		1,652.70

Equipment Charges

Equipment ID	Description	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended
E01 TRK-0126-	Chevy Silverado 3500HD	3.00		54.230			162.690

Equipment Charges

Subtotal		162.69
MU 15.00%		24.40
Equipment Total		187.09

Material/Specialist Work/Lump Sum or Unit Price Payment

Number	Date	Vendor Name and Description	Units	Unit Price	Extended
M01 10020693345	10/17/2024	White Cap L.P. / 12ea) #5x20' Rebar & 3ea) Rotobits + Tax	1.000 LS	306.06000	306.06

Material Charges

Subtotal		306.06
MU 15.00%		45.91
Material Total		351.97

Activity Total **2,191.76**

Work Total **2,191.76**

Bill Subtotal **2,191.76**



Hazard Construction Company

10529 Vine Street, Lakeside, CA 92040
 Phone: (858) 587-3600 Fax: (858) 453-6034
 Job Contact: Kevin Dunwell 760) 473-8616

Accepted:

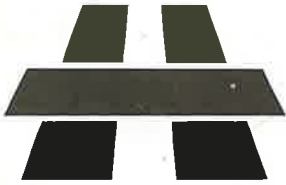
Customer:

Date:

Contractor:

Date:

Bill Total + **2,191.76**



DAILY EXTRA WORK REPORT
HAZARD CONSTRUCTION
 P.O. BOX 229000, SAN DIEGO, CA 92192
 (858) 587-3600

Att.A, Item 10, 02/13/25

STATE LIC. #750542A/B

RECEIVED
 By Kevin Dunwell at 10:15 am, Oct 22, 2024

CUSTOMER MTS WORK REPORT **19227**
 JOB NAME / LOCATION IRIS BUS STOPS / 30th St & Iris Ave. / Location 11 DATE PERFORMED 10-17-24
 DESCRIPTION OF WORK WE DRILLED 6" depth, 5/8" D holes every 2' in the existing white paving. Then, installed #5 rebar dowels @ 18" long in the drilled holes for reinforcement between old & new slabs. CHARGE TO JOB # 24001-10
130 TOTAL. COST CODE 8003..P04
 REQUESTED BY _____ PURCHASE ORDER # _____ SUPERINTENDENT GARY GROVES
 FOREMAN JOEL GROVES

DESCRIPTION OF CHARGES	EQUIP. NO.	HOURS		RATE	EXTENSION
		ST	OT		
LABOR & EQUIPMENT <u>CARP. FM. - JOEL GROVES - 4094</u>		3			
<u>CHEVY 3500 WORK TRUCK</u>	<u>TRK-0126</u>	3			
<u>CRP. Journey Man - Sam LOPEZ - 4021</u>		3			
<u>CRP. JMEN - ROMEO MARTINEZ - 4423</u>		3			
<u>LAG - Alex Diego Sanchez - 4412</u>		3			
<u>L4 - Arnulfo Garcia - 4422</u>		3			
<u>L4 - CARLOS Bonilla - 4374</u>		3			
MOVE-IN <input type="checkbox"/> MOVE-OUT <input type="checkbox"/>					
MATERIALS <u>#5 Rebar 12-QTY 240LF</u>					
<u>5/8" rotary bits - 3</u>					

I certify work and/or materials on this Work Order have been performed and/or received in good condition and the labor and equipment hours and material quantities are correct.

CUSTOMER'S AUTHORIZED REPRESENTATIVE:

[Signature] Title _____ Date 10/17/24

TOTAL AMOUNT
COMMENTS

VERIFY HOURS ONLY

White - Office

Canary - Customer

Green with Time Sheet

Pink - Field Copy

WHITE CAP®

White Cap, L.P.
PO Box 4944
Orlando, FL 32802-4944

BRANCH ADDRESS
059 - NATIONAL CITY
(619) 419-1780
2215 CLEVELAND AVE
NATIONAL CITY CA 91950
SAN DIEGO

Att.A, Item 10, 02/13/25

INVOICE

INVOICE NUMBER
10020693345
INVOICE DATE
10/17/2024
CUSTOMER PO NUMBER
24001-10 PO# H722

TO VIEW AND PAY ONLINE GO TO:
http://whitecap.billtrust.com
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ACCOUNT # 102257

TERRITORY:
SHIP TO: 10002422346

MAKE CHECKS PAYABLE TO:
White Cap, L.P.
P.O. Box 6040
CYPRESS, CA 90630-0040

HAZARD CONSTR CO
10529 VINE STREET
LAKESIDE CA 92040

LAKESIDE YARD_1
10529 VINE ST
LAKESIDE CA 92040

ORDER DATE	ORDER NO.	ORDERED BY	ACCOUNT MANAGER	TAKEN BY				
10/17/2024	62362045	JOEL GROVES	DANIELS, TURNER	ROLDAN, ADRIAN D				
BRANCH	ACCT JOB NO.	TERMS	SHIP VIA / ROUTING	CUSTOMER JOB NO.				
059	10002422346	2% 10TH NET 11TH	5. WALK IN	LAKESIDE YARD 1				
LINE	PART NUMBER	DESCRIPTION	QTY ORD	UNIT PRICE	QTY BKO	QTY SHP	EXTENDED PRICE	TAX AMT
1	43552060	#5 GR60 5/8"X20' REBAR SOLD/PC	12	13.79 EA	0	12	165.48	14.48
2	162HC2107	5/8"X16"X18" SDS PLUS ROTARY HAMMER DRILL BIT BOSCH	1	28.99 EA	0	1	28.99	2.53
3	297DMAPL4230	5/8" X 10" X 12" REBAR DEMON SDS PLUS 4 CUTTER FULL CARBIDE HEAD HAMMER BIT DIABLO	1	29.99 EA	0	1	29.99	2.62
4	162HC5021	5/8"X16"X21" SDS MAX ROTARY HAMMER DRILL SPEED-X BIT BOSCH	1	56.99 EA	0	1	56.99	4.98

The White Cap Family of Brands includes All-Tex Waterproofing Solutions, Harmac, Kenseal, Marvel Building & Masonry Supply, MASONPRO, Williams Equipment & Supply, Valley Supply Co, and Diamond Tool. Learn more at About.WhiteCap.com

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Sales Tax Exemption Questions or Certificates: TaxExemptCredit@whitecap.com

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For questions regarding this invoice please call (888) 888-9580

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Visit <https://www.whitecap.com/terms/terms-conditions-of-sale-terms> to view complete terms and conditions.

TOTAL GROSS	281.45
TOTAL TAX	24.61
TOTAL SHIPPING AND HANDLING	0.00
TOTAL INVOICE	306.06

RECEIVED BY: _____ SIGNATURE COPY ON FILE



ON ACCOUNT



059 - National City
2215 Cleveland Ave
National City, CA, 91950
(619) 419-1780

RECEIPT

62362045

JOB: 24001-10 IRIS BUS STOPS

Sold To: 102257
HAZARD CONSTR CO
10529 VINE STREET
Lakeside, CA, 92040
858-587-3600

code: 8003.. P04

Ship To: LAKESIDE YARD_1.10002422346
10529 VINE ST
LAKESIDE, CA, 92040
Job Site Contact:
Job Site Phone:
Map #:

Printed By : Adrian R

Printed Date : 10/17/2024 06:59 AM PACIFIC

Ordered By: JOEL GROVES

Contact Phone: 619-7726341

Order Number		Order Date	Request Date			Invoice Date		Salesperson
62362045		10/17/2024	10/17/2024					Danics. T
Terms		Shipping Method	Customer PO			Created By		
210THN11TH		5. Walk In	24001-10 PO# H722			Adrian R		
LN	Part#	Description	Quantity			UOM	Price	Amount
BIN	H/M	LOT/SN	ORD	SHF	BKO	Unit WT	COO	
1.1 1-YARD01	43552060 VPN: 10056	#5 GR60 5/8"X20" REBAR SOLD/PC	12	12	0	EA 20.86 LBS	\$13.79	\$165.48
<p>WARNING: This Product can expose you to chemicals including Nickel (Metallic), which is known to the State of California to cause cancer, and Cadmium, which is known to the State of California to cause birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov</p>								
2.1 1-AFC0641 2-AHH0201	162HC2107 VPN: HC2107	5/8"X16"X18" SDS PLUS ROTARY HAMMER DRILL BIT BOSCH	1	1	0	EA .78 LBS	\$28.99	\$28.99
3.1 1- DIABLODISPLA Y	297DMAPL423 0 VPN: DMAPL4230	5/8" X 10" X 12" REBAR DEMON SDS PLUS 4 CUTTER FULL CARBIDE HEAD HAMMER BIT DIABLO	1	1	0	EA .62 LBS	\$29.99	\$29.99
4.1 1-AFB0413 2-AHH0225	162HC5021 VPN: HC5021	5/8"X16"X21" SDS MAX ROTARY HAMMER DRILL SPEED-X BIT BOSCH	1	1	0	EA 1 LBS	\$56.99	\$56.99



ON ACCOUNT



059 - National City
2215 Cleveland Ave
National City, CA, 91950
(619) 419-1780

RECEIPT

62362045

Sold To: 102257
HAZARD CONSTR CO
10529 VINE STREET
Lakeside, CA, 92040
858-587-3600

Ship To : LAKESIDE YARD_1,10002422346
10529 VINE ST
LAKESIDE, CA, 92040
Job Site Contact:
Job Site Phone:
Map #:

Shipped amount	\$281.45
Order charges	\$0.00
Tax amount	\$24.61
Order total	\$306.06
Deposit/funds tendered	\$0.00
Balance due	\$306.06

REPORT DISCREPANCIES WITHIN 24 HRS.
IF YOU DIDN'T RECEIVE THE SERVICE YOU EXPECTED CALL BOB JACOBY 949-794-5272
NO REFUNDS OR EXCHANGES ON NON STOCK MERCHANDISE

PRINT: _____ SIGN : _____

SHIPPED WEIGHT: **252.72 LBS** PULLED BY: _____ CHECKED BY: _____ LOADED BY: _____

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MASONPRO, and Williams Equipment & Supply.
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DAILY EXTRA WORK REPORT

Att.A, Item 10, 02/13/25

Metropolitan Transit System	Invoice: FL 21305	Contract: PWB380.0-24	Change Order 804
Contractor Job: 24001-10 - Iris Bus Stops		Cost Code: 8001..P04	Billing Number 8.0
Work Performed By: Hazard Construction Company		DEWR No. 19232 <input checked="" type="checkbox"/> Signed	Report Date 10/31/2024
Description of Work: Drill and install 99 each #3 x 16" rebar dowels at loc #11 existing sidewalk		Report No. R.C.	Perform Date 10/23/2024

Labor Charges								
Craft ID	Employee Name	RT Hrs	OT/DT Hrs	Subs Units	RT Rate	OT/DT Rate	Subs Rate	Extended
L01	CPT F	J Groves	4.00		80.970			323.880
L02	LBR G1	RE Romo	4.00		70.920			283.680

Labor Charges		
RT Labor		607.56
SC	9.00%	54.68
OT/DT Labor		0.00

Equipment Charges							
Equipment ID	Description	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended
E01	TRK-0126- Chevy Silverado 3500HD	4.00		54.230			216.920

Subtotal Labor	662.24
Subsistence	0.00
Other Expenses	0.00
MU 15.00%	<u>99.34</u>
Labor Total	761.58

Material/Specialist Work/Lump Sum or Unit Price Payment						
Number	Date	Vendor Name and Description	Units	Unit Price	Extended	
M01	50028848114	10/22/2024 White Cap L.P. / 10ea) #3x20' Rebar & 2ea) Rotobits + Tax	1.000 LS	131.98000	131.98	

Equipment Charges		
Subtotal		216.92
MU	15.00%	<u>32.54</u>
Equipment Total		249.46

Material Charges		
Subtotal		131.98
MU	15.00%	<u>19.80</u>
Material Total		151.78

Activity Total **1,162.82**

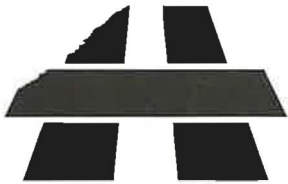
Work Total **1,162.82**

Bill Subtotal **1,162.82**

Hazard Construction Company
 10529 Vine Street, Lakeside, CA 92040
 Phone: (858) 587-3600 Fax: (858) 453-6034
 Job Contact: Kevin Dunwell 760) 473-8616

Accepted:	
Customer:	Date:
Contractor:	Date:

Bill Total + **1,162.82**



DAILY EXTRA WORK REPORT

Att.A, Item 10, 02/13/25

HAZARD CONSTRUCTION
P.O. BOX 229000, SAN DIEGO, CA 92192
(858) 587-3600

STATE LIC. #750542A/B

RECEIVED
By Kevin Dunwell at 12:00 pm, Oct 28, 2024

CUSTOMER MTS WORK REPORT 19232
JOB NAME / LOCATION IRIS BUS STOPS / LOCATION 11 / 30TH ST. & IRIS AVE DATE PERFORMED 10-23-24
DESCRIPTION OF WORK TODAY, WE CUT 99-16" #3 DOWELS, LAID OUT, CHARGE TO JOB # 24001-10
& INSTALLED THEM @ location 11 existing sidewalk. COST CODE 8003..PO4
THIS WAS DONE FOR EXTRA REINFORCEMENT. BETWEEN OLD new slabs. SUPERINTENDENT GARY GROVES
REQUESTED BY PURCHASE ORDER # FOREMAN JOEL GROVES

Table with columns: DESCRIPTION OF CHARGES, EQUIP. NO., HOURS ST, OT, RATE, EXTENSION. Rows include LABOR & EQUIPMENT (JOEL GROVES, TRK-0126, RAMON ROMO) and MATERIALS (10 ea) #3 x 20lf rebar dowels, 2 ea) SDS rotohammer bits).

I certify work and/or materials on this Work Order have been performed and/or received in good condition and the labor and equipment hours and material quantities are correct.
CUSTOMER'S AUTHORIZED REPRESENTATIVE: [Signature]
Date: 10/28/2024

VERIFIED HOURS DONE
White - Office Canary - Customer Green with Time Sheet Pink - Field Copy

WHITE CAP®

White Cap, L.P.
PO Box 4944
Orlando, FL 32802-4944

BRANCH ADDRESS
059 - NATIONAL CITY
(619) 419-1780
2215 CLEVELAND AVE
NATIONAL CITY CA 91950
SAN DIEGO

Att.A, Item 10, 02/13/25

INVOICE

INVOICE NUMBER
50028848114
INVOICE DATE
10/22/2024
CUSTOMER PO NUMBER
24001-10

TO VIEW AND PAY ONLINE GO TO:
http://whitecap.billtrust.com
ENROLLMENT TOKEN:
FBX QZS ZBW

ACCOUNT # 102257

TERRITORY:
SHIP TO: 10001881375

MAKE CHECKS PAYABLE TO:
White Cap, L.P.
P.O. Box 6040
CYPRESS, CA 90630-0040

HAZARD CONSTR CO
10529 VINE STREET
LAKESIDE CA 92040

HARBOR YARD
325 HARBOR DR
SAN DIEGO CA 92101

ORDER DATE	ORDER NO.	ORDERED BY	ACCOUNT MANAGER	TAKEN BY				
10/22/2024	62451826	JOEL GROVES	DANIELS, TURNER	CUENCA, ANDREW				
BRANCH	ACCT JOB NO.	TERMS	SHIP VIA / ROUTING	CUSTOMER JOB NO.				
059	10001881375	2% 10TH NET 11TH	0. WILL CALL	HARBOR YARD				
LINE	PART NUMBER	DESCRIPTION	QTY ORD	UNIT PRICE	QTY BKO	QTY SHP	EXTENDED PRICE	TAX AMT
0	HDRDESC	***** DELIVERY TAG#: 31918373 *****	1	0	0	1	0.00	
1	297DMAPL4150	3/8" X 6" X 8" REBAR DEMON SDS PLUS 4 CUTTER FULL CARBIDE HEAD HAMMER BIT DIABLO	1	14.49 EA	0	1	14.49	1.26
2	297DMAMX1010	3/8" X 8" X 13" REBAR DEMON SDS MAX 4 CUTTER FULL CARBIDE HEAD HAMMER BIT DIABLO	1	53.99 EA	0	1	53.99	4.72
3	43532060	#3 GR60 3/8"X20' REBAR SOLD/PC	10	5.29 EA	0	10	52.90	4.62

The White Cap Family of Brands includes All-Tex Waterproofing Solutions, Harmac, Kenseal, Marvel Building & Masonry Supply, MASONPRO, Williams Equipment & Supply, Valley Supply Co, and Diamond Tool. Learn more at About.WhiteCap.com

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Sales Tax Exemption Questions or Certificates: TaxExemptCredit@whitecap.com

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For questions regarding this invoice please call (888) 888-9580		TOTAL GROSS	121.38
NO REFUNDS OR EXCHANGES ON NON STOCK MERCHANDISE		TOTAL TAX	10.60
Visit https://www.whitecap.com/terms/terms-conditions-of-sale-terms to view complete terms and conditions.		TOTAL SHIPPING AND HANDLING	0.00
RECEIVED BY: GROVES, JOEL	SIGNATURE COPY ON FILE	TOTAL INVOICE	131.98

DAILY EXTRA WORK REPORT

Att.A, Item 10, 02/13/25

Metropolitan Transit System

Invoice: **FL 21382**

Contract: **PWB380.0-24**

Change Order **804**

Contractor Job: **24001-10 - Iris Bus Stops**

Cost Code: **8001..P04**

Billing Number **12.0**

Work Performed By: **Hazard Construction Company**

DEWR No. **19237** Signed

Report Date **11/08/2024**

Description of Work: **Drill and install 70 each rebar dowels at loc #11 for white paving reinforcement**

Report No. **R.C.**

Perform Date **10/30/2024**

Labor Charges

Craft ID	Employee Name	RT Hrs	OT/DT Hrs	Subs Units	RT Rate	OT/DT Rate	Subs Rate	Extended
L01 LBR G4	C Bonilla	3.00			73.200			219.600

Labor Charges

RT Labor	219.60
SC 9.00%	19.76
OT/DT Labor	0.00
Subtotal Labor	239.36
Subsistence	0.00
Other Expenses	0.00
MU 15.00%	<u>35.90</u>
Labor Total	275.26

Equipment Charges

Material Charges

Activity Total **275.26**

Work Total **275.26**

Bill Subtotal **275.26**



Hazard Construction Company

10529 Vine Street, Lakeside, CA 92040
 Phone: (858) 587-3600 Fax: (858) 453-6034
 Job Contact: Kevin Dunwell 760) 473-8616

Accepted:

Customer:

Date:

Contractor:

Date:

Bill Total +

275.26

DAILY EXTRA WORK REPORT

Att.A, Item 10, 02/13/25

Metropolitan Transit System	Invoice: FL 21392	Contract: PWB380.0-24	Change Order 804
Contractor Job: 24001-10 - Iris Bus Stops		Cost Code: 8001..P04	Billing Number 13.0
Work Performed By: Hazard Construction Company		DEWR No. 19238 <input checked="" type="checkbox"/> Signed	Report Date 11/08/2024
Description of Work: Drill and install 60 each rebar dowels at loc #11 for white paving reinforcement		Report No. R.C.	Perform Date 10/31/2024

Labor Charges								
Craft ID	Employee Name	RT Hrs	OT/DT Hrs	Subs Units	RT Rate	OT/DT Rate	Subs Rate	Extended
L01	CPT F	J Groves	2.00		80.970			161.940
L02	CPT J	R Martinez	2.00		77.970			155.940

Labor Charges		
RT Labor		317.88
SC 9.00%		28.61
OT/DT Labor		0.00

Equipment Charges							
Equipment ID	Description	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended
E01	TRK-0126- Chevy Silverado 3500HD	2.00		54.230			108.460

Subtotal Labor	346.49
Subsistence	0.00
Other Expenses	0.00
MU 15.00%	<u>51.97</u>
Labor Total	398.46

Material/Specialist Work/Lump Sum or Unit Price Payment						
Number	Date	Vendor Name and Description	Units	Unit Price	Extended	
M01	50028848114	10/22/2024 White Cap L.P. / 2ea) #5x20' Rebar + Tax	1.000 LS	29.77000	29.77	

Equipment Charges		
Subtotal		108.46
MU 15.00%		<u>16.27</u>
Equipment Total		124.73

Material Charges		
Subtotal		29.77
MU 15.00%		<u>4.47</u>
Material Total		34.24

Activity Total **557.43**

Work Total **557.43**

Bill Subtotal **557.43**

Hazard Construction Company
 10529 Vine Street, Lakeside, CA 92040
 Phone: (858) 587-3600 Fax: (858) 453-6034
 Job Contact: Kevin Dunwell 760) 473-8616

Accepted:	
Customer:	Date:
Contractor:	Date:

Bill Total + **557.43**

WHITE CAP®

White Cap, L.P.
PO Box 4944
Orlando, FL 32802-4944

BRANCH ADDRESS
059 - NATIONAL CITY
(619) 419-1780
2215 CLEVELAND AVE
NATIONAL CITY CA 91950
SAN DIEGO

Att.A, Item 10, 02/13/25

INVOICE

INVOICE NUMBER
50029005699
INVOICE DATE
10/31/2024
CUSTOMER PO NUMBER
IRIS BUS STOP H703

TO VIEW AND PAY ONLINE GO TO:
http://whitecap.billtrust.com
ENROLLMENT TOKEN:
FBX QZS ZBW

ACCOUNT # 102257

TERRITORY:
SHIP TO: 10005160499

MAKE CHECKS PAYABLE TO:
White Cap, L.P.
P.O. Box 6040
CYPRESS, CA 90630-0040

HAZARD CONSTR CO
10529 VINE STREET
LAKESIDE CA 92040

23015-20 OTAY BUSINESS PARK
ALTA RD & SIEMPRE VIVA RD
SAN DIEGO CA 92154

ORDER DATE	ORDER NO.	ORDERED BY	ACCOUNT MANAGER	TAKEN BY				
10/31/2024	62644912	JOEL GROVES	DANIELS, TURNER	CUENCA, ANDREW				
BRANCH	ACCT JOB NO.	TERMS	SHIP VIA / ROUTING	CUSTOMER JOB NO.				
059	10005160499	2% 10TH NET 11TH	0. WILL CALL	20 OTAY BUSINESS				
LINE	PART NUMBER	DESCRIPTION	QTY ORD	UNIT PRICE	QTY BKO	QTY SHP	EXTENDED PRICE	TAX AMT
0	HDRDESC	***** DELIVERY TAG#: 32070501 *****	1	0	0	1	0.00	
1	43552060	#5 GR60 5/8"X20' REBAR SOLD/PC	2	13.69 EA	0	2	27.38	2.39

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For questions regarding this invoice please call (888) 888-9580		TOTAL GROSS	27.38
NO REFUNDS OR EXCHANGES ON NON STOCK MERCHANDISE		TOTAL TAX	2.39
Visit https://www.whitecap.com/terms/terms-conditions-of-sale-terms to view complete terms and conditions.		TOTAL SHIPPING AND HANDLING	0.00
RECEIVED BY: JOEL	SIGNATURE COPY ON FILE	TOTAL INVOICE	29.77



059 - National City
2215 Cleveland Ave
National City, CA, 91950
(619) 419-1780

PACKING SLIP

62644912

JOB: 24001-10

code: 8003.. P04 EW@TM Drill Dowels

Sold To: 102257
HAZARD CONSTR CO
10529 VINE STREET
Lakeside, CA, 92040
858-587-3600

Ship To: 23015-20 OTAY BUSINESS PARK,
10005160499
ALTA RD & SIEMPRE VIVA RD
SAN DIEGO, CA, 92154
Job Site Contact:
Job Site Phone:
Map #:



Delivery : 32070501

Printed By : ANDREW C

Printed Date : 10/31/2024 07:33 AM PACIFIC

Ordered By : JOEL GROVES

Contact Ph# : 619-7726341

Order Number	Order Date	Request Date	Customer PO	Terms	Ship via/Routing	Sales Person	Created By	
62644912	10/31/2024	10/31/2024	IRIS BUS STOP H703	210THN11T H	0. Will Call	Daniels, T	Andrew C	
LN	Part#	Description	Quantity			U/M	Price	Amount
Bin	H/M	LOT /S/N	ORD	SHP	BKO	Unit WT	COO	Applied

1	43552060	#5 GR60 5/8"X20" REBAR SOLD/PC	2	2	0	EA		
1-YARD01	VPN: 10056					20.86 LBS		
<p>WARNING: This Product can expose you to chemicals including Nickel (Metallic), which is known to the State of California to cause cancer, and Cadmium, which is known to the State of California to cause birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov</p>								

*****PACKING SLIP ONLY*****

***** THIS IS NOT AN INVOICE *****

REPORT DISCREPANCIES WITHIN 24 HRS.

IF YOU DIDN'T RECEIVE THE SERVICE YOU EXPECTED CALL BOB JACOBY 949-794-5272
NO REFUNDS OR EXCHANGES ON NON STOCK MERCHANDISE

PRINT: _____ SIGN: _____

SHIPPED WEIGHT: 41.72 LBS PULLED BY: _____ CHECKED BY: _____ LOADED BY: _____

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For shipments being transported by unrelated third parties, WHITE CAP is the Shipper.
Download any needed Safety Data Sheets (SDS) online today at
<https://www.whitecap.com/help-center/osha-standards-safety-data-sheets>

Scan for Terms and Conditions



CHANGE ORDER 4

CONTRACT CHANGE ORDER NO. 04

PROJECT NAME: IRIS BUS STOPS AND TRANSIT CENTER
 MTS WORK ORDER NUMBER: PWB380.0-24

Date: November 05, 2024

To: Hazard Construction Engr LLC. (Contractor)

You are directed to make the following changes from the Contract Documents or do the following described work not included in the Contract Documents for this Contract. **NOTE: This change order is not effective until approved by the Metropolitan Transit System (MTS).**

Change requested by: Contractor

This change order provides for the relocation and connection of (2) water valve boxes, including irrigation quick disconnect valves, at the Iris Station (Location 11).

Extra Work at Lump Sum:

Work shall be paid in accordance with Section 3.34, "Changes and Extra Work Payment," of the Standard Construction Agreement, and all applicable documents of the contract documents.

Lump Sum price includes all labor, materials, equipment, tools, and incidentals necessary to relocate (2) water valve boxes installed in the field for the project, and in agreement with the Engineer.

For the work involved in this change order, the Contractor will receive and accept the agreed Lump Sum payment of \$5,154.99. This sum constitutes full and complete compensation, including mark-ups by reason of this change.

Total Extra Work at Lump Sum: \$5,154.99

Contract Time of Completion:

A determination of the delay in completion of the contract due to the work specified by contract change order No. 04 has been made in accordance with the provisions of Section 6-9, "Liquidated Damages" of the Standard Construction Agreement..

This change order will adjust the contract time of completion by adding an additional (0) calendar days.

Total Cost of this Change Order Increase \$ 5,154.99

This Change Order adjusts the time of completion as follows: (0) Calendar Days

<p>This Change Order constitutes a complete and final resolution of all claims of the Contractor for additional time or additional compensation related to or affected by work that is the subject of this Change Order. Without limiting the applicability of other sections, this Change Order is subject to the standard specifications, Contract special provisions, newly provided plans and specifications, and applicable standard drawings.</p> <p>No Contract Change Order will be binding upon the Metropolitan Transit System (MTS) until signed by the authorized representatives of MTS Capital Projects Department.</p>	
<p>RECOMMENDED BY: Hassan Mustafa, Resident Engineer (Sign and Print Name & Title)</p>	<p>DATE:</p>
<p>ACCEPTED BY CONTRACTOR: (Sign and Print Name & Title)</p>	<p>DATE:</p>
<p>Project Manager, MTS: (Sign and Print Name & Title)</p>	<p>DATE:</p>
<p>Procurement Specialist, MTS: (Sign and Print Name & Title)</p>	<p>DATE:</p>



HAZARD CONSTRUCTION COMPANY | Lic. #750542 A/C31
 HAZARD CM ENGR LLC | Lic. #1039495 A/C31
 HAZARD CONSTRUCTION ENGR LLC | Lic. #1038899 A/C31

Att.A, Item 10, 02/13/25

10529 Vine Street
 Lakeside, CA 92040
 Phone (858) 587-3600
 Fax (858) 453-6034
 hazardconstruction.com

CHANGE ORDER REQUEST NO. 03

24001- 10 - Iris Bus Stops

November 01, 2024

To: Natalie Ven
 MTS - Metropolitan Transit System
 1255 Imperial Avenue, Suite 1000
 San Diego, CA 92101
Phone:
Email: natalie.ven@sdmts.com

From: Kirk Kharas
 Hazard Construction Engr LLC
 10529 Vine Street
 Lakeside, CA 92040
Phone: 858.587.3600
Email: kkharas@hazardcon.com

<u>COR</u> <u>Item</u>	<u>Description</u>	<u>Quantity</u>	<u>UM</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Change</u> <u>(Days)</u>
1	Relocate Water Service and Furnish 2EA Water Meter Boxes	.00	LS	\$.000	\$5,154.99	2
Total:					\$5,154.99	

Please issue a Contract Change Order to allow for inclusion in our Contract Agreement.
 Thank you for your cooperation.



HAZARD CONSTRUCTION COMPANY | Lic. #750542 A/C31
HAZARD CM ENGR LLC | Lic. #1039495 A/C31
HAZARD CONSTRUCTION ENGR LLC | Lic. #1038899 A/C31

Att.A, Item 10, 02/13/25
10529 Vine Street
Lakeside, CA 92040
Phone (858) 587-3600
Fax (858) 453-6034
hazardconstruction.com

MTS – Iris Rapid Bus Stops and Transit Center East

November 1, 2024

Change Order Request #3 – Relocate Water Service and Furnish 2EA Water Meter Boxes

Per response from MTS to RFI 7, the following is the price for relocating the water service stub ups and providing 2EA Christy NO9 Water Meter Boxes.

Per the attached Extra Work Tickets 1 LS @ \$5,154.99 = \$5,154.99

Please issue a Contract Change Order in the amount of \$5,154.99 for relocating the water service and providing 2EA Christy N09 Boxes.
Please add 2 WD of additional contract time.

EW Billing Package #1.0 for PC 8001..P02 - 10/31/2024

CO Detail - Job 24001-10
All Billings - Contract: PWB380.0-24

Hazard Construction Company

Billing	DATES			LAST PAYMENT			DISPOSITION VARIANCE					Company	
	Perform	Report	Submit	Number	Period	Billed	Paid	Balance	Pending	Disputed	Writeoff		AltBillNo
802	• PC 8001..P02 - EWTM - Relocate Water Service												
6.0 F	10/21/24	10/31/24	10/31/24		P	3,325.51		-3,325.51	-3,325.51				HAZARD
	[19230] Expose two (2) water services for relocation; pickup materials; begin assembling valve connections												
6.1 F	10/21/24	10/31/24	10/31/24		P	-94.79		94.79	94.79				HAZARD
	[19230] Addendum to EWB 6.0 (credit invoice from Site One LS Supply) for misc returned materials												
6.2 F	10/21/24	10/31/24	10/31/24		P	366.78		-366.78	-366.78				HAZARD
	[19230] Addendum to EWB 6.0 (for 2 each water meter boxes from Oldcastle)												
7.0 F	10/22/24	10/31/24	10/31/24		P	1,557.49		-1,557.49	-1,557.49				HAZARD
	[19231] Assemble four (4) water service connections w/ new vavles @ loc #11; set meter boxes; backfill												
				802		5,154.99		-5,154.99	-5,154.99				
				Grand Totals		5,154.99		-5,154.99	-5,154.99				

DAILY EXTRA WORK REPORT

Att.A, Item 10, 02/13/25

Metropolitan Transit System	Invoice: FL 21266	Contract: PWB380.0-24	Change Order 802
Contractor Job: 24001-10 - Iris Bus Stops		Cost Code: 8001..P02	Billing Number 6.0
Work Performed By: Hazard Construction Company		DEWR No. 19230 <input checked="" type="checkbox"/> Signed	Report Date 10/31/2024
Description of Work: Expose two (2) water services for relocation; pickup materials; begin assembling valve connections		Report No. R.C.	Perform Date 10/21/2024

Labor Charges

Craft/Level	Employee Name	RT Hrs	OT/DT Hrs	Subs Units	RT Rate	OT/DT Rate	Subs Rate	Extended
L01 CPT F	J Groves	6.00			80.970			485.820
L02 LBR G1	RE Romo	6.00			70.920			425.520

Labor Charges		
RT Labor		911.34
SC 9.00%		82.02
OT/DT Labor		0.00

Equipment Charges

Equipment ID	Description	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended
E01 TRK-0126-	Chevy Silverado 3500HD	6.00		54.230			325.380

Subtotal Labor	993.36
Subsistence	0.00
Other Expenses	0.00
MU 15.00%	<u>149.00</u>
Labor Total	1,142.36

Material/Specialist Work/Lump Sum or Unit Price Payment

Number	Date	Vendor Name and Description	Units	Unit Price	Extended
M01 147340499-001	10/21/2024	Site One LS Supply / Misc Mat'ls for Water Services + Tax	1.000 LS	1,541.39000	1,541.39
M02 147352255-001	10/21/2024	Site One LS Supply / Misc 1" PVC Pipe & Fittings + Tax	1.000 LS	31.62000	31.62

Equipment Charges		
Subtotal		325.38
MU 15.00%		<u>48.81</u>
Equipment Total		374.19

Material Charges		
Subtotal		1,573.01
MU 15.00%		<u>235.95</u>
Material Total		1,808.96

Activity Total **3,325.51**

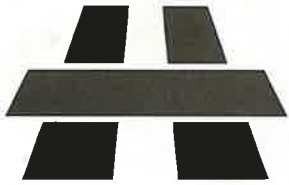
Work Total **3,325.51**

Bill Subtotal **3,325.51**

Hazard Construction Company
 10529 Vine Street, Lakeside, CA 92040
 Phone: (858) 587-3600 Fax: (858) 453-6034
 Job Contact: Kevin Dunwell 760) 473-8616

Accepted:	
Customer:	Date:
Contractor:	Date:

Bill Total + **3,325.51**



DAILY EXTRA WORK REPORT
HAZARD CONSTRUCTION
P.O. BOX 229000, SAN DIEGO, CA 92192
(858) 587-3600

STATE LIC. #750542A/B

RECEIVED
By Kevin Dunwell at 03:00 pm, Oct 22, 2024

CUSTOMER MTS WORK REPORT 19230
JOB NAME / LOCATION IRIS BUS STOPS / LOCATION 11 / 30TH ST. & IRIS AVE. DATE PERFORMED 10-21-24
DESCRIPTION OF WORK TODAY, ROMO & I DUG AROUND BOTH WATER SERVICE AREAS CHARGE TO JOB #24001-10
TO GAIN ACCESS FOR RELOCATION. NEXT, WE PICKED UP SUPPLIES & MATERIAL COST CODE 8002..PO2
NEEDED FOR RELOCATION. LASTLY, WE STARTED ASSEMBLING WATER VALVE SUPERINTENDENT GARY GROVES
CONNECTIONS.
REQUESTED BY PURCHASE ORDER # FOREMAN JOEL GROVES

Table with columns: EQUIP. NO., HOURS ST, OT, RATE, EXTENSION. Rows include: CARP. FMN.: JOEL GROVES - 4094 (6 hours), CHEVY WORK TRUCK 3500HD (6 hours), LABOR: RAMON ROMO - 4108 (6 hours). Includes checkboxes for MOVE-IN and MOVE-OUT.

MATERIALS SITE ONE MATERIALS: 1-20' 1" sch. 40 pipe, couplers, elbows, valves, & 3/4" mip to 1" slips.

Receipts are present. Oldcastle boxes (2ea)

I certify work and/or materials on this Work Order have been performed and/or received in good condition and the labor and equipment hours and material quantities are correct.

CUSTOMER'S AUTHORIZED REPRESENTATIVE:

Signature

Title Date 10/21/2024

Table with columns: TOTAL AMOUNT, COMMENTS

VERIFY HOURS ONLY

White - Office Canary - Customer Green with Time Sheet Pink - Field Copy

Job: 24001-10 IRIS
 Att.A, Item 10, 02/13/25 BUS
 STOPS

Sales Invoice



Stronger Together

Chula Vista CA #319
 751 Design Ct Ste B
 Chula Vista, CA 91911-6122
 W: (619)421-7627

Code: 8002.P02
 TM RELOCATE WATER SERVICE

Sold To:
 Hazard Construction Company (#1290055)
 10529 Vine St
 Lakeside, CA 92040-2439
 W: (858)587-3600

Ship To:
 Hazard Construction Company (#1290055)
 10529 Vine St
 Lakeside, CA 92040-2439
 W: (858)587-3600

For Chemical Emergency Spill, Leak, Fire,
 Exposure, or Accident Emergency Response
 Assistance, call: CHEMTREC
 Day or Night- 1 (800) 424-9300

Ordered	Order#	PO#	Invoiced	Invoice#
10/21/2024	147340499-001	Iris bus stops	10/21/2024	147340499-001

Printed	Requested for	Ship Via	Customer Contact	Sales Associate
10/21/2024		Customer Pick up	Joel Groves	Dottie Quiroz



LN	Item #	Description	Qty Ordered	Qty Shipped	Qty Cancelled	Qty Open	Net Price	Ext. Price
1	33DLRC	Rain Bird Quick Coupling Valve 3/4 in. FIPT Inlet 2 pc. Body Double Track Key Lug with Yellow Rubber Locking Cover	4	4	0	0	83.084 / EA	332.34
2	JE1900WF	Jones Ball Curb Valve 3/4 in. Fipt	4	4	0	0	231.129 / EA	924.52
3	75PVCBE	PVC Pipe 3/4 in. x 20 ft. Schedule 40 Bell End (Priced per ft.)	20	20	0	0	0.371 / FT	7.42
4	3PVCBE	PVC Pipe 3 in. x 20 ft. Schedule 40 Bell End (Priced per ft.)	20	20	0	0	2.274 / FT	45.48
5	406-007	Sch 40 PVC 90 Degree Elbow 3/4 in. Socket	20	20	0	0	0.680 / EA	13.60
6	435-007	Sch 40 PVC Female Adapter 3/4 in. Socket x FIPT	8	8	0	0	0.845 / EA	6.76
7	86021	King Innovations PTFE Teflon Thread Seal Tape 3/4 in. x 520 in.	2	2	0	0	2.110 / EA	4.22
8	RH-RHBV-PT-24	Christy's Red Hot Blue PVC Cement Low VOC Medium Body 1 pt.	1	1	0	0	23.327 / EA	23.33
9	429-007N	Sch 40 PVC Nested Coupling 3/4 in. Socket	5	5	0	0	0.507 / EA	2.54
10	RH-SC10YD	T. Christy Sandcloth 10 yd. Roll	1	1	0	0	11.510 / EA	11.51
11	PT-PPC2-PR	Pro-Trade PVC Pipe Cutter w/ Pushbutton Release PTFE Blade 1-5/8 in. OD	1	1	0	0	24.020 / EA	24.02
12	RH-UST10-HP	Ultraseal PTFE Thread Sealant, HP	1	1	0	0	21.629 / EA	21.63

Please remit payment to:
 SiteOne Landscape Supply, LLC
 24110 Network Place
 Chicago, IL 60673-1241

Terms: 2% 15TH PROX
 DEDUCT CASH DISCOUNT OF 28.35 IF PAID BY
 11/15/2024

Subtotal:	\$1417.37
Sales Tax:	\$124.02
Freight:	\$0.00
Total:	\$1541.39
Total Payment:	\$0.00
Amount Due:	\$1541.39



CUSTOMER SIGNATURE:

SiteOne Landscape Supply warrants that all products conform to the description on the label. Because conditions of use, which are of critical importance are beyond our control, seller makes no warranty, expressed or implied, concerning the use of these products. No employee of the company is authorized to make any warranty or representation, expressed or implied, concerning our products. Always follow directions and carefully observe all precautions on the label or manufacturer's instructions. Products used contrary to directions may cause serious plant or personal injury. Buyer assumes all risk of use of handling whether in accordance with direction or not and accepts the products sold to them by this company on these conditions.

Note: Returns subject to 25% restock charge.



**CUSTOMER
OBSESSED**

SARAH TIGLIO | Area Business Manager
619-806-7430 | STiglio@SiteOne.com

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Check out the SiteOne.com
Shop our Catalog, Get Pricing, and Place an Order 24/7/365.
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Get 5% off your first order up to \$500 off when you use promo code WELCOME at checkout.



Job: 24081
Att.A, Item 10, 02/13/20
IRIS BUS Stops

Code: 8002.. PO2
Tm Relocate
Water Serv.

Sales Invoice



Stronger Together

Chula Vista CA #319
751 Design Ct Ste B
Chula Vista, CA 91911-6122
W: (619)421-7627

Sold To:
Hazard Construction Company (#1290055)
10529 Vine St
Lakeside, CA 92040-2439
W: (858)587-3600

Ship To:
Hazard Construction Company (#1290055)
10529 Vine St
Lakeside, CA 92040-2439
W: (858)587-3600

For Chemical Emergency Spill, Leak, Fire, Exposure, or Accident Emergency Response Assistance, call: CHEMTREC Day or Night- 1 (800) 424-9300

Ordered	Order#	PO#	Invoiced	Invoice#
10/21/2024	147352255-001	Iris Bus stop	10/21/2024	147352255-001

Printed	Requested for	Ship Via	Customer Contact	Sales Associate
10/21/2024		Customer Pick up	Joel Groves	Rachel Lopez



LN	Item #	Description	Qty Ordered	Qty Shipped	Qty Cancelled	Qty Open	Net Price	Ext. Price
1	406-010	Sch 40 PVC 90 Degree Elbow 1 in. Socket	5	5	0	0	1.195 / EA	5.98
2	429-010N	Sch 40 PVC Nested Coupling 1 in. Socket	5	5	0	0	0.878 / EA	4.39
3	436-102	Sch 40 PVC Reducing Male Adapter 3/4 in. x 1 in. MIPT x Socket	5	5	0	0	1.541 / EA	7.71
4	1PVCBE	PVC Pipe 1 in. x 20 ft. Sch 40 Bell End (Priced per ft.)	20	20	0	0	0.550 / FT	11.00

Please remit payment to:
SiteOne Landscape Supply, LLC
24110 Network Place
Chicago, IL 60673-1241

Terms: 2% 15TH PROX
DEDUCT CASH DISCOUNT OF 0.58 IF PAID BY 11/15/2024

Subtotal: \$29.08
Sales Tax: \$2.54
Freight: \$0.00
Total: \$31.62
Total Payment: \$0.00
Amount Due: \$31.62

CUSTOMER SIGNATURE:

SiteOne Landscape Supply warrants that all products conform to the description on the label. Because conditions of use, which are of critical importance are beyond our control, seller makes no warranty, expressed or implied, concerning the use of these products. No employee of the company is authorized to make any warranty or representation, expressed or implied, concerning our products. Always follow directions and carefully observe all precautions on the label or manufacturer's instructions. Products used contrary to directions may cause serious plant or personal injury. Buyer assumes all risk of use of handling whether in accordance with direction or not and accepts the products sold to them by this company on these conditions.

Note: Returns subject to 25% restock charge.



CUSTOMER OBSESSED

SARAH TIGLIO | Area Business Manager
619-806-7430 | STiglio@SiteOne.com

Scan for a Brief Survey



We are 100% committed to your success. Please do not hesitate to contact me directly at the number above or scan the QR code to take a brief survey about your experience today.

Check out the SiteOne.com Shop our Catalog, Get Pricing, and Place an Order 24/7/365. Visit today at siteone.com. Get 5% off your first order up to \$500 off when you use promo code WELCOME at checkout.

DAILY EXTRA WORK REPORT

Att.A, Item 10, 02/13/25

Metropolitan Transit System

Invoice: **1473523771**

Contract: **PWB380.0-24**

Change Order **802**

Contractor Job: **24001-10 - Iris Bus Stops**

Cost Code: **8001..P02**

Billing Number **6.1**

Work Performed By: **Hazard Construction Company**

DEWR No. **19230** Signed

Report Date **10/31/2024**

Description of Work: **Addendum to EWB 6.0 (credit invoice from Site One LS Supply) for misc returned materials**

Report No.

Perform Date **10/21/2024**

Material/Specialist Work/Lump Sum or Unit Price Payment

Number	Date	Vendor Name and Description	Units	Unit Price	Extended
M01 147352377-001	10/21/2024	Site One LS Supply / Credit for Misc Mat'ls Returned incl Ta	1.000 LS	82.43000	82.43

Labor Charges

Equipment Charges

Material Charges

Subtotal	82.43
<i>MU</i> 15.00%	<u>12.36</u>
Material Total	94.79

Activity Total **94.79**

Work Total **94.79**

Bill Subtotal **94.79**

Hazard Construction Company
 10529 Vine Street, Lakeside, CA 92040
 Phone: (858) 587-3600 Fax: (858) 453-6034
 Job Contact: Kevin Dunwell 760) 473-8616

Accepted: _____ Date: _____

Customer: _____ Date: _____

Contractor: _____ Date: _____

CREDIT

Bill Total **-** **94.79**

Credit Invoice



Stronger Together

Chula Vista CA #319
 751 Design Ct Ste B
 Chula Vista, CA 91911-6122
 W: (619)421-7627

Sold To:

Hazard Construction Company (#1290055)
 10529 Vine St
 Lakeside, CA 92040-2439
 W: (858)587-3600

Credit To:

Hazard Construction Company (#1290055)
 10529 Vine St
 Lakeside, CA 92040-2439
 W: (858)587-3600

For Chemical Emergency Spill, Leak, Fire,
 Exposure, or Accident Emergency Response
 Assistance, call: CHEMTREC
 Day or Night- 1 (800) 424-9300

Ordered	Order#	PO#	Invoiced	Invoice#
10/21/2024	147352377-001	Iris Bus stop	10/21/2024	147352377-001

Printed	Requested for	Ship Via	Customer Contact	Sales Associate
10/21/2024		Customer Pick up	Joel Groves	Rachel Lopez



LN	Item #	Description	Qty Ordered	Qty Shipped	Qty Cancelled	Qty Open	Net Price	Ext. Price
1	75PVCBE	PVC Pipe 3/4 in. x 20 ft. Schedule 40 Bell End (Priced per ft.) <i>Credit Reason: Does Not Want</i>	20	20	0	0	0.371 / FT	7.42
2	3PVCBE	PVC Pipe 3 in. x 20 ft. Schedule 40 Bell End (Priced per ft.) <i>Credit Reason: Does Not Want</i>	20	20	0	0	2.274 / FT	45.48
3	406-007	Sch 40 PVC 90 Degree Elbow 3/4 in. Socket <i>Credit Reason: Does Not Want</i>	20	20	0	0	0.680 / EA	13.60
4	435-007	Sch 40 PVC Female Adapter 3/4 in. Socket x FIPT <i>Credit Reason: Does Not Want</i>	8	8	0	0	0.845 / EA	6.76
5	429-007N	Sch 40 PVC Nested Coupling 3/4 in. Socket <i>Item Note: Ref inv# 147340499-001</i> <i>Credit Reason: Does Not Want</i>	5	5	0	0	0.507 / EA	2.54

Subtotal: \$75.80
 Sales Tax: \$6.63
 Freight: \$0.00
 Total: \$82.43
 Total Payment: \$0.00
 Amount Due: \$82.43

Terms: 2% 15TH PROX
 DEDUCT CASH DISCOUNT OF 1.52 IF PAID BY
 11/15/2024

CUSTOMER SIGNATURE:

SiteOne Landscape Supply warrants that all products conform to the description on the label. Because conditions of use, which are of critical importance are beyond our control, seller makes no warranty, expressed or implied, concerning the use of these products. No employee of the company is authorized to make any warranty or representation, expressed or implied, concerning our products. Always follow directions and carefully observe all precautions on the label or manufacturer's instructions. Products used contrary to directions may cause serious plant or personal injury. Buyer assumes all risk of use of handling whether in accordance with direction or not and accepts the products sold to them by this company on these conditions.

Note: Returns subject to 25% restock charge.

DAILY EXTRA WORK REPORT

Att.A, Item 10, 02/13/25

Metropolitan Transit System

Invoice: **070304034**

Contract: **PWB380.0-24**

Change Order **802**

Contractor Job: **24001-10 - Iris Bus Stops**

Cost Code: **8001..P02**

Billing Number **6.2**

Work Performed By: **Hazard Construction Company**

DEWR No. **19230** Signed

Report Date **10/31/2024**

Description of Work: **Addendum to EWB 6.0 (for 2 each water meter boxes from Oldcastle)**

Report No.

Perform Date **10/21/2024**

Material/Specialist Work/Lump Sum or Unit Price Payment

Number	Date	Vendor Name and Description	Units	Unit Price	Extended
M01 070304034	10/21/2024	Oldcastle Infrastructure / 2ea) Meter Boxes, Lids & Bolt Kit	2.000 EA	159.47000	318.94

Labor Charges

Equipment Charges

Material Charges

Subtotal	318.94
<i>MU</i> 15.00%	<u>47.84</u>
Material Total	366.78

Activity Total **366.78**

Work Total **366.78**

Bill Subtotal **366.78**



Hazard Construction Company

10529 Vine Street, Lakeside, CA 92040
 Phone: (858) 587-3600 Fax: (858) 453-6034
 Job Contact: Kevin Dunwell 760) 473-8616

Accepted:

Customer:

Date:

Contractor:

Date:

Bill Total + **366.78**



7000 Central Parkway
Suite 800
Atlanta, GA 30328

Telephone: (844) 211-1322

Remit to:
Oldcastle Infrastructure P.O. Box 742387 Los Angeles, CA 90074-2387

Site: Lakeside

SOLD TO:

HAZARD CONSTRUCTION COMPANY
10529 VINE ST
LAKESIDE, CA 92040 2439

SHIP TO:

WILL CALL
STOCK
Lakeside, CA 92040

Invoice No.	Date	Customer No.	Order No.	Customer PO	Delivery Terms	Mode of Delivery
070304034	10/21/2024	070100079	S300201	24001-10	Plant Pickup	Will Call

Packing slip(s) ...: SP379402

Qty	Unit	Item	Description	Mark	Unit Price	Amount
4.00	Ea	E1000025	N09 BOX (3E BOX),28/pallet		75.00	300.00
4.00	Ea	E1020000	N09 R LID-Blank (3EC),60/pal		53.00	212.00
4.00	Ea	E3005110	N90 BOLT KIT FOR N09,N30N36 2 PC SET ***SHIP SEPARATELY, NOT WITH FLAT BED SHIPMENTS***		20.00	80.00
					Tax	45.88

Please note: We impose a 2.09% surcharge on all Credit Card transactions, which is not greater than our cost of acceptance. A surcharge will not be applied to any ACH or Debit Card transaction.

If paid by 10/31/2024 , you may take a discount of 11.84

TOTAL AMOUNT DUE BY: 11/20/24

US

637.88

Handling fees will apply for all returned goods. No goods will be returned without written consent by the seller. Give as reference our invoice number and date. Claims for damages, back charges for labor, other expenses will not be allowed unless authorized in writing by the seller. The articles and/or services covered by this invoice were produced in compliance with the Federal Labor Standards Act of 1938, as amended.

The Customer Agrees:

1. THAT THE ABOVE TOTAL IS PAST DUE IF NOT PAID WITHIN 30 DAYS OF DATE OF THIS INVOICE
2. TO PAY A FINANCE CHARGE OF 1.5% PER MONTH (18% PER ANNUM) ON ANY PAST DUE AMOUNT
3. TO PAY COLLECTION COSTS, INCLUDING REASONABLE ATTORNEY FEES, AFTER DEFAULT BY THE CUSTOMER

Confirmation No.: SC240520

10441 VINE ST
 LAKESIDE, CA 92040 2415

Telephone : 619-240-8000
 Fax:-

oldcastleinfrastructure.com

Sold To ...: HAZARD CONSTRUCTION COMPANY
 10529 VINE ST
 LAKESIDE, CA 92040 2439

Ship To ..: WILL CALL
 STOCK
 Lakeside, CA 92040

Ship date: 10/21/2024

Reference :

Contact: Kirk Kharas

Phone: 858-587-3600 X115

Order No	Date	Customer No	Customer PO	Terms	Cash discount	Delivery terms
S300201	10/21/2024	100079	24001-10	Net 30 Days	2% If paid in 10 Days	Plant Pickup

Qty	Unit	Item	Description	Mark	Unit price	Amount
4.00	Ea	E1000025	N09 BOX (3E BOX),28/pallet		75.00	300.00
4.00	Ea	E1020000	N09 R LID-Blank (3EC),60/pal		53.00	212.00
4.00	Ea	E3005110	N90 BOLT KIT FOR N09,N30N36 2 PC SET ***SHIP SEPARATELY, NOT WITH FLAT BED SHIPMENTS***		20.00	80.00

Tax Code	Taxable amount	Tax Rate	
CA	592.00	6.2500	37.00
CA-Local	592.00	1.0000	5.92
CA-SDTC	592.00	0.5000	2.96

Oldcastle Infrastructure Commercial Clarifications

5/1/23

Special Products:

- 1) Any special product(s) and high-volume standards (collectively, "Special Products") will be invoiced on a mutually agreed upon in writing delivery date and ownership transferred, upon Invoicing. Oldcastle Infrastructure, Inc. ("Oldcastle") reserves the right to require full or partial pre-payment for any Special Products ordered.
- 2) Special Products may not be returned.
- 3) If Special Product(s) cannot be accepted within 30 days of invoicing, a 10% storage fee will be assessed monthly unless otherwise agreed upon in writing.
- 4) All Special Products ordered as part of a cash sale must be fully paid prior to production.
- 5) A disposal fee of \$200/ton will be charged for all Special Products on hand over 90 days from the mutually agreed upon delivery date.

Delivery:

- 6) The site must be accessible by delivery vehicles under their own power. If the material is to be delivered and set by Oldcastle, acceptability to the site will be determined by the boom operator.
- 7) Freight charges quoted are based on full truckload quantities. Short loads will be subject to additional charges to cover the cost of delivery.
- 8) Deliveries canceled with less than 24 hours' notice are subject to full delivery charge.
- 9) Delivery includes one hour for offloading. Additional time in excess of one hour will be invoiced at an hourly rate.
- 10) A restocking fee of up to 40% may be charged on undamaged, standard products. Freight charges for returned product on Oldcastle equipment will also be applicable.
- 11) All Returns must be approved by Oldcastle. Returns will not be accepted after 90 days from date of purchase.

Pricing:

- 12) Oldcastle must be notified if a project requires prevailing wages as additional costs may be applied to the quotation.
- 13) Pricing is valid for 30 days from the date of this quote.
- 14) A 2.09% surcharge will be imposed on all Credit Card transactions, which is not greater than our cost of acceptance. A surcharge will not be

Confirmation

Confirmation No.: SC240520

 10441 VINE ST
 LAKESIDE, CA 92040 2415

 Telephone : 619-240-8000
 Fax: -

oldcastleinfrastructure.com

Sold To ...: HAZARD CONSTRUCTION COMPANY
 10529 VINE ST
 LAKESIDE, CA 92040 2439

Ship To ..: WILL CALL
 STOCK
 Lakeside, CA 92040

Ship date: 10/21/2024

Reference :
Contact: Kirk Kharas

Phone: 858-587-3600 X115

Order No	Date	Customer No	Customer PO	Terms	Cash discount	Delivery terms
S300201	10/21/2024	100079	24001-10	Net 30 Days	2% If paid in 10 Days	Plant Pickup

Qty	Unit	Item	Description	Mark	Unit price	Amount
-----	------	------	-------------	------	------------	--------

applied to any ACH or Debit Card transaction.

15) Pricing remains valid for 180 days from order confirmation. For orders that have not shipped or transferred ownership to the buyer after 180 days, we reserve the right to implement a 1.5% quarterly price escalation fee.

16) If during the performance of this contract the cost of materials significantly increases through no fault of the seller, we reserve the right to equitably adjusted the price of this contract by an amount reasonably necessary to cover any such significant increase in the costs of materials. As used herein, a significant cost increase shall mean any increase in cost of materials exceeding 6% experienced by seller from the date of the contract signing.

 17) Delivery pricing is based on Oldcastle Infrastructure's current fuel surcharge rate and is good for 7 days from the date stated on this Quote. Thereafter, Customer is responsible for paying Oldcastle Infrastructure's fuel surcharge rate in effect on each delivery date. Fuel surcharge rates are derived from pricing, as established by the U.S. Energy Information Administration's Gasoline and Diesel Fuel Index, published at <https://www.eia.gov/petroleum/gasdiesel>
Additional Items:

18) Every effort has been made to provide an accurate take-off however, the quantities are not guaranteed by Oldcastle but provided for the buyer's convenience only. It is the buyer's responsibility to verify the accuracy of the project requirements and quantities. Changes in quantities, dimensions, or specifications from this quote may require an adjustment in price. Buyer agrees to pay per unit price for the actual number of units delivered.

 All products and services listed on this Quotation are provided under OLDCASTLE INFRASTRUCTURE, INC's Standard Terms and Conditions located at: <https://oldcastleinfrastructure.com/support/terms-conditions/>

ORDER TOTAL US	637.88
-----------------------	---------------

 (Accepted by)

 (Position)

 (Date)

DAILY EXTRA WORK REPORT

Att.A, Item 10, 02/13/25

Metropolitan Transit System		Invoice: FL 21284	Contract: PWB380.0-24	Change Order 802
Contractor Job: 24001-10 - Iris Bus Stops			Cost Code: 8001..P02	Billing Number 7.0
Work Performed By: Hazard Construction Company			DEWR No. 19231 <input checked="" type="checkbox"/> Signed	Report Date 10/31/2024
Description of Work: Assemble four (4) water service connections w/ new vavles @ loc #11; set meter boxes; backfill			Report No. R.C.	Perform Date 10/22/2024

Labor Charges

Craft ID	Employee Name	RT Hrs	OT/DT Hrs	Subs Units	RT Rate	OT/DT Rate	Subs Rate	Extended
L01 CPT F	J Groves	6.00			80.970			485.820
L02 LBR G1	RE Romo	6.00			70.920			425.520

Labor Charges		
RT Labor		911.34
SC 9.00%		82.02
OT/DT Labor		0.00

Equipment Charges

Equipment ID	Description	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended
E01 TRK-0126-	Chevy Silverado 3500HD	6.00		54.230			325.380

Subtotal Labor	993.36
Subsistence	0.00
Other Expenses	0.00
MU 15.00%	<u>149.00</u>
Labor Total	1,142.36

Material/Specialist Work/Lump Sum or Unit Price Payment

Number	Date	Vendor Name and Description	Units	Unit Price	Extended
M01 147376654-001	10/22/2024	Site One LS Supply / Misc 3/4" & 1" PVC Fittings + Tax	1.000 LS	35.60000	35.60

Equipment Charges		
Subtotal		325.38
MU 15.00%		<u>48.81</u>
Equipment Total		374.19

Material Charges		
Subtotal		35.60
MU 15.00%		<u>5.34</u>
Material Total		40.94

Activity Total **1,557.49**

Work Total **1,557.49**

Bill Subtotal **1,557.49**

Hazard Construction Company
 10529 Vine Street, Lakeside, CA 92040
 Phone: (858) 587-3600 Fax: (858) 453-6034
 Job Contact: Kevin Dunwell 760) 473-8616

Accepted:	
Customer:	Date:
Contractor:	Date:

Bill Total + **1,557.49**

Sales Invoice



Stronger Together

Chula Vista CA #319
751 Design Ct Ste B
Chula Vista, CA 91911-6122
W: (619)421-7627

Job: 24001-10 IRIS BUS STOPS

code: 8002 ..PO2

TM RELOCATE WATER SERVICE

Sold To:

Hazard Construction Company (#1290055)
10529 Vine St
Lakeside, CA 92040-2439
W: (858)587-3600

Ship To:

Hazard Construction Company (#1290055)
10529 Vine St
Lakeside, CA 92040-2439
W: (858)587-3600

For Chemical Emergency Spill, Leak, Fire, Exposure, or Accident Emergency Response Assistance, call: CHEMTREC Day or Night- 1 (800) 424-9300

Ordered	Order#	PO#	Invoiced	Invoice#
10/22/2024	147376654-001	H619	10/22/2024	147376654-001

Printed	Requested for	Ship Via	Customer Contact	Sales Associate
10/22/2024		Customer Pick up	Joel Groves	Felipe Alayza



Special Instructions:									
Iris Ave Bus Stop									
LN	Item #	Description	Qty Ordered	Qty Shipped	Qty Cancelled	Qty Open	Net Price	Ext. Price	
1	436-102	Sch 40 PVC Reducing Male Adapter 3/4 in. x 1 in. MIPT x Socket	3	3	0	0	1.541 / EA	4.62	
2	417-010	Sch 40 PVC 45 Degree Elbow 1 in. Socket	4	4	0	0	1.833 / EA	7.33	
3	406-010	Sch 40 PVC 90 Degree Elbow 1 in. Socket	12	12	0	0	1.195 / EA	14.34	
4	408-007	Sch 40 PVC 90 Degree Elbow 3/4 in. FIPT	3	3	0	0	2.150 / EA	6.45	

Please remit payment to:
SiteOne Landscape Supply, LLC
24110 Network Place
Chicago, IL 60673-1241

Terms: 2% 15TH PROX
DEDUCT CASH DISCOUNT OF 0.65 IF PAID BY
11/15/2024

Subtotal: \$32.74
Sales Tax: \$2.86
Freight: \$0.00
Total: \$35.60
Total Payment: \$0.00
Amount Due: \$35.60

CUSTOMER SIGNATURE:

SiteOne Landscape Supply warrants that all products conform to the description on the label. Because conditions of use, which are of critical importance are beyond our control, seller makes no warranty, expressed or implied, concerning the use of these products. No employee of the company is authorized to make any warranty or representation, expressed or implied, concerning our products. Always follow directions and carefully observe all precautions on the label or manufacturer's instructions. Products used contrary to directions may cause serious plant or personal injury. Buyer assumes all risk of use of handling whether in accordance with direction or not and accepts the products sold to them by this company on these conditions.

Note: Returns subject to 25% restock charge.



CUSTOMER OBSESSED

SARAH TIGLIO | Area Business Manager
619-806-7430 |

CHANGE ORDER 5

CONTRACT CHANGE ORDER NO. 05

PROJECT NAME: IRIS BUS STOPS AND TRANSIT CENTER
MTS WORK ORDER NUMBER: PWB380.0-24

Date: November 22, 2024

To: Hazard Construction Engr LLC. (Contractor)

You are directed to make the following changes from the Contract Documents or do the following described work not included in the Contract Documents for this Contract. **NOTE: This change order is not effective until approved by the Metropolitan Transit System (MTS).**

Change requested by: Contractor

This change order provides for additional 1,020 SF of concrete panels / concrete bus pads at the Iris Station. Concrete panel shall be for 7.5" PCC over 12" Crushed Aggregate Base.

Increase in Contract Items at Contract Unit Price:

Group B

Item No. 06: Crushed Aggregate Base	
+36.44 CY (+55.2%) @ \$160.00/CY.....	\$ 5,830.40 (+69.0%)
Item No. 09: 6" Concrete Curb	
+13.00 LF (+41.9%) @ \$50.00 / LF =.....	\$ 650.00 (+41.9%)
Item No. 10: Concrete Bus Pad	
+18.94 CY (+46.2%) @ 430.00/CY.....	\$ 8,144.20 (+46.2%)

In accordance with Section 7-3.5.2 Increases of More Than 25 Percent, of 2018 Edition The Greenbook, the adjustment due to the increase in total item pay quantity for Group B, Item No. 06, Crushed Aggregate Base, and Item No. 09, 6" Concrete Curb, Item No. 10, Concrete Bus Pad, are deferred.

Total Work at Unit Price: \$14,624.60

Extra Work at Lump Sum:

Provide all labor, materials, equipment, tools and incidental required for the removal of existing 1,020 SF of concrete panel as described below:

1. Additional 150 SF at the main line removal at the northwest end of the existing removals where electrical utility trench went through
2. An additional 55 SF of sidewalk removal at the northwest end of the project where electrical utility went through.
3. All work described above to include subgrade preparation.
4. All removal of demolition materials are to be hauled offsite, including but not limited to, roadway excavation, existing 9" PCC, and existing crushed aggregate base material.

Work shall be paid in accordance with Section 3.34, "Changes and Extra Work Payment," of the Standard Construction Agreement, and all applicable documents of the contract documents.

For the work involved in this change order, the Contractor will receive and accept the agreed Lump Sum payment of \$10,535.59. This sum constitutes full and complete compensation, including mark-ups by reason of this change.

Total Extra Work at Lump Sum: \$9,530.05

Contract Time of Completion:

A determination of the delay in completion of the contract due to the work specified by contract change order No. 05 has been made in accordance with the provisions of Section 6-9, "Liquidated Damages" of the Standard Construction Agreement.

This change order will adjust the contract time of completion by adding an additional (0) calendar days.

Total Cost of this Change Order Increase \$ 24,154.05

This Change Order adjusts the time of completion as follows: (0) Calendar Days

<p>This Change Order constitutes a complete and final resolution of all claims of the Contractor for additional time or additional compensation related to or affected by work that is the subject of this Change Order. Without limiting the applicability of other sections, this Change Order is subject to the standard specifications, Contract special provisions, newly provided plans and specifications, and applicable standard drawings.</p> <p>No Contract Change Order will be binding upon the Metropolitan Transit System (MTS) until signed by the authorized representatives of MTS Capital Projects Department.</p>	
<p>RECOMMENDED BY: Hassan Mustafa, Resident Engineer (Sign and Print Name & Title)</p>	<p>DATE: 11/22/2024</p>
<p>ACCEPTED BY CONTRACTOR: (Sign and Print Name & Title)</p>	<p>DATE:</p>
<p>Project Manager, MTS: (Sign and Print Name & Title)</p>	<p>DATE:</p>
<p>Procurement Specialist, MTS: (Sign and Print Name & Title)</p>	<p>DATE:</p>



HAZARD CONSTRUCTION COMPANY | Lic. #750542 A/C31
 HAZARD CM ENGR LLC | Lic. #1039495 A/C31
 HAZARD CONSTRUCTION ENGR LLC | Lic. #1038899 A/C31

Att.A, Item 10, 02/13/25

10529 Vine Street
 Lakeside, CA 92040
 Phone (858) 587-3600
 Fax (858) 453-6034
 hazardconstruction.com

CHANGE ORDER REQUEST NO. 08R1

24001- 10 - Iris Bus Stops

November 22, 2024

To: Natalie Ven
 MTS - Metropolitan Transit System
 1255 Imperial Avenue, Suite 1000
 San Diego, CA 92101
Phone:
Email: natalie.ven@sdmts.com

From: Kirk Kharas
 Hazard Construction Engr LLC
 10529 Vine Street
 Lakeside, CA 92040
Phone: 858.587.3600
Email: kkharas@hazardcon.com

<u>COR</u> <u>Item</u>	<u>Description</u>	<u>Quantity</u>	<u>UM</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Change</u> <u>(Days)</u>
1	Demo Additional PCC at Transit Center East	.00	LS	\$.000	\$9,530.05	3
Total:					\$9,530.05	

Please issue a Contract Change Order to allow for inclusion in our Contract Agreement.
 Thank you for your cooperation.



HAZARD CONSTRUCTION COMPANY | Lic. #750542 A/C31
HAZARD CM ENGR LLC | Lic. #1039495 A/C31
HAZARD CONSTRUCTION ENGR LLC | Lic. #1038899 A/C31

Att.A, Item 10, 02/13/25
10529 Vine Street
Lakeside, CA 92040
Phone (858) 587-3600
Fax (858) 453-6034
hazardconstruction.com

MTS – Iris Rapid Bus Stops and Transit Center East

November 22, 2024

Change Order Request #8R1 – Demo Additional PCC

As requested by MTS by email dated October 24, 2024, the following is our price for demolition, disposal and subgrade prep for the additional PPC at Transit Center East. As directed, this work was tracked on Time & Material.

Per the attached Extra Work Tickets 1 LS @ \$9,530.05 = \$9,530.05

Please issue a Contract Change Order in the amount of \$9,530.05 for demolition of additional PCC at Transit Center East.

Please add 3 WD of additional contract time.

EW Billing Package #1.1 for PC 8003..P03 - 11/22/2024 - rev 1

CO Detail - Job 24001-10
All Billings - Contract: PWB380.0-24

Hazard Construction Company

Billing	DATES			LAST PAYMENT			DISPOSITION VARIANCE					Company	
	Perform	Report	Submit	Number	Period	Billed	Paid	Balance	Pending	Disputed	Writeoff		AltBillNo
803													
• PC 8003..P03 - EWTM - Demo Additional PCC													
9.1 F	10/28/24	11/22/24	11/22/24		P	4,767.03		-4,767.03	-4,767.03				HAZARD
	[19233] Demo concrete from west side on location 11 white paving; haul off 4 loads total												
10.1 F	10/29/24	11/22/24	11/22/24		P	3,947.22		-3,947.22	-3,947.22				HAZARD
	[19234] Demo two (2) sections of white paving at location 11; haul off 4 loads total; begin grading base												
11.1 F	10/30/24	11/22/24	11/22/24		P	815.80		-815.80	-815.80				HAZARD
	[19236] Place C2 base & compact for white paving at east & west end of location 11												
				803		9,530.05		-9,530.05	-9,530.05				
				Grand Totals		9,530.05		-9,530.05	-9,530.05				

DAILY EXTRA WORK REPORT

Att.A, Item 10, 02/13/25

Metropolitan Transit System Contractor Job: 24001-10 - Iris Bus Stops Work Performed By: Hazard Construction Company Description of Work: Demo concrete from west side on location 11 white paving; haul off 4 loads total	Invoice: FL 21341	Contract: PWB380.0-24 Cost Code: 8003..P03 DEWR No. 19233 <input checked="" type="checkbox"/> Signed Report No. R.C.	Change Order 803 Billing Number 9.1 Report Date 11/22/2024 Perform Date 10/28/2024
--	--------------------------	---	---

Labor Charges

Craft/Level	Employee Name	RT Hrs	OT/DT Hrs	Subs Units	RT Rate	OT/DT Rate	Subs Rate	Extended
L01 OE F	TS Mendoza	7.00			97.580			683.060
L02 LBR G1	RE Romo	7.00			70.920			496.440

Labor Charges	
RT Labor	1,179.50
SC 9.00%	106.16
OT/DT Labor	0.00

Equipment Charges

Equipment ID	Description	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended
E01 TRK-0132-	Foreman's Truck	7.00		41.960			293.720
E02 EXC-0006-	Komatsu PC88 Excavator	4.00		63.180			252.720

Subtotal Labor	1,285.66
Subsistence	0.00
Other Expenses	0.00
MU 15.00%	<u>192.85</u>
Labor Total	1,478.51

Material/Specialist Work/Lump Sum or Unit Price Payment

Number	Date	Vendor Name and Description	Units	Unit Price	Extended
M01 RA21866.03	10/31/2024	Clairemont Equip Rentals / Rental of Breaker for PC88 Excavator	3.000 HR	24.38000	73.14
M02 045473-01	11/01/2024	Rust Logistics / Super 10 & Driver + 12% Fuel SC	6.000 HR	140.00000	840.00
M03 TM0766	10/31/2024	F. J. Willert / Dump Fees - Super 10 - Mixed Demo	4.000 LD	350.00000	1,400.00

Equipment Charges	
Subtotal	546.44
MU 15.00%	<u>81.97</u>
Equipment Total	628.41

Material Charges	
Subtotal	2,313.14
MU 15.00%	<u>346.97</u>
Material Total	2,660.11

Activity Total **4,767.03**

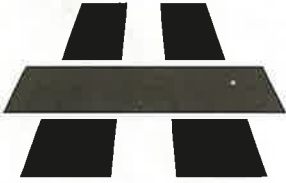
Work Total **4,767.03**

Bill Subtotal **4,767.03**

Hazard Construction Company
 10529 Vine Street, Lakeside, CA 92040
 Phone: (858) 587-3600 Fax: (858) 453-6034
 Job Contact: Kevin Dunwell 760) 473-8616

Accepted:	
Customer:	Date:
Contractor:	Date:

Bill Total + **4,767.03**



DAILY EXTRA WORK REPORT
HAZARD CONSTRUCTION
 P.O. BOX 229000, SAN DIEGO, CA 92192
 (858) 587-3600

Att.A, Item 10, 02/13/25

STATE LIC. #750542A/B

RECEIVED

By Kevin Dunwell at 02:50 pm, Oct 30, 2024

CUSTOMER MTS WORK REPORT **19233**
 JOB NAME / LOCATION IRIS BUS STOPS / Location 11 / 30th & IRIS AVE DATE PERFORMED 10-28-24
 DESCRIPTION OF WORK TODAY, TRINIDAD & ROMO DEMOLISHED & Hauled CHARGE TO JOB # 24001-10
Concrete from the west side on location 11 white COST CODE 8003..PO3
paving. TOTAL OF 4 LOADS. SUPERINTENDENT GARY GROVES
 REQUESTED BY _____ PURCHASE ORDER # _____ FOREMAN TRINIDAD MENDOZA

DESCRIPTION OF CHARGES	EQUIP. NO.	HOURS		RATE	EXTENSION
		ST	OT		
LABOR & EQUIPMENT <u>TRINIDAD MENDOZA - 3797</u>		<u>8</u>	<u>7</u>		
<u>WORK TRUCK</u>	<u>TRK-0132</u>	<u>8</u>	<u>7</u>		
<u>RAMON ROMO - 4108</u>		<u>8</u>	<u>7</u>		
<u>PC88MR</u>	<u>EXC-2006</u>	<u>8</u>	<u>4</u>		
<u>ORTIZ TRUCKING</u>		<u>6</u>			<u>(paid by invoice below)</u>
<u>concrete breaker attachment</u>	<u>BKH-R015</u>	<u>6</u>	<u>3</u>		<u>(paid by invoice below)</u>

MOVE-IN MOVE-OUT

Dump Fees for 4 loads of O/S Concrete Demo to FJ Willert (paid by invoice below)

MATERIALS EXCAVATOR/HAMMER WAS DOWN 3 HRS DUE TO HYDRAULIC ISSUES/LEAK OF HAMMER HYDRAULIC OIL ON HAMMER. BAC

I certify work and/or materials on this Work Order have been performed and/or received in good condition and the labor and equipment hours and material quantities are correct.

CUSTOMER'S AUTHORIZED REPRESENTATIVE:

Signature

Title

Date

10/28/2024

VERIFY HOURS DULY

COMMENTS

TOTAL AMOUNT

White - Office

Canary - Customer

Green with Time Sheet

Pink - Field Copy



1330 MISSION ROAD
ESCONDIDO, CA 92029

PLEASE REMIT TO:
MAIN OFFICE
7651 Ronson Road
San Diego, CA 92111-1511
Billing Inquiries: (858) 278-8351
Email: accounting@cecsd.com

Rental Invoice

Invoice: RA21866-03
Invoice Date: 10/31/2024
Start Date: 9/30/2024
Billed From: 9/30/2024
Billed Thru: 10/8/2024
Contact: JOEL GROVES
Phone: 619-797-0481
Email:
Jobsite: BLUE STATION S D
3171 IRIS AVE
SAN DIEGO, CA 92173-1234

Bill To:
Customer No. HAZAR002
HAZARD CONSTRUCTION CO.
10529 VINE ST.
LAKESIDE, CA 92040
Account

Written By: Jason Williams
Sales Rep: JASON WILLIAMS
PO #: RN ____ 24001

Signed By:
Order By: JEFF

Qty	Description	Day	Week	4 Week	Totals
-----	-------------	-----	------	--------	--------

Rental Items

PC88 W ISO W BREAKER AND 24"
PC88 RETURNED TO CECO S D 10 08 12:00 BILLING FOR 1.0 WEEK AND 1.0 DAY USE -
CUSTOMER DID NOT RETURN THE BUCKET OR BREAKER ADVISED THEY WERE KEEPING
FOR USE ON HAZARD OWNED PC88 TRENAL CONTIUES FOR THEM - THANK YOU
10 31 BILLING FOR MONTH USE ON BREAKER 09 30 - 10 28 PU 10 31 WPC88 8799378 ON
RA20451 ALSO PU MISSING BUCKIET 872556 FROM THIS RA HOWEVER 8798717 IS STILL
MISSING FROM RA20451 THANK YOU

1	331-0114 14000-19999 Lb Mini Excavator		\$325.00		
	ID: 8799528 Serial: C40049 Model: PC88MR-11				
	Hours Out: 368.3 Hours In: 391.5 Used: 23.2				
	Date Out: 9/30/2024 7:00 AM Date Returned: 10/8/2024 12:00 PM				
1	369-0102 500-999 Lb Hammer Attachment		\$195.00		\$2,340.00
	ID: 854636 Serial: BES066070 Model: SBU340				
	Hours Out: 0.0 Hours In: 0.0 Used: 0.0				
	Date Out: 9/30/2024 7:00 AM Date Returned: 10/8/2024 12:00 PM				
	Calculation of hourly rate for the PC88 breaker: \$195 daily rate / 8 hours per day = \$24.38 / hr				
1	366-1118 36 In Backhoe Bucket				
	ID: 872556 Serial: 10711078526 Model: WB140150				
	Hours Out: 0.0 Hours In: 0.0 Used: 0.0				
	Date Out: 9/30/2024 7:00 AM Date Returned: 10/8/2024 12:00 PM				

Miscellaneous Items

ACCOUNTING USE ONLY:

1	Environmental	Equip #: <u>Exc 82035, Bkt 2015</u>	Co #: <u>10</u>	\$65.52
	Delivery Internal Haul 07	Cost Code: <u>0600</u>	Cost Type: <u>S</u>	\$150.00
	Pickup Internal Haul 07	Vendor #: <u>508</u>	Hours: <u>96/96</u>	\$150.00
		Job #: <u>24001-10</u>		Subtotal: \$2,705.52
		Notes: <u>1002., BQ3</u>		Sales Tax (7.75%): \$209.69
		<u>T-1 5,38,140/T-4,36,141</u>		Total: \$2,915.21
	Approval: <u>[Signature]</u>	Date: <u>11/8/24</u>		



Freight Bill

Att.A, Item 10, 02/13/25

DATE	INVOICE NUMBER
11/01/24	045473-01

15353 Olde Hwy 80 El Cajon, CA. 92021
 Phone: 619-443-6193 Fax: 619-443-9364

SHIPPER:

-- San Diego CA

BILL TO:

Hazard Construction
 10529 VINE ST
 Lakeside, CA 92040

CONSIGNEE:

local -- San Diego CA

Due On Receipt

QUANTITY	DESCRIPTION	WEIGHT	RATE	AMOUNT
6	PER HOUR----SUPER 10		125.00	750.00
6	FUEL SURCHARGE @12%		15.00	90.00
B/L # 1649039 P.O. # 24001-10 Unit# Trailer# Drivr Shipd 10/28/24 Delivered 10/28/24 PickUp#			TOTAL USD	840.00
				THANK YOU

NON-NEGOTIABLE BILL-OF-LADING AND TRANSPORTATION AGREEMENT

Att.A, Item 10, 02/15/25

PRINCIPAL CARRIER

RUST LOGISTICS

DATE

10-28-24

B-1649039

JOB #

24001-10

BROKER #

TRUCK #

17

TRAILER #

CA #

561522

CITY/STATE/ZIP

PH.

45473

UNDERLYING CARRIER (IF ANY)

ORTIZ TRUCKING

ADDRESS

PH.

SHIPPER

HAZARD

RECEIVER

ADDRESS

ADDRESS

CITY/STATE/ZIP

CITY/STATE/ZIP

POINT OF ORIGIN

IBIS ave & Howard ave S. D.

POINT OF DESTINATION

Siem Ave 11110 & Rita Rd S. D.

EDUCATION

- 10-WHEELER
- SUPER-10
- STRONG ARM

- SUPER TAG
- TRANSFER
- DBL BOTTOMS
- SEMI-BOTTOM
- END DUMP
- SIDE DUMP
- TRUCK & PUP
- WATER TRUCK
- FLAT BED
- MIXER
- SWEEPER
- OTHER

- HOURLY
- TONNAGE
- PER LOAD

RATE @ \$

TAG NO.	WEIGHT	COMMODITY	LOADING		UNLOADING		STANDBY TIME	BREAKDOWN OR REASON FOR DELAY
			ARRIVE	DEPART	ARRIVE	DEPART		
1		concrete	9:30	10:5	10:35	10:40		
2		concrete	11:00	11:40	12:5	12:16		
3		concrete	12:35	12:45	1:10	12:15		
4			1:35	2:30				
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								

4 Loads

REPORTING TIME <i>9:30</i>	ENDING TIME <i>3:30</i>	TOTAL TIME <i>6 hrs</i>	DEDUCTIBLE TIME	NET TIME <i>6 hrs</i>	TOTAL TONS	ACCESSORIAL OTHER
START DRIVING TIME LAST TRIP	ARRIVAL TIME AT DUMP LAST TRIP	END LOADING LAST TRIP	RUNNING TIME LAST TRIP	SUBJECT TO TERMS AND CONDITIONS ON REVERSE SIDE		TOTAL CHARGES

EDUARDO U.
DRIVER SIGNATURE

[Signature]
SHIPPER/RECEIVER (AGENT OR DEBITOR) SIGNATURE

ORIGINAL

TO REORDER THIS FORM
westk.org/store

PRESS HARD - YOU ARE MAKING 5 COPIES

WSTA 10/2022
REV 06/22

NON-NEGOTIABLE BILL-OF-LADING AND TRANSPORTATION AGREEMENT

BILL NO.

PRINCIPAL CARRIER

RUST LOGISTICS

DATE *Att. A, Item 10, 02/13/25*
10-28-24

B-1649039

ADDRESS

CITY/STATE/ZIP

PH.

JOB # *24001-10*

BROKER #

TRUCK # *17*

TRAILER #

CA # *561522*

UNDERLYING CARRIER (IF ANY)

ORTIZ TRUCKING

ADDRESS

PH.

SHIPPER

HAZARD

RECEIVER

JOB 24001-10

ADDRESS

ADDRESS

800B-P03

CITY/STATE/ZIP

CITY/STATE/ZIP

POINT OF ORIGIN

1815 ave & Howard ave S.D.

POINT OF DESTINATION

Siem Ave 1114 & Alta RD S.D.

EQUIPMENT TYPE

- SUPER TAG
- END DUMP
- FLAT BED
- 10-WHEELER
- TRANSFER
- SIDE DUMP
- MIXER
- SUPER-10
- DBL BOTTOMS
- TRUCK & PUP
- SWEEPER
- STRONG ARM
- SEMI-BOTTOM
- WATER TRUCK
- OTHER

HOURLY TONNAGE PER LOAD

RATE @ \$

TAG NO.	WEIGHT	COMMODITY	LOADING		UNLOADING		STANDBY TIME	BREAKDOWN OR REASON FOR DELAY
			ARRIVE	DEPART	ARRIVE	DEPART		
1		<i>concrete</i>	<i>9:30</i>	<i>10:5</i>	<i>10:35</i>	<i>10:40</i>		
2		<i>concrete</i>	<i>11:00</i>	<i>11:40</i>	<i>12:5</i>	<i>12:16</i>		
3		<i>concrete</i>	<i>12:35</i>	<i>12:45</i>	<i>1:10</i>	<i>12:15</i>		
4			<i>1:35</i>	<i>2:30</i>				
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								

REPORTING TIME *9:30* ENDING TIME *3:30* TOTAL TIME *6 hrs* DEDUCTIBLE TIME NET TIME *6 hrs* TOTAL TONS ACCESSORIAL OTHER

START DRIVING TIME LAST TRIP ARRIVAL TIME AT DUMP LAST TRIP END LOADING LAST TRIP RUNNING TIME LAST TRIP

SUBJECT TO TERMS AND CONDITIONS ON REVERSE SIDE

TOTAL CHARGES

A-59

EDUARDO U.
DRIVER SIGNATURE

SHIPPER/RECEIVER (AGENT OR DEBITOR) SIGNATURE

JOB

FJW JOB NO.
 16-096

DATE: 10/31/24

HAZARD CONSTRUCTION
 10529 VINE STREET,
 LAKESIDE, CA 92040

PROJECT: FJW CRUSHER PLANT
 OTAY BUSINESS PARK LOCATION
 OTAY MESA, CA

DATE	TICKET	TRUCK	DESCRIPTION	QTY.	UNIT	RATE	AMOUNT
10/01/24	1838900	124	10 WHEELER - CONCRETE	1.00	LD	\$100.00	\$100.00
	1838906	124	10 WHEELER - CONCRETE	1.00	LD	\$100.00	\$100.00
	1838908	79	SUPER 10 - CONCRETE	1.00	LD	\$100.00	\$100.00
	1839074	124	10 WHEELER - CONCRETE	1.00	LD	\$100.00	\$100.00
	1839079	79	SUPER 10 - CONCRETE	1.00	LD	\$100.00	\$100.00
	1839150	79	SUPER 10 - CONCRETE	1.00	LD	\$100.00	\$100.00
10/02/24	1840635	187	SUPER 10 - CONCRETE	1.00	LD	\$100.00	\$100.00
	1840637	187	SUPER 10 - CONCRETE	1.00	LD	\$100.00	\$100.00
	1840640	124	10 WHEELER - CONCRETE	1.00	LD	\$100.00	\$100.00
	1840654	181	SUPER 10 - CONCRETE	1.00	LD	\$100.00	\$100.00
	1840860	124	10 WHEELER - CONCRETE	1.00	LD	\$100.00	\$100.00
10/10/24	1853798	G-62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1853801	G-62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1853806	1	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1853807	1	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1853809	29	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
10/15/24	1857502	03	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1857537	7	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1857676	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1857677	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1857678	7	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1857679	125	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1857745	125	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1857751	1150	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1857771	03	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
10/16/24	1860860	16	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860861	16	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860862	16	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860863	16	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860864	16	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860865	16	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860870	16	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860872	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860985	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860986	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860987	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860988	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860990	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860999	G62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861000	G62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861001	G62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861002	G62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861003	G62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861004	G62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861016	7	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861017	G62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861087	7	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861088	7	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861089	7	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
1861090	7	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00	
1861091	7	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00	

F.J. WILLERT CONTRACTING CO., INC.
 GENERAL ENGINEERING CONTRACTORS * EQUIPMENT RENTAL
 LICENSE # 402473
 1869 NIRVANA AVE.
 CHULA VISTA, CA 91911-6117
 (619) 421-1980 * FAX (619) 421-1910

Att.A, Item 10, 02/13/25

INVOICE: TM0766

FJW JOB NO.
 16-096

DATE: 10/31/24

HAZARD CONSTRUCTION
 10529 VINE STREET,
 LAKESIDE, CA 92040

PROJECT: FJW CRUSHER PLANT
 OTAY BUSINESS PARK LOCATION
 OTAY MESA, CA

DATE	TICKET	TRUCK	DESCRIPTION	QTY.	UNIT	RATE	AMOUNT
10/17/24	1860989	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
10/28/24	1874983	17	SUPER 10 - O/S CONCRETE	1.00	LD	\$350.00	\$350.00
	1875082	17	SUPER 10 - O/S CONCRETE	1.00	LD	\$350.00	\$350.00
	1875248	17	SUPER 10 - O/S CONCRETE	1.00	LD	\$350.00	\$350.00
	1875359	17	SUPER 10 - O/S CONCRETE	1.00	LD	\$350.00	\$350.00
10/29/24	1876923	70	SUPER 10 - CONCRETE	1.00	LD	\$100.00	\$100.00
	1877185	70	SUPER 10 - CONCRETE	1.00	LD	\$100.00	\$100.00
	1877187	70	SUPER 10 - CONCRETE	1.00	LD	\$100.00	\$100.00
RECYCLED CLASS II BASE							
10/18/24	29473	W-3024	SUPER 10 - 14 LDS BASE	238.00	LD	\$8.00	\$1,904.00
	29474	W-386	SUPER 10 - 14 LDS BASE	238.00	LD	\$8.00	\$1,904.00
	29475	W-3023	SUPER 10 - 14 LDS BASE	238.00	LD	\$8.00	\$1,904.00

ATTENTION: PETE & PATRICIA (858) 587 - 3600
 POINT OF ORIGIN: 24001-10 / 24002-20
AGREED \$100 PER CLEAN S10 / 10W LOAD FROM IRIS BUS STOP / 24001-10
DUMP FEES PLUS SURCHARGES AT FJW CRUSHER SITE

P & OH	PROFIT AND OVERHEAD:	\$14,662.00	\$0.00	\$0.00
	TOTAL AMOUNT DUE:			\$14,662.00



10/28/2024

- 1869 Nirvana Avenue - Chula Vista CA 91911
- Phone 619-421-1980 - Fax 619-421-1910

Date:

10/28/2024

Ticket No.

1874983

Crusher Plant:

PASEO CRUSHER

TRUCK # and Name of Trucking Co.

17 Ortiz Trucking

FJW Billing Customer:

HAZARD CONSTRUCTION COMPANY [HAZARD]

Credit Card Customer (Company Name):

Cash Customer (Company Name):

FJW Job#

Point of Origin (If Not FJW Job)

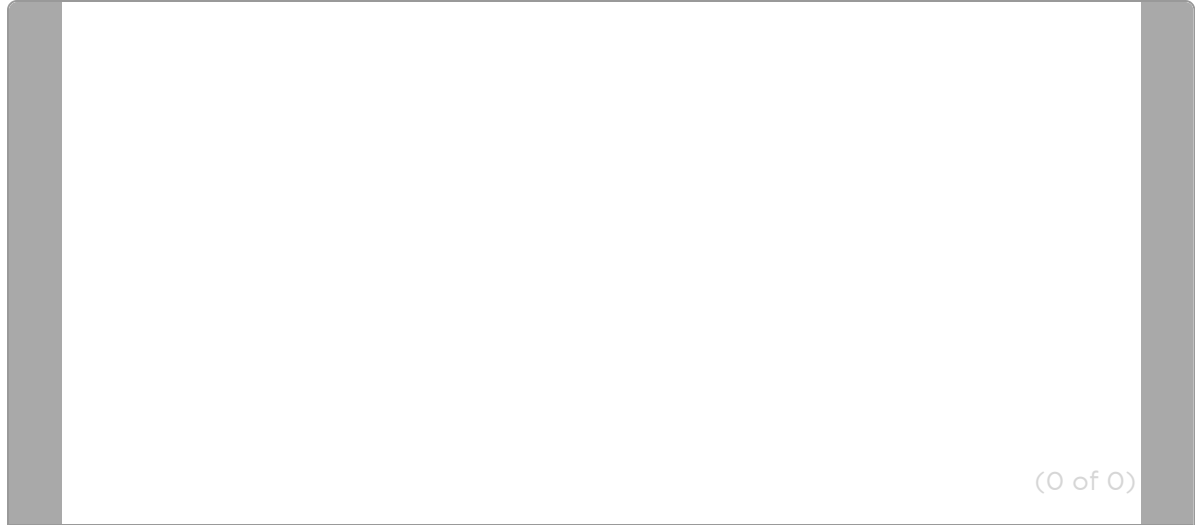
24001

A-62

Section:

Commodity:	Surcharge:	Att. A, Item 10, 02/13/25 Truck Type:
CONCRETE	Oversize	Super 10 17 TONS

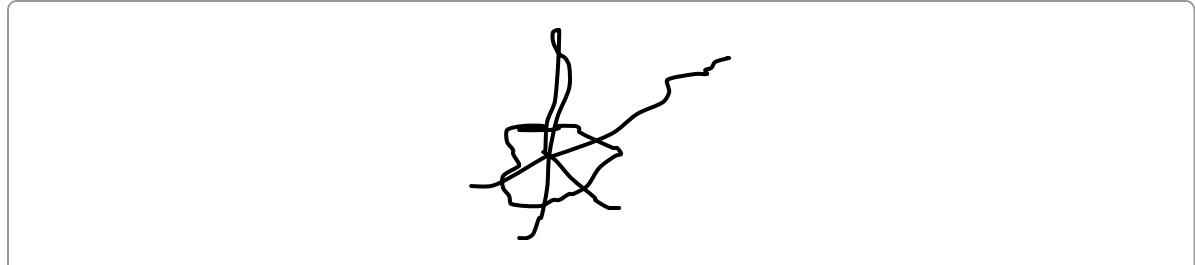
Surcharge Photo:



(0 of 0)

Name:	
File Type:	
Description:	

Signature:



Name:	Hazard
Timestamp:	10/28/2024 11:08 AM (-07:00) at 32°33'21.2"N 116°55'7.8"W
Status:	Current

This certifies that the company above has utilized a recycling facility to divert construction demolition material in accordance with LEED requirements. The diversion is based on an overall tonnage percentage of the respective facility.



10/28/2024

- 1869 Nirvana Avenue - Chula Vista CA 91911
- Phone 619-421-1980 - Fax 619-421-1910

Date:

10/28/2024

Ticket No.

1875082

Crusher Plant:

PASEO CRUSHER

TRUCK # and Name of Trucking Co.

17 Ortiz Trucking

FJW Billing Customer:

HAZARD CONSTRUCTION COMPANY [HAZARD]

Credit Card Customer (Company Name):

Cash Customer (Company Name):

FJW Job#

Point of Origin (If Not FJW Job)

24001

A-64

Section:

Commodity:	Surcharge:	Att. A, Item 10, 02/13/25 Truck Type:
CONCRETE	Oversize	Super 10 17 TONS

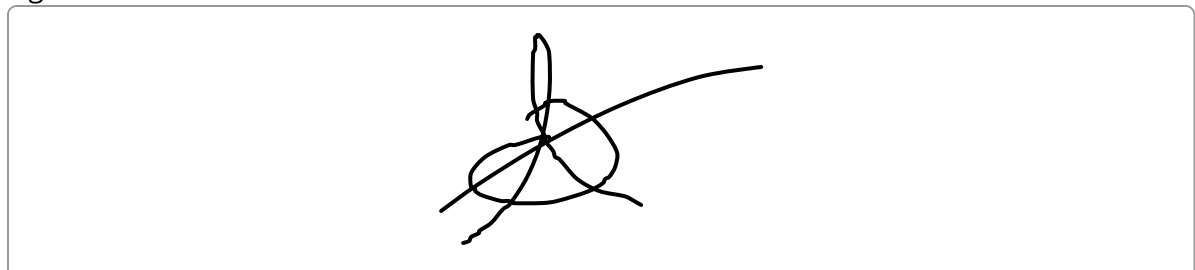
Surcharge Photo:



(0 of 0)

Name:	
File Type:	
Description:	

Signature:



Name:	Eduardo
Timestamp:	10/28/2024 12:13 PM (-07:00) at 32°33'21.4"N 116°55'7.6"W
Status:	Current

This certifies that the company above has utilized a recycling facility to divert construction demolition material in accordance with LEED requirements. The diversion is based on an overall tonnage percentage of the respective facility.



10/28/2024

- 1869 Nirvana Avenue - Chula Vista CA 91911
- Phone 619-421-1980 - Fax 619-421-1910

Date:

10/28/2024

Ticket No.

1875248

Crusher Plant:

PASEO CRUSHER

TRUCK # and Name of Trucking Co.

17 Ortiz Trucking

FJW Billing Customer:

HAZARD CONSTRUCTION COMPANY [HAZARD]

Credit Card Customer (Company Name):

Cash Customer (Company Name):

FJW Job#

Point of Origin (If Not FJW Job)

24001

A-66

Section:

Commodity:	Surcharge:	Att. A, Item 10, 02/13/25 Truck Type:
CONCRETE	Oversize	Super 10 17 TONS

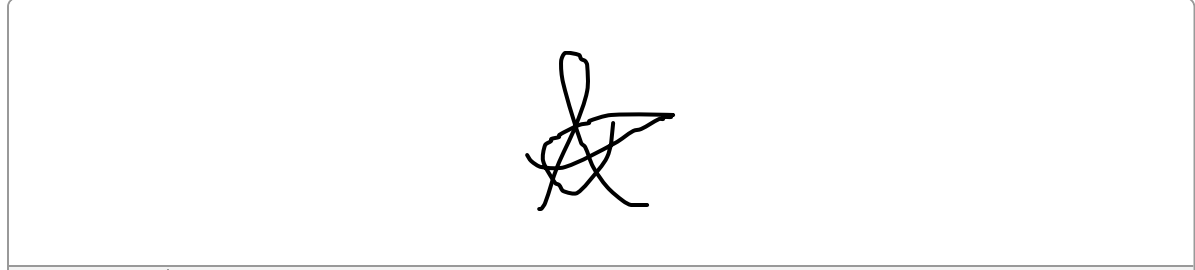
Surcharge Photo:



(0 of 0)

Name:	
File Type:	
Description:	

Signature:



Name:	Eduardo
Timestamp:	10/28/2024 1:49 PM (-07:00) at 32°33'21.4"N 116°55'8.1"W
Status:	Current

This certifies that the company above has utilized a recycling facility to divert construction demolition material in accordance with LEED requirements. The diversion is based on an overall tonnage percentage of the respective facility.



- 1869 Nirvana Avenue - Chula Vista CA 91911
- Phone 619-421-1980 - Fax 619-421-1910

Date:

10/28/2024

Ticket No.

1875359

Crusher Plant:

PASEO CRUSHER

TRUCK # and Name of Trucking Co.

17 Ortiz Trucking

FJW Billing Customer:

HAZARD CONSTRUCTION COMPANY [HAZARD]

Credit Card Customer (Company Name):

Cash Customer (Company Name):

FJW Job#

Point of Origin (If Not FJW Job)

24001

A-68

Section:

Commodity:	Surcharge:	Att. A, Item 10, 02/13/25 Truck Type:
CONCRETE	Oversize	Super 10 17 TONS

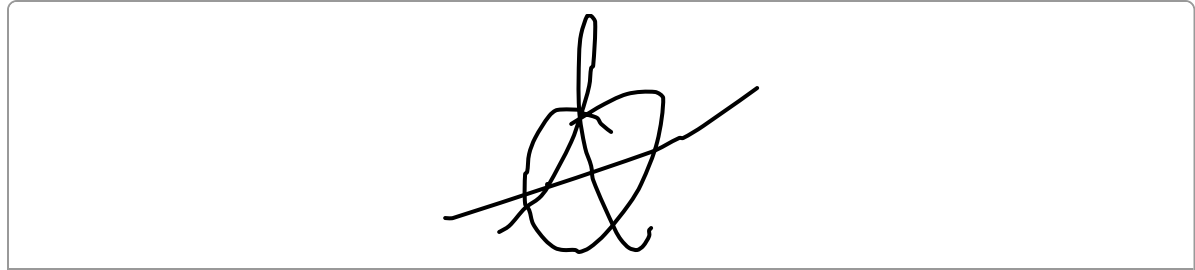
Surcharge Photo:



(0 of 0)

Name:	
File Type:	
Description:	

Signature:



Name:	Eduardo
Timestamp:	10/28/2024 2:56 PM (-07:00) at 32°33'21.4"N 116°55'8.1"W
Status:	Current

This certifies that the company above has utilized a recycling facility to divert construction demolition material in accordance with LEED requirements. The diversion is based on an overall tonnage percentage of the respective facility.

DAILY EXTRA WORK REPORT

Att.A, Item 10, 02/13/25

Metropolitan Transit System Contractor Job: 24001-10 - Iris Bus Stops Work Performed By: Hazard Construction Company Description of Work: Demo two (2) sections of white paving at location 11; haul off 4 loads total; begin grading base	Invoice: FL 21305	Contract: PWB380.0-24 Cost Code: 8003..P03 DEWR No. 19234 <input checked="" type="checkbox"/> Signed Report No. R.C.	Change Order 803 Billing Number 10.1 Report Date 11/22/2024 Perform Date 10/29/2024
--	--------------------------	---	--

Labor Charges								
Craft ID	Employee Name	RT Hrs	OT/DT Hrs	Subs Units	RT Rate	OT/DT Rate	Subs Rate	Extended
L01	OE G8	E Colbert	8.00		95.580			764.640
L02	LBR G1	RE Romo	8.00		70.920			567.360

Labor Charges	
RT Labor	1,332.00
SC 9.00%	119.88
OT/DT Labor	0.00

Equipment Charges							
Equipment ID	Description	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended
E01	EXC-0006- Komatsu PC88 Excavator	8.00		63.180			505.440

Subtotal Labor	1,451.88
Subsistence	0.00
Other Expenses	0.00
MU 15.00%	<u>217.78</u>
Labor Total	1,669.66

Material/Specialist Work/Lump Sum or Unit Price Payment						
Number	Date	Vendor Name and Description	Units	Unit Price	Extended	
M01	10/31/2024	Clairemont Equip Rentals / Rental of Breaker for PC88 Excavator	8.000 HR	24.38000	195.04	
M02	10/30/2024	Rust Logistics / Super 10 & Driver + 12% Fuel SC	7.000 HR	140.00000	980.00	
M03	10/31/2024	F. J. Willert / Dump Fees - Super 10 - Concrete	3.000 LD	100.00000	300.00	

Equipment Charges	
Subtotal	505.44
MU 15.00%	<u>75.82</u>
Equipment Total	581.26

Material Charges	
Subtotal	1,475.04
MU 15.00%	<u>221.26</u>
Material Total	1,696.30

Activity Total **3,947.22**

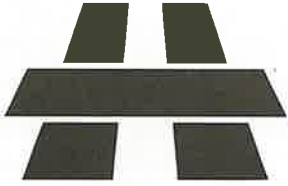
Work Total **3,947.22**

Bill Subtotal **3,947.22**

Hazard Construction Company
 10529 Vine Street, Lakeside, CA 92040
 Phone: (858) 587-3600 Fax: (858) 453-6034
 Job Contact: Kevin Dunwell 760) 473-8616

Accepted:	
Customer:	Date:
Contractor:	Date:

Bill Total + **3,947.22**



DAILY EXTRA WORK REPORT
HAZARD CONSTRUCTION
 P.O. BOX 229000, SAN DIEGO, CA 92192
 (858) 587-3600

Att.A, Item 10, 02/13/25

STATE LIC. #750542A/B

RECEIVED

By Kevin Dunwell at 02:50 pm, Oct 30, 2024

CUSTOMER MTS WORK REPORT **19234**
 JOB NAME / LOCATION IRIS BUS STOPS / LOCATION 11 / 30th & IRIS AVE DATE PERFORMED 10-29-24
 DESCRIPTION OF WORK Today, Eddy & Romo DEMOED TWO SECTIONS OF CHARGE TO JOB # 24001-10
THE WHITE PAVING ON THE EAST END OF LOCATION 11. THE COST CODE 8003.. P03
TRUCK WAS LOADED & HAULED ³ TIMES, THE LOADS INCLUDED SUPERINTENDENT GARY GROVES
concrete and base. ALSO, THEY STARTED TO PURCHASE GRADE THE BASE.
 REQUESTED BY _____ ORDER # _____ FOREMAN JOEL GROVES

DESCRIPTION OF CHARGES	EQUIP. NO.	HOURS		RATE	EXTENSION
		ST	OT		
LABOR & EQUIPMENT <u>08 - EDDY COLBERT [4312]</u>		8			
<u>LAB. - RAMON Romo - [4108]</u>		8			
<u>PC88 MR</u>		8			
<u>concrete breaker attachment</u>		8		(paid by invoice below)	
<u>Red Hills Trucking</u>		7		(paid by invoice below)	


MOVE-IN MOVE-OUT

MATERIALS

Dump Fees for 3 loads of O/S Concrete Demo to FJ Willert (paid by invoice below)

I certify work and/or materials on this Work Order have been performed and/or received in good condition and the labor and equipment hours and material quantities are correct.

CUSTOMER'S AUTHORIZED REPRESENTATIVE:


 Signature _____ Title _____ Date 10/29/2024

TOTAL AMOUNT

COMMENTS

VERIFY HOURS ONLY

White - Office

Canary - Customer

Green with Time Sheet

Pink - Field Copy



1330 MISSION ROAD
 ESCONDIDO, CA 92029

PLEASE REMIT TO:
MAIN OFFICE
 7651 Ronson Road
 San Diego, CA 92111-1511
 Billing Inquiries: (858) 278-8351
 Email: accounting@cecsd.com

Rental Invoice

Invoice: RA21866-03
Invoice Date: 10/31/2024
Start Date: 9/30/2024
Billed From: 9/30/2024
Billed Thru: 10/8/2024
Contact: JOEL GROVES
Phone: 619-797-0481
Email:
Jobsite: BLUE STATION S D
 3171 IRIS AVE
 SAN DIEGO, CA 92173-1234
Written By: Jason Williams
Sales Rep: JASON WILLIAMS
PO #: RN ____ 24001

Bill To:
 Customer No. HAZAR002
 HAZARD CONSTRUCTION CO.
 10529 VINE ST.
 LAKESIDE, CA 92040
 Account

Signed By:
 Order By: JEFF

Qty	Description	Day	Week	4 Week	Totals
-----	-------------	-----	------	--------	--------

Rental Items

PC88 W ISO W BREAKER AND 24"
 PC88 RETURNED TO CECO S D 10 08 12:00 BILLING FOR 1.0 WEEK AND 1.0 DAY USE -
 CUSTOMER DID NOT RETURN THE BUCKET OR BREAKER ADVISED THEY WERE KEEPING
 FOR USE ON HAZARD OWNED PC88 TRENAL CONTIUES FOR THEM - THANK YOU
 10 31 BILLING FOR MONTH USE ON BREAKER 09 30 - 10 28 PU 10 31 WPC88 8799378 ON
 RA20451 ALSO PU MISSING BUCKIET 872556 FROM THIS RA HOWEVER 8798717 IS STILL
 MISSING FROM RA20451 THANK YOU

1	331-0114 14000-19999 Lb Mini Excavator		\$325.00		
	ID: 8799528 Serial: C40049 Model: PC88MR-11				
	Hours Out: 368.3 Hours In: 391.5 Used: 23.2				
	Date Out: 9/30/2024 7:00 AM Date Returned: 10/8/2024 12:00 PM				

1	369-0102 500-999 Lb Hammer Attachment		\$195.00		\$2,340.00
	ID: 854636 Serial: BES066070 Model: SBU340				
	Hours Out: 0.0 Hours In: 0.0 Used: 0.0				
	Date Out: 9/30/2024 7:00 AM Date Returned: 10/8/2024 12:00 PM				

Calculation of hourly rate for the PC88 breaker:
 \$195 daily rate / 8 hours per day = \$24.38 / hr

1	366-1118 36 In Backhoe Bucket				
	ID: 872556 Serial: 10711078526 Model: WB140150				
	Hours Out: 0.0 Hours In: 0.0 Used: 0.0				
	Date Out: 9/30/2024 7:00 AM Date Returned: 10/8/2024 12:00 PM				

Miscellaneous Items

ACCOUNTING USE ONLY:			
1	Environmental	Equip #: <u>Exc 82035, Bkt 2015</u>	\$65.52
	Delivery Internal Haul 07	Co #: <u>10</u>	
	Pickup Internal Haul 07	Cost Code: <u>0600</u> Cost Type: <u>S</u>	\$150.00
		Vendor #: <u>508</u> Hours: <u>96/96</u>	\$150.00
		Job #: <u>24001-10</u>	Subtotal: \$2,705.52
		Notes: <u>1002., BQ3</u>	Sales Tax (7.75%): \$209.69
		<u>T-1 5,38,140/T-4,36,141</u>	Total: \$2,915.21

Approval: [Signature] Date: 11/8/24

NON-NEGOTIABLE BILL-OF-LADING AND TRANSPORTATION AGREEMENT

BILL NO.

PRINCIPAL CARRIER <i>RUST & SONS TRUCKING</i>	DATE <i>10-29-24</i>	BILL NO. A-3817787	
ADDRESS		JOB # <i>24001-10</i>	
CITY/STATE/ZIP <i>EL CAJON CA</i>	PH.	BROKER # <i>RUST & SONS</i>	
UNDERLYING CARRIER (IF ANY) <i>RED HILLS TRANSPORT LLC</i>		TRUCK # <i>70</i>	
ADDRESS <i>OLD TULLO CA</i>	PH.	TRAILER #	
		CA # <i>594796</i>	

SHIPPER <i>HAZARD</i>	RECEIVER <i>FJ WILKENT</i>
ADDRESS <i>1215 & HOWARD AV</i>	ADDRESS <i>SIEMPRE VIVA & ALTA RD</i>
CITY/STATE/ZIP <i>SAN DIEGO</i>	CITY/STATE/ZIP <i>SAN DIEGO CA</i>
POINT OF ORIGIN	POINT OF DESTINATION <i>CRUSHER</i>

EQUIPMENT TYPE	<input type="checkbox"/> SUPER TAG	<input type="checkbox"/> END DUMP	<input type="checkbox"/> FLAT BED	<input checked="" type="checkbox"/> HOURLY <input type="checkbox"/> TONNAGE <input type="checkbox"/> PER LOAD
<input type="checkbox"/> 10-WHEELER	<input type="checkbox"/> TRANSFER	<input type="checkbox"/> SIDE DUMP	<input type="checkbox"/> MIXER	
<input checked="" type="checkbox"/> SUPER-10	<input type="checkbox"/> DBL BOTTOMS	<input type="checkbox"/> TRUCK & PUP	<input type="checkbox"/> SWEEPER	
<input type="checkbox"/> STRONG ARM	<input type="checkbox"/> SEMI-BOTTOM	<input type="checkbox"/> WATER TRUCK	<input type="checkbox"/> OTHER	
RATE @ \$				

TAG NO.	WEIGHT	COMMODITY	LOADING		UNLOADING		STANDBY TIME	BREAKDOWN OR REASON FOR DELAY
			ARRIVE	DEPART	ARRIVE	DEPART		
1		<i>Concrete</i>	<i>840</i>	<i>935</i>	<i>1005</i>	<i>1008</i>		
2		<i>///</i>	<i>1035</i>	<i>1120</i>	<i>1150</i>	<i>1153</i>		
3		<i>///</i>	<i>1215</i>	<i>1245</i>	<i>116</i>	<i>120</i>		
4		<i>///</i>	<i>150</i>	<i>215</i>	<i>300</i>	<i>340</i>		
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								

41
LOADS

REPORTING TIME <i>840</i>	ENDING TIME <i>340</i>	TOTAL TIME <i>7.0</i>	DEDUCTIBLE TIME <i>0</i>	NET TIME <i>7.0</i>	TOTAL TONS	ACCESSORIAL OTHER
START DRIVING TIME LAST TRIP	ARRIVAL TIME AT DUMP LAST TRIP	END LOADING LAST TRIP	RUNNING TIME LAST TRIP	SUBJECT TO TERMS AND CONDITIONS ON REVERSE SIDE		TOTAL CHARGES

Mat Rose
[Signature]
ORIGINAL

NON-NEGOTIABLE BILL-OF-LADING AND TRANSPORTATION AGREEMENT

JOB 24001-10 8003.P03

BILL NO.

PRINCIPAL CARRIER

JUST & SONS TRUCKING 10-29-24

DATE Att.A, Item 10, 02/13/25

A-3817787

ADDRESS

CITY/STATE/ZIP

EL CAJON CA

PH.

JOB #

24001-10

BROKER #

JUST & SONS

TRUCK #

70

TRAILER #

CA #

594796

UNDERLYING CARRIER (IF ANY)

RED HILLS TRANSPORT LLC.

ADDRESS

OLD TILLO CA

PH.

SHIPPER

Hazard

RECEIVER

FJ WILBERT

ADDRESS

1015 & HOWARD AV

ADDRESS

SIEMPRE VIVA & ALTANO

CITY/STATE/ZIP

SAN DIEGO

CITY/STATE/ZIP

SAN DIEGO CA

POINT OF ORIGIN

POINT OF DESTINATION

CRUSHER

EQUIPMENT TYPE

- SUPER TAG
- END DUMP
- FLAT BED
- 10-WHEELER
- TRANSFER
- SIDE DUMP
- MIXER
- SUPER-10
- DBL BOTTOMS
- TRUCK & PUP
- SWEEPER
- STRONG ARM
- SEMI-BOTTOM
- WATER TRUCK
- OTHER

HOURLY TONNAGE PER LOAD

RATE @ \$

TAG NO.	WEIGHT	COMMODITY	LOADING		UNLOADING		STANDBY TIME	BREAKDOWN OR REASON FOR DELAY
			ARRIVE	DEPART	ARRIVE	DEPART		
1		Concrete	840	935	1005	1008		
2		///	1035	1120	1150	1153		
3		///	1215	1245	116	120		
4		///	150	215	300	340		
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								

4 LOADS

REPORTING TIME	ENDING TIME	TOTAL TIME	DEDUCTIBLE TIME	NET TIME	TOTAL TONS	ACCESSORIAL OTHER
840	340	7.0	0	7.0		

START DRIVING TIME LAST TRIP	ARRIVAL TIME AT DUMP LAST TRIP	END LOADING LAST TRIP	ROLLING TIME LAST TRIP
------------------------------	--------------------------------	-----------------------	------------------------

SUBJECT TO TERMS AND CONDITIONS ON REVERSE SIDE

TOTAL CHARGES

Mat. Rose
DRIVER SIGNATURE

Shirley Rose
SHIPPER/RECEIVER (AGENT OR DEBITOR) SIGNATURE

A-75

JOB

FJW JOB NO.
 16-096

DATE: 10/31/24

HAZARD CONSTRUCTION
 10529 VINE STREET,
 LAKESIDE, CA 92040

PROJECT: FJW CRUSHER PLANT
 OTAY BUSINESS PARK LOCATION
 OTAY MESA, CA

DATE	TICKET	TRUCK	DESCRIPTION	QTY.	UNIT	RATE	AMOUNT
10/01/24	1838900	124	10 WHEELER - CONCRETE	1.00	LD	\$100.00	\$100.00
	1838906	124	10 WHEELER - CONCRETE	1.00	LD	\$100.00	\$100.00
	1838908	79	SUPER 10 - CONCRETE	1.00	LD	\$100.00	\$100.00
	1839074	124	10 WHEELER - CONCRETE	1.00	LD	\$100.00	\$100.00
	1839079	79	SUPER 10 - CONCRETE	1.00	LD	\$100.00	\$100.00
	1839150	79	SUPER 10 - CONCRETE	1.00	LD	\$100.00	\$100.00
10/02/24	1840635	187	SUPER 10 - CONCRETE	1.00	LD	\$100.00	\$100.00
	1840637	187	SUPER 10 - CONCRETE	1.00	LD	\$100.00	\$100.00
	1840640	124	10 WHEELER - CONCRETE	1.00	LD	\$100.00	\$100.00
	1840654	181	SUPER 10 - CONCRETE	1.00	LD	\$100.00	\$100.00
	1840860	124	10 WHEELER - CONCRETE	1.00	LD	\$100.00	\$100.00
10/10/24	1853798	G-62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1853801	G-62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1853806	1	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1853807	1	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1853809	29	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
10/15/24	1857502	03	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1857537	7	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1857676	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1857677	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1857678	7	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1857679	125	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1857745	125	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1857751	1150	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1857771	03	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
10/16/24	1860860	16	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860861	16	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860862	16	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860863	16	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860864	16	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860865	16	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860870	16	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860872	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860985	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860986	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860987	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860988	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860990	3	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1860999	G62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861000	G62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861001	G62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861002	G62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861003	G62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861004	G62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861016	7	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861017	G62	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861087	7	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861088	7	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
	1861089	7	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00
1861090	7	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00	
1861091	7	END DUMP - ASPHALT	1.00	LD	\$150.00	\$150.00	



10/29/2024

- 1869 Nirvana Avenue - Chula Vista CA 91911
- Phone 619-421-1980 - Fax 619-421-1910

Date:

10/29/2024

Ticket No.

1876923

Crusher Plant:

PASEO CRUSHER

TRUCK # and Name of Trucking Co.

70 Rust and Sons

FJW Billing Customer:

HAZARD CONSTRUCTION COMPANY [HAZARD]

Credit Card Customer (Company Name):

Cash Customer (Company Name):

FJW Job#

Point of Origin (If Not FJW Job)

24001-10

A-78

Section:

Commodity:	Surcharge:	Att. A, Item 10, 02/13/25 Truck Type:
CONCRETE		Super 10 17 TONS

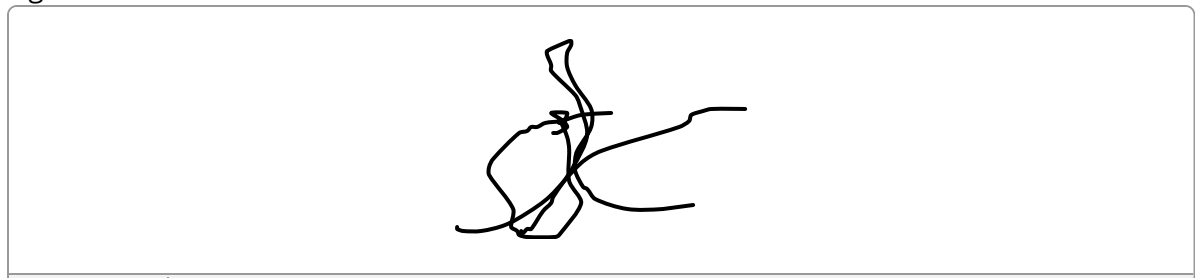
Surcharge Photo:



(0 of 0)

Name:	
File Type:	
Description:	

Signature:



Name:	Martin
Timestamp:	10/29/2024 11:37 AM (-07:00) at 32°33'21.1"N 116°55'6.7"W
Status:	Current

This certifies that the company above has utilized a recycling facility to divert construction demolition material in accordance with LEED requirements. The diversion is based on an overall tonnage percentage of the respective facility.



10/29/2024

- 1869 Nirvana Avenue - Chula Vista CA 91911
- Phone 619-421-1980 - Fax 619-421-1910

Date:

10/29/2024

Ticket No.

1877185

Crusher Plant:

PASEO CRUSHER

TRUCK # and Name of Trucking Co.

70 Rust and Sons

FJW Billing Customer:

HAZARD CONSTRUCTION COMPANY [HAZARD]

Credit Card Customer (Company Name):

Cash Customer (Company Name):

FJW Job#

Point of Origin (If Not FJW Job)

24001-10

A-80

Section:

Commodity:	Surcharge:	Att. A, Item 10, 02/13/25 Truck Type:
CONCRETE		Super 10 17 TONS

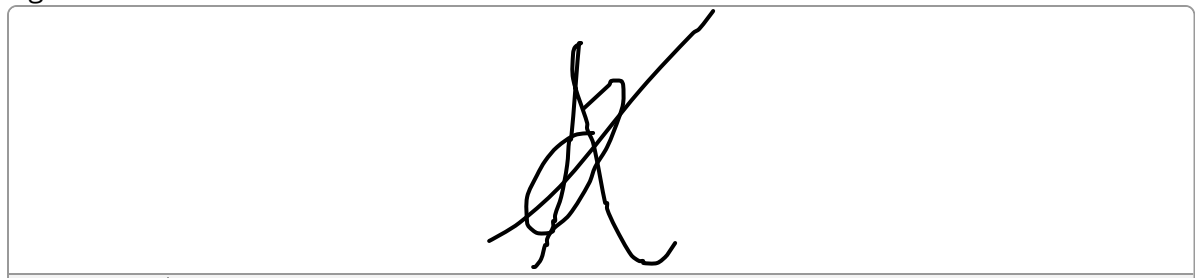
Surcharge Photo:



(0 of 0)

Name:	
File Type:	
Description:	

Signature:



Name:	Martin
Timestamp:	10/29/2024 2:41 PM (-07:00) at 32°33'21.4"N 116°55'7.8"W
Status:	Current

This certifies that the company above has utilized a recycling facility to divert construction demolition material in accordance with LEED requirements. The diversion is based on an overall tonnage percentage of the respective facility.



10/2/13/25

- 1869 Nirvana Avenue - Chula Vista CA 91911
- Phone 619-421-1980 - Fax 619-421-1910

Date:

10/29/2024

Ticket No.

1877187

Crusher Plant:

PASEO CRUSHER

TRUCK # and Name of Trucking Co.

70 Rust and Sons

FJW Billing Customer:

HAZARD CONSTRUCTION COMPANY [HAZARD]

Credit Card Customer (Company Name):

Cash Customer (Company Name):

FJW Job#

Point of Origin (If Not FJW Job)

24001-10

A-82

Section:

Commodity:	Surcharge:	Att A Item 10, 02/13/25 Truck Type:
CONCRETE		Super 10 17 TONS

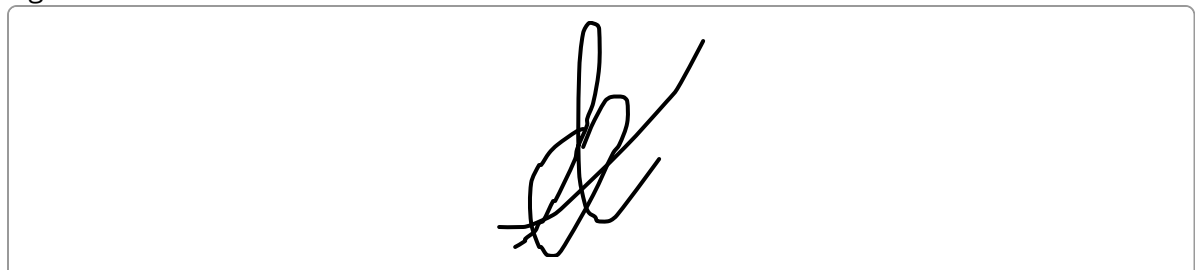
Surcharge Photo:



(0 of 0)

Name:	
File Type:	
Description:	

Signature:



Name:	Martin
Timestamp:	10/29/2024 2:43 PM (-07:00) at 32°33'21.4"N 116°55'7.8"W
Status:	Current

This certifies that the company above has utilized a recycling facility to divert construction demolition material in accordance with LEED requirements. The diversion is based on an overall tonnage percentage of the respective facility.

DAILY EXTRA WORK REPORT

Att.A, Item 10, 02/13/25

Metropolitan Transit System Contractor Job: 24001-10 - Iris Bus Stops Work Performed By: Hazard Construction Company Description of Work: Place C2 base & compact for white paving at east & west end of location 11	Invoice: FL 21382	Contract: PWB380.0-24 Cost Code: 8003..P03 DEWR No. 19236 <input checked="" type="checkbox"/> Signed Report No. R.C.	Change Order 803 Billing Number 11.1 Report Date 11/22/2024 Perform Date 10/30/2024
--	--------------------------	---	--

Labor Charges

Craft ID	Employee Name	RT Hrs	OT/DT Hrs	Subs Units	RT Rate	OT/DT Rate	Subs Rate	Extended
L01	OE G8	E Colbert	3.00		95.580			286.740
L02	CPT J	R Martinez	3.00		77.970			233.910

Equipment Charges

Equipment ID	Description	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended
E01	RLR-R057- BW120 Roller - CER	1.00		44.020			44.020
E02	BOB-R042- Bobcat - Track (TL12) - CER	2.00		48.930			97.860

Labor Charges		
RT Labor		520.65
SC 9.00%		46.86
OT/DT Labor		0.00
Subtotal Labor		567.51
Subsistence		0.00
Other Expenses		0.00
MU 15.00%		<u>85.13</u>
Labor Total		652.64

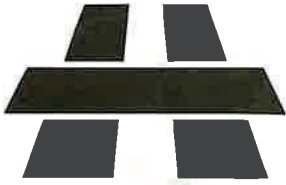
Equipment Charges		
Subtotal		141.88
MU 15.00%		<u>21.28</u>
Equipment Total		163.16

Material Charges		
Activity Total		815.80
Work Total		815.80
Bill Subtotal		815.80

Hazard Construction Company
 10529 Vine Street, Lakeside, CA 92040
 Phone: (858) 587-3600 Fax: (858) 453-6034
 Job Contact: Kevin Dunwell 760) 473-8616

Accepted:	
Customer:	Date:
Contractor:	Date:

Bill Total +	815.80
--------------	---------------



DAILY EXTRA WORK REPORT
HAZARD CONSTRUCTION
P.O. BOX 229000, SAN DIEGO, CA 92192
(858) 587-3600

STATE LIC. #750542A/B

RECEIVED

By Kevin Dunwell at 08:30 am, Nov 4, 2024

CUSTOMER MTS WORK REPORT **19236**
JOB NAME / LOCATION IRIS BUS STOPS / Loc. 11 / 30TH & IRIS AVE DATE PERFORMED 10-30-24
DESCRIPTION OF WORK EDDY and Romeo used base to grade and compact for the white paving (East & West end) of Location 11. CHARGE TO JOB # 24001-10
COST CODE 8003.0 POB
SUPERINTENDENT GARY GROVES
REQUESTED BY _____ PURCHASE ORDER # _____ FOREMAN JOEL GROVES

DESCRIPTION OF CHARGES	EQUIP. NO.	HOURS		RATE	EXTENSION
		ST	OT		
LABOR & EQUIPMENT <u>Op 8- EDDY COLBERT (4312)</u>	<u>4</u>	<u>3</u>			
<u>CRP. ROMEO MARTINEZ (4423)</u>	<u>8</u>	<u>3</u>			
<u>ROLLER Equip #: RLR-R057</u>	<u>8</u>	<u>3</u>			
<u>SKID STEER Equip #: BOB-R042</u>	<u>8</u>	<u>3</u>			

MOVE-IN MOVE-OUT

MATERIALS ROLLER DID NOT ARRIVE TILL 9:42 AM AND CONCLUDED ROLLING SUBGRADE AT 10:18 AM. USED 36 MIN, REMAINDER ON ITEM WORK, PLACE CAPS

SKID STEER WORK 6:00 AM TILL 8:00 AM. WAITED FOR ROLLER, THEN ONTO CAPS PLACE

I certify work and/or materials on this Work Order have been performed and/or received in good condition and the labor and equipment hours and material quantities are correct.

TOTAL AMOUNT

CUSTOMER'S AUTHORIZED REPRESENTATIVE:

COMMENTS

10/30/2024

Signature Title Date

VERIFY HOURS ONLY

White - Office

Canary - Customer

Green with Time Sheet

Pink - Field Copy

CHANGE ORDER 7

CONTRACT CHANGE ORDER NO. 07

PROJECT NAME: IRIS BUS STOPS AND TRANSIT CENTER
 MTS WORK ORDER NUMBER: PWB380.0-24

Date: November 05, 2024

To: Hazard Construction Engr LLC. (Contractor)

You are directed to make the following changes from the Contract Documents or do the following described work not included in the Contract Documents for this Contract. **NOTE: This change order is not effective until approved by the Metropolitan Transit System (MTS).**

Change requested by: Contractor

This change order provides for the closure of the center driveway at the Iris Bus Station and construction of sidewalk, curb, and two each bus stops on 30th Street. This includes the following:

1. Excavation, grading, form, and the disposal of excavated material offsite.
2. Construct (2) concrete pads shall be 5' x 10.17' + 5' x 2.335' = 62.53 SF at southerly location and 10' x 4.5' = 45 SF at the northerly location. Dimension will be marked out in the field.
3. Place 20 LF of 6" curb on 30th Street and stripe curb face
4. Temporary lighting.
5. Full closure of center driveway at Iris Station.

Extra Work at Lump Sum:

Work shall be paid in accordance with Section 3.34, "Changes and Extra Work Payment," of the Standard Construction Agreement, and all applicable documents of the contract documents.

This is at no cost to MTS, including all labor, materials, equipment, tools, and incidentals necessary to construct all items noted above and in agreement with the Engineer.

For the work involved in this change order, the Contractor will receive and accept the agreed Lump Sum payment of \$0.00. This sum constitutes full and complete compensation, including mark-ups by reason of this change.

Total Extra Work at Lump Sum: \$0.00

Contract Time of Completion:

A determination of the delay in completion of the contract due to the work specified by contract change order No. 07 has been made in accordance with the provisions of Section 6-9, "Liquidated Damages" of the Standard Construction Agreement.

This change order will adjust the contract time of completion by adding an additional (5) calendar days.

Total Cost of this Change Order Increase \$ 0.00

This Change Order adjusts the time of completion as follows: (5) Calendar Days

<p>This Change Order constitutes a complete and final resolution of all claims of the Contractor for additional time or additional compensation related to or affected by work that is the subject of this Change Order. Without limiting the applicability of other sections, this Change Order is subject to the standard specifications, Contract special provisions, newly provided plans and specifications, and applicable standard drawings.</p> <p>No Contract Change Order will be binding upon the Metropolitan Transit System (MTS) until signed by the authorized representatives of MTS Capital Projects Department.</p>	
<p>RECOMMENDED BY: Hassan Mustafa, Resident Engineer (Sign and Print Name & Title)</p>	<p>DATE:</p>
<p>ACCEPTED BY CONTRACTOR: (Sign and Print Name & Title)</p>	<p>DATE:</p>
<p>Project Manager, MTS: (Sign and Print Name & Title)</p>	<p>DATE:</p>
<p>Procurement Specialist, MTS: (Sign and Print Name & Title)</p>	<p>DATE:</p>

CHANGE ORDER 8

CONTRACT CHANGE ORDER NO. 08

PROJECT NAME: IRIS BUS STOPS AND TRANSIT CENTER
 MTS WORK ORDER NUMBER: PWB380.0-24

Date: November 22, 2024

To: Hazard Construction Engr LLC. (Contractor)

You are directed to make the following changes from the Contract Documents or do the following described work not included in the Contract Documents for this Contract. **NOTE: This change order is not effective until approved by the Metropolitan Transit System (MTS).**

Change requested by: Contractor

This change order provides for the adjustment in actual quantities of a Unit Price item varying from the Bid Form in the Construction Agreement. Quantities are field measured.

Increase in Contract Items at Contract Unit Price:

Group B

Item No. 06: Crushed Aggregate Base
 +20.82 CY (+31.5%) @ \$160.00/CY.....\$ 3,331.20 (+86.7%)

Item No.10: Concrete Bus Pad
 +9.08 CY (+22.14%) @ \$430.00 / CY =\$3,904.40 (+68.34%)

Item No.11: Concrete Cross Gutter (6')
 +3.00 SF (+1.4%) @ \$11.00 / SF =\$33.00 (+1.4%)

Item No. 12: Concrete Sidewalk
 +289.59 SF (+20.8%) @ \$10.00 / SF =\$2,895.90 (+20.8%)

In accordance with Section 7-3.5.2 Increases of More Than 25 Percent, of 2018 Edition The Greenbook, the adjustment due to the increase in total item pay quantity for Group B, Item No. 06, Crushed Aggregate Base, Item No. 09, Concrete Bus Pad, Item No. 10, Concrete Cross Gutter (6'), and Item No. 12, Concrete Sidewalk, are deferred.

Total Extra Work at Unit Price: \$10,164.50

Contract Time of Completion:

A determination of the delay in completion of the contract due to the work specified by contract change order No. 08 has been made in accordance with the provisions of Section 6-9, "Liquidated Damages" of the Standard Construction Agreement.

This change order will adjust the contract time of completion by adding an additional 0 calendar days.

Total Cost of this Change Order Increase \$ 10,164.50

This Change Order adjusts the time of completion as follows: 0 Calendar Days

<p>This Change Order constitutes a complete and final resolution of all claims of the Contractor for additional time or additional compensation related to or affected by work that is the subject of this Change Order. Without limiting the applicability of other sections, this Change Order is subject to the standard specifications, Contract special provisions, newly provided plans and specifications, and applicable standard drawings.</p> <p>No Contract Change Order will be binding upon the Metropolitan Transit System (MTS) until signed by the authorized representatives of MTS Capital Projects Department.</p>	
<p>RECOMMENDED BY: Hassan Mustafa, Resident Engineer (Sign and Print Name & Title)</p>	<p>DATE: 11/22/2024</p>
<p>ACCEPTED BY CONTRACTOR: (Sign and Print Name & Title)</p>	<p>DATE:</p>

Project Manager, MTS: (Sign and Print Name & Title)	DATE:
Procurement Specialist, MTS: (Sign and Print Name & Title)	DATE:

CHANGE ORDER 9

CONTRACT CHANGE ORDER NO. 09

PROJECT NAME: IRIS BUS STOPS AND TRANSIT CENTER
 MTS WORK ORDER NUMBER: PWB380.0-24

Date: December 04, 2024

To: Hazard Construction Engr LLC. (Contractor)

You are directed to make the following changes from the Contract Documents or do the following described work not included in the Contract Documents for this Contract. **NOTE: This change order is not effective until approved by the Metropolitan Transit System (MTS).**

Change requested by: MTS

Extra Work at Lump Sum:

Provide all labor, materials, equipment, tools and incidental required to provide lighting to the (7) bus shelter canopies.

1. Work to be performed in accordance with Chapter 7.4, "Lighting", of the SANDAG General Design Criteria September 2014 as attached herein as pages 2 to 5 of this change order.
2. LED color shall be natural white.
3. Lighting controls shall include astronomical time clock, photocell, and lighting contactors. Lighting controls shall be installed for all shelters in seven meter pedestals.

Work shall be paid in accordance with Section 3.34, "Changes and Extra Work Payment," of the Standard Construction Agreement, and all applicable documents of the contract documents.

For the work involved in this change order, the Contractor will receive and accept the agreed Lump Sum payment of \$32,979.48. This sum constitutes full and complete compensation, including mark-ups by reason of this change.

Total Extra Work at Lump Sum: \$32,979.48

Contract Time of Completion:

A determination of the delay in completion of the contract due to the work specified by contract change order No. 09 has been made in accordance with the provisions of Section 6-9, "Liquidated Damages" of the Standard Construction Agreement.

This change order will adjust the contract time of completion by adding an additional (1) calendar day.

Total Cost of this Change Order Increase \$ 32,979.48

This Change Order adjusts the time of completion as follows: (1) Calendar Day

<p>This Change Order constitutes a complete and final resolution of all claims of the Contractor for additional time or additional compensation related to or affected by work that is the subject of this Change Order. Without limiting the applicability of other sections, this Change Order is subject to the standard specifications, Contract special provisions, newly provided plans and specifications, and applicable standard drawings.</p> <p>No Contract Change Order will be binding upon the Metropolitan Transit System (MTS) until signed by the authorized representatives of MTS Capital Projects Department.</p>	
<p>RECOMMENDED BY: Hassan Mustafa, Resident Engineer (Sign and Print Name & Title)</p>	<p>DATE: 12/04/2024</p>
<p>ACCEPTED BY CONTRACTOR: (Sign and Print Name & Title)</p>	<p>DATE:</p>
<p>Project Manager, MTS: (Sign and Print Name & Title)</p>	<p>DATE:</p>
<p>Procurement Specialist, MTS: (Sign and Print Name & Title)</p>	<p>DATE:</p>



HAZARD CONSTRUCTION COMPANY | Lic. #750542 A/C31
 HAZARD CM ENGR LLC | Lic. #1039495 A/C31
 HAZARD CONSTRUCTION ENGR LLC | Lic. #1038899 A/C31

Att.A, Item 10, 02/13/25

10529 Vine Street
 Lakeside, CA 92040
 Phone (858) 587-3600
 Fax (858) 453-6034
 hazardconstruction.com

CHANGE ORDER REQUEST NO. 04R2

24001- 10 - Iris Bus Stops

December 03, 2024

To: Natalie Ven
 MTS - Metropolitan Transit System
 1255 Imperial Avenue, Suite 1000
 San Diego, CA 92101
Phone:
Email: natalie.ven@sdmts.com

From: Kirk Kharas
 Hazard Construction Engr LLC
 10529 Vine Street
 Lakeside, CA 92040
Phone: 858.587.3600
Email: kkharas@hazardcon.com

<u>COR</u> <u>Item</u>	<u>Description</u>	<u>Quantity</u>	<u>UM</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Change</u> <u>(Days)</u>
1	Bus Shelter Lighting	.00	LS	\$.000	\$32,979.48	1
Total:					\$32,979.48	

Please issue a Contract Change Order to allow for inclusion in our Contract Agreement.
 Thank you for your cooperation.



HAZARD CONSTRUCTION COMPANY | Lic. #750542 A/C31
 HAZARD CM ENGR LLC | Lic. #1039495 A/C31
 HAZARD CONSTRUCTION ENGR LLC | Lic. #1038899 A/C31

Att.A, Item 10, 02/13/25
 10529 Vine Street
 Lakeside, CA 92040
 Phone (858) 587-3600
 Fax (858) 453-6034
 hazardconstruction.com

MTS – Iris Rapid Bus Stops and Transit Center East

December 3, 2024

Change Order Request #4R2 – Bus Shelter Lighting

As requested by MTS by email dated September 24, 2024, the following is our price for the bus shelter lighting, for a total of seven (7) bus shelters.

Lighting for 7 Station Canopies	1 LS @ \$18,166.65	=	\$18,166.65
(See attached quote from LNI dated 10/24/24)			
Hazard markup on material @ 15%	1 LS @ \$2,725.00	=	\$2,725.00
Provide Power to Bus Shelter	1 DY @ \$1,656.03	=	\$1,656.03
(See attached quote from Select Electric dated 12/03/24)			
Hazard markup on sub @ 10%	1 LS @ \$165.60	=	\$165.60
Provide Astronomical Time Clock	1 LS @ \$9,332.91	=	\$9,332.91
(see attached quote from Select Electric dated 11/01/24)			
Hazard markup on sub @ 10%	1 LS @ \$933.29	=	<u>\$933.29</u>
	Total	=	\$32,979.48

Please issue a Contract Change Order in the amount of \$32,979.48 for Bus Shelter Lighting. This will allow us to start procuring the materials.

Note, per our meeting this morning, Select Electric has revised their proposal for power to the bus shelters. As stated in Select’s proposal, they will return to the bus shelter locations after all the shelters have been installed and pull wire from the nearest HH to shelter and connect to existing wiring inside upright leg. All shelters are to be completed in 1 day.

Please add 1 WD of additional contract time.



LNI Custom Manufacturing, Inc.

15542 Broadway Center St.
 Gardena, California 90248
 Main 310.978.2000 / 800.338.3387 / Fax 310.978.4000
 CA Contractor's License # 773599
 CA Dept. of Industrial Relations # 100021928
 Los Angeles City Fabricator's License # 1981

Quotation

Date	Quote #	Pro #
10/24/24	LNIQ2540-A	23111

Excellence is our history, since 1952.

Prepared For: _____ **Project Information:** _____

Kurt Hindman
 Hazard Construction
 P.O. Box 229000
 6465 Marindustry Place
 San Diego, CA 92192-9000

Phone: (858) 587-3600
Mobile:
Fax: (858) 453-6034
Email: khindman@hazardconstruction.com

Iris - Station Lighting

Sales Rep.	FOB	Ship Via	Terms
House	Job-Site	N/A	NET 30

Item	Description	Qty	Unit Price	Ext. Price	
LNI-LED-ILU	Lighting for (7) Station Canopies - 1" Low Profile Recessed LEDBARII - 24V Dimmable LED Drivers & Power Supply	1.00	1	\$16,860.00	\$16,860.00

Notes from LNI:

The above quote is valid for (30) days, and subject to change at any point due to materials volatility.
 Please contact me if I can be of further assistance.

Sub Total	\$16,860.00
Sales Tax	\$1,306.65
Total	\$18,166.65

Accepted by: _____ Signature: _____ Date: _____

LNI Custom Manufacturing, Inc. is a material supplier. Prices based on quantities shown. Changes in quantity may affect price. Price does not include delivery unless stated above. Subject to LNI's Standard Terms & Conditions.



December 3, 2024

Hazard Construction

Attn: Kirk Kharas

RE: Bus Shelter Lighting activation

Location: Multiple

SUBJ: Activate bus shelter lighting

Description
Return to Bus shelter locations after all shelters have been installed and pull wire from nearest HH to shelter and connect to existing wiring inside upright leg. All shelters to be completed in 1 day

Select Electric Inc.'s quoted price for the referenced change order request is as follows:

LS Total	\$	1,656.03
Wrk Days		1

This change proposal is based on the usual cost elements such as labor, materials, and markup and does not include any amount for impacts such as interference, disruptions, rescheduling, change in the sequence of work, delays and/ or associated acceleration. We expressly reserve the right to submit our request for any of these items should we be faced with performing work under any of these conditions.

This quote is valid for 30 calendar days from the above date and void thereafter. All work affected by either the acceptance or rejection of the enclosed change order quotation is on hold pending notification.

Back-up data is attached for your reference.

Respectfully,

Michael Lichtenwalter
Project Manager

Change Order Request Recap

Contract No: 24001-10
 Project Title: Iris Bus Stops
 Location: Various
 Description of Work:

COR No: CCO 002 Ref No:
 Date Submitted: December 3, 2024
 G.C./Agency:
 Job No: 3623

Return to Bus shelter locations after all shelters have been installed and pull wire from nearest HH to shelter and connect to existing wiring inside upright leg. All shelters to be completed in 1 day

LABOR		Hours	Hourly Rate	Extended Amounts
Electrician - Journeyman SD	REG	8.00	\$ 90.82	\$ 726.56
-		-		
Cost of Labor				\$ 726.56
Labor Surcharge			10.00%	\$ 72.66
Total Cost of Labor with Surcharge				\$ 799.22

MATERIAL				
Description	Qty	U.M.	Unit Cost	Ext. Amount
Material	1	LS	\$ 25.00	\$ 25.00
Subtotal				\$ 25.00
(A) California Sales Tax				7.75% \$ 1.94
Total Cost of Material				\$ 26.94

SUBCONTRACTED WORK				
Description	Qty	U.M.	Unit Cost	Ext. Amount
				\$ -
				\$ -
				\$ -
				\$ -
Total Cost of Subcontracted Work				\$ -

EQUIPMENT		Hours	Hourly Rate	Extended Amounts
WORK TRUCK WITH ATTACHMENTS		8	\$ 74.57	\$ 596.56
-				
-				
-				
-				
-				
Total Cost of Equipment				\$ 596.56

Total Cost of Labor		799.22
Labor Mark-up	15.00%	119.88
Total Cost of Equipment		596.56
Equipment Mark-up	15.00%	89.48
Total Cost of Material		26.94
Material Mark-up	10.00%	2.69
(B) California Sales Tax		0.00
Total Cost of Subcontracted Work		0.00
Subcontracted Work Mark-up	15.00%	0.00
Sub-total		1634.77
Bond & Insurance	1.30%	21.25
Other		
Total Cost		1656.03



November 1, 2024

Hazard Construction

Attn: Kirk Kharas

RE: Time clock addition to meter pedestals
All meter pedestals except 30th / Coronado ave

SUBJ:

Description
Per MTS we are to add the astronomical time clock to the meter pedestal for lighting control at the bus shelters. Quote includes cost of clock and installation and wiring into the pedestal. This is done by the manufacturer for warranty support. This will be added to 7 pedestals

Select Electric Inc.'s quoted price for the referenced change order request is as follows:

LS Total	\$	9,332.91
Wrk Days		1

This change proposal is based on the usual cost elements such as labor, materials, and markup and does not include any amount for impacts such as interference, disruptions, rescheduling, change in the sequence of work, delays and/ or associated acceleration. We expressly reserve the right to submit our request for any of these items should we be faced with performing work under any of these conditions.

This quote is valid for 30 calendar days from the above date and void thereafter. All work affected by either the acceptance or rejection of the enclosed change order quotation is on hold pending notification.

Respectfully,

Michael Lichtenwalter
Project Manager



A tactile information sign shall be positioned directly behind the directional bar mat at the back of platform. If the tactile information sign cannot be located in this position due to other platform equipment or causes obstruction to pedestrian flow, the bar mat location shall be adjusted a maximum of 2 feet in either direction along the platform to accommodate the placement of the tactile information sign, which provides the station name and destination in Braille and in raised letters.

7.3 International Symbol of Accessibility

The international symbol of accessibility shall be painted behind the detectable warning on the platform at the first door of the first car to line up with the wheelchair lift location, as shown in the Standard Plans, in accordance with ADA Standards for Accessible Design. The international symbol of accessibility shall be located on the plans so that the area is kept clear for wheelchair maneuverability.

7.4 Lighting

a) General

The lighting criteria contained herein are intended to provide functional and aesthetic guidelines necessary to design lighting for stations, parking lots, bus transfer areas, and any special structures of the transit system and to ensure a safe and comfortable environment. Conformance with these criteria is required to ensure consistency for system facilities and to provide intended maintenance quality, convenience, safety, and efficiency of the transit facility.

General objectives for lighting are as follows:

- Promote safety by identifying and properly illuminating areas and elements of potential hazard
- Enhance the system's visual and functional clarity by differentiating between site circulation networks, station entrances, and platforms
- Reinforce the presentation of graphic messages
- Minimize impact on surrounding properties

b) Codes and Standards

Lighting and emergency systems shall be in accordance with applicable codes and standards as listed below:

- American National Standards Institute C2 National Electrical Safety Code
- National Fire Protection Association (NFPA) 70 National Electrical Code
- NFPA 101 Life Safety Code
- NFPA 110 Standard for Emergency and Standby Power Systems
- NFPA 130 Standard for Fixed Guideway Transit System
- CBC



- Illumination Engineering Society Lighting Handbook
- Underwriters' Laboratories
- San Diego Gas & Electric Service Standards and Guide Manual
- Americans with Disabilities Act Accessibility Guidelines, Section 10.3.1(11)

c) Standard Elements

- 1) Where possible, luminaries and lamp types shall be standardized system wide to provide design and perceptual unity and simplify maintenance requirements. If system-wide standardization cannot be obtained, at a minimum, standardization within each station shall be provided and material and model types shall be standard "off-the-shelf" items for ease of replacement and maintenance. Light poles are often used to mount appurtenances such as public address speakers, signs, and video cameras. Designers shall account for these loads when sizing the poles.
- 2) Light fixtures and standards shall be incorporated into the structural and architectural elements of the stations as follows:
 - Signage
 - Platform
 - Shelters
 - Seating areas
 - Fare vending and validator equipment
 - Ramps, stairs, walls, and rails
 - Bus loading areas
 - Pedestrian walkways and crossings
 - All parking areas
- 3) All lighting provided for stations and parking lots shall be full color spectrum. All light controls will work with a photo cell and time clock. Lighting circuits shall be designed so that reduced lighting levels could be provided after Trolley service ends by allowing alternate lights to be turned off.
- 4) Station platform lights shall be mounted at a minimum of 15 feet high, spaced to meet the minimum illumination criteria but spaced at not more than every 60 feet apart. All station shelters shall have vandal-resistant lighting under the covered area. Parking lot lights shall be installed 30 feet above the ground. Fixtures shall be resistant to vandalism. Lights shall continue to operate when adjacent lights of a circuit fail.

d) Illumination Levels

Illumination levels shall define and differentiate between station areas, decision and transition points, and areas of potential hazard. In addition to quantity of light, illumination levels shall be uniform and minimize glare. Luminaries shall be so selected, located, and/or aimed that while accomplishing their primary purpose they will produce a minimum



of objectionable glare or interference with vehicular traffic, neighboring areas, and Trolley operations. Illumination levels for specified locations shall be as follows:

<u>Location</u>	<u>Footcandles</u>	
At-grade and aerial station platforms	5	
Fare collection, fare vending, and concession areas	15	
Stairs, escalators, and passageways	15	
Elevators	15	
	Minimum	
	<u>Normal</u>	
Vehicular access roadways	2	
Bus loading/unloading	5	
Kiss-and-ride	5	
Open parking	2	
	Average	
	Normal	
Underguideway parking	2	
Covered parking structures:		
Entrances	2	50*
Traffic lanes	2	10*
Storage	1	5*
Pedestrian ways:		
Walkways, ramps, and bridges	5	
Tunnels and passages	5	
At-grade crossings	5	
Yards and maintenance areas	5	
Traction power substations	50	Inside
Traction power substations	2	Outside
Emergency egress routes	1	

*Sum of electric and daylight

e) Illumination Plan

An illumination plan shall be submitted prior to the start of final design showing source locations and probable illumination levels in the field of areas to be lighted. This plan shall be the basis for completing the lighting design plans. Lighting design plans shall be



overlaid with civil, architectural, structural, signage, electrical, and utility plans and all conflicts shall be resolved.

f) Emergency Lighting

Emergency lighting shall be provided for aerial and subterranean stations. Illumination level shall be as indicated in (d) above.

Exit lights, lights for essential signs, and emergency lights shall be included in the emergency lighting circuit. They shall be provided with a separate neutral and shall be separately wired from emergency distribution panels.

g) Emergency Backup Power System

The design of emergency backup power systems for emergency lighting and communication systems shall comply with all applicable federal, state, and local rules and regulations for the facility, in particular the NFPA. Upon loss of normal power, emergency circuits shall be in operation for 90 minutes, drawing power from the uninterruptible power system or other emergency lighting systems. A manual change-over switch and a receptacle shall be provided to accept a portable standby generator for the emergency lighting only. Additional loads for the backup power system shall be included at the direction of the Project Manager. Upon approval from SANDAG, a battery and charger system may be used in place of an uninterruptible power system design.

7.5 Trash Receptacles

Trash receptacles shall be provided on all station platforms and shall be coordinated with seating units. Trash receptacles shall be coordinated with the station finish materials and allow for easy service access and maintenance. Trash can enclosures shall be lockable and sized to accommodate a 300gallon trash can. Enclosures shall be secured to the surface to prevent removal by patrons but allow removal for maintenance. The number of trash can receptacles shall be determined based on estimated ridership for the station.

When finish is a painting or coating system, specifications should reflect custom color-matching with other elements of the station, platform, or canopy.

At key transit stations designated by the Metropolitan Transit System, explosion-resistant trash receptacles shall be provided, conforming to current Transit Security Administration requirements.

CONTRACT CHANGE ORDER NO. 10

PROJECT NAME: IRIS BUS STOPS AND TRANSIT CENTER

MTS WORK ORDER NUMBER: PWB380.0-24

Date: December 06, 2024

To: Hazard Construction Engr LLC. (Contractor)

You are directed to make the following changes from the Contract Documents or do the following described work not included in the Contract Documents for this Contract. **NOTE: This change order is not effective until approved by the Metropolitan Transit System (MTS).**

Change requested by: MTS, Owner

Extra Work at Lump Sum:

This change order provides for the construction of a bus stop westbound on Imperial Beach Blvd just west of 13th Street. Replace plan sheets 12-D and 39-D herein as pages 3 and 4 of this change order into the Construction Agreement. This includes all labor, materials, equipment, tools, and incidentals necessary to construct all items noted below:

1. Mobilization to westbound Imperial Beach Blvd at 13th Street per section 3.33, Payment.
2. Provide an amendment for the Water Pollution Control Program (WPCP) per Attachment 5, Original WPCP Report, on page 280.
3. Clear and grub, all but not limited to, existing hardscape, landscape, curb, curb and gutter, sidewalk, driveway, or signs necessary in order to perform the work per section 300-1, Clearing and Grubbing
4. Provide traffic control, engineered traffic control plans, and permits per section 601, Temporary Traffic Control for Construction and Maintenance Work Zones.
5. Provide and install all bus stop electrical and communications necessary per section 701-2, Payment, #4.
6. Provide and construct VMS Pole, pedestal, and foundation per section 1100-1, VMS Pole, Pedestal, and Foundation.
7. Procure and install bus shelter per section 1100-3, Small Bus Shelter.
8. Prepare subgrade and placement of base materials per section 301, Subgrade Preparation, Treated Materials, and Placement of Base Materials.

Work shall be paid in accordance with Section 3.34, "Changes and Extra Work Payment," of the Standard Construction Agreement, and all applicable documents of the contract documents.

For the work involved in this change order, the Contractor will receive and accept the agreed Lump Sum payment of \$413,093.00. This sum constitutes full and complete compensation, including mark-ups by reason of this change.

Total Extra Work at Lump Sum: \$413,093.00

Contract Time of Completion:

A determination of the delay in completion of the contract due to the work specified by Contract Change Order No. 10 has been made in accordance with the provisions of Section 6-9, "Liquidated Damages" of the Standard Construction Agreement.

This change order will adjust the contract time of completion by adding an additional (35) calendar days.

Total Cost of this Change Order Increase \$413,093.00

This Change Order adjusts the time of completion as follows: (35) Calendar Days

<p>This Change Order constitutes a complete and final resolution of all claims of the Contractor for additional time or additional compensation related to or affected by work that is the subject of this Change Order. Without limiting the applicability of other sections, this Change Order is subject to the standard specifications, Contract special provisions, newly provided plans and specifications, and applicable standard drawings.</p> <p>No Contract Change Order will be binding upon the Metropolitan Transit System (MTS) until signed by the authorized representatives of MTS Capital Projects Department.</p>	
<p>RECOMMENDED BY: Hassan Mustafa, Resident Engineer (Sign and Print Name & Title)</p>	<p>DATE: 12/06/24</p>
<p>ACCEPTED BY CONTRACTOR: (Sign and Print Name & Title)</p>	<p>DATE:</p>

Project Manager, MTS: (Sign and Print Name & Title)	DATE:
Procurement Specialist, MTS: (Sign and Print Name & Title)	DATE:



HAZARD CONSTRUCTION COMPANY | Lic. #750542 A/C31
 HAZARD CM ENGR LLC | Lic. #1039495 A/C31
 HAZARD CONSTRUCTION ENGR LLC | Lic. #1038899 A/C31

Att.B, Item 10, 02/13/25

10529 Vine Street
 Lakeside, CA 92040
 Phone (858) 587-3600
 Fax (858) 453-6034
 hazardconstruction.com

CHANGE ORDER REQUEST NO. 05R4

24001- 10 - Iris Bus Stops

December 16, 2024

To: Natalie Ven
 MTS - Metropolitan Transit System
 1255 Imperial Avenue, Suite 1000
 San Diego, CA 92101
Phone:
Email: natalie.ven@sdmts.com

From: Kirk Kharas
 Hazard Construction Engr LLC
 10529 Vine Street
 Lakeside, CA 92040
Phone: 858.587.3600
Email: kkharas@hazardcon.com

Change Order Request for additive alternative bus stop at WB Imperial Beach Blvd at 13th St. Please add 35 Calendar Days.

<u>COR Item</u>	<u>Description</u>	<u>Quantity</u>	<u>UM</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Change (Days)</u>
1	Mobilization	.00	LS	\$.000	\$51,100.00	
2	Water Pollution Control	.00	LS	\$.000	\$7,500.00	
3	Clearing and Grubbing	.00	LS	\$.000	\$30,000.00	
4	Traffic Control and Engineered Traffic Control Plans	.00	LS	\$.000	\$35,000.00	
5	Recycled Aggregate Base	26.00	CY	\$350.000	\$9,100.00	
6	Asphalt Concrete Pavement	30.00	TN	\$600.000	\$18,000.00	
7	Bus Stop Electrical and Communication	.00	LS	\$.000	\$96,393.00	
8	VMS Pole Pedestal and Foundation	1.00	EA	\$60,000.000	\$60,000.00	
9	Small Bus Shelter	1.00	EA	\$106,000.000	\$106,000.00	

				Total:	\$413,093.00	
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Please issue a Contract Change Order to allow for inclusion in our Contract Agreement.



HAZARD CONSTRUCTION COMPANY | Lic. #750542 A/C31
HAZARD CM ENGR LLC | Lic. #1039495 A/C31
HAZARD CONSTRUCTION ENGR LLC | Lic. #1038899 A/C31

Att.B, Item 10, 02/13/25

10529 Vine Street
Lakeside, CA 92040
Phone (858) 587-3600
Fax (858) 453-6034
hazardconstruction.com

Thank you for your cooperation.



HAZARD CONSTRUCTION COMPANY | Lic. #750542 A/C31
 HAZARD CM ENGR LLC | Lic. #1039495 A/C31
 HAZARD CONSTRUCTION ENGR LLC | Lic. #1038899 A/C31

Att.B, Item 10, 02/13/25
 10529 Vine Street
 Lakeside, CA 92040
 Phone (858) 587-3600
 Fax (858) 453-6034
 hazardconstruction.com

MTS – Iris Rapid Bus Stops and Transit Center East

December 16, 2024

Change Order Request #5R4 – WB Imperial Beach Blvd at 13th St.

This change order request is revised based on electrical rate changes from Select Electric and Hazard’s portion of the electrical item of work. As requested by MTS by email dated October 24, 2024, the following is our cost proposal for the construction of additive alternative bus stop at WB Imperial Beach Blvd at 13th Street as shown on the bid set plan sheet 12-D and associated electrical work on plan sheet 39-D. The proposal is based on the pertinent bid items from the original Group C work with quantities adjusted for this location.

Pay Item Number	Description	Pay Quantity	Unit of Measure	Unit Price (current)	Total Price (current)
1	Mobilization	1.00	LS	\$51,100.00	\$51,100.00
2	Water Pollution Control	1.00	LS	\$7,500.00	\$7,500.00
3	Clearing and Grubbing	1.00	LS	\$30,000.00	\$30,000.00
4	Traffic Control and Engineered Traffic Control Plans	1.00	LS	\$35,000.00	\$35,000.00
5	Recycled Aggregate Base	26.00	CY	\$350.00	\$9,100.00
6	Asphalt Concrete Pavement	30.00	TN	\$600.00	\$18,000.00
7	Bus Stop Electrical and Communication	1.00	LS	\$96,393.00	\$96,393.00
8	VMS Pole, Pedestal, and Foundation	1.00	EA	\$60,000.00	\$60,000.00
9	Small Bus Shelter	1.00	EA	\$106,000.00	\$106,000.00
					\$413,093.00

Please issue a Contract Change Order in the amount of \$413,093.00 for the construction of the bus stop at WB Imperial Beach Blvd at 13th Street. Please add 35 calendar days of additional contract time.

Note, all work is to be performed during daytime work hours. Additionally, as noted in Select’s proposal, their quote is based on designed path creation methods. If path creation cannot be completed per design due to ground conditions or set up area is insufficient for bore, a scope change will be required with additional costs.

CBS Position Code	Description	Forecast (T/O) Quantity	Unit of Measure	Unit Cost	Total Cost (Forecast)	MARKUP	
1	Bus Stop Electrical and Communication-Sel (see separate spreadsheet backup)	1.00	LS	\$67,294.34	\$67,294.38	\$10,094.16	
	FINEGRADE- 4" SIDEWALK AND CURB	280.00	SF				
2	FINE GRADE-shift rate	280.00	SF	\$18.80	\$5,264.00	\$789.60	
	FPS - SIDEWALK - BUS STOPS	280.00	SF				
3	BUY CONCRETE	6.00	CY	\$249.56	\$1,497.37	\$224.61	
4	BUY FORMS	31.64	LF	\$6.00	\$189.83	\$28.47	
5	SET FORMS-shift rate	0.20	DAY	\$8,323.56	\$1,645.90	\$246.89	
6	POUR FLATWORK-shift rate	3.56	CY	\$1,636.00	\$5,823.05	\$873.46	
7	STRIP FORMS-shift rate	0.10	DAY	\$8,323.56	\$822.95	\$123.44	
	SPOILS						
17	LOAD SPOILS	1.00	LS	\$358.42	\$358.42	\$53.76	
18	HAUL SPOILS	20.00	CY	\$16.20	\$324.00	\$48.60	
19	DUMP FEES	2.00	EA	\$300.00	\$600.00	\$90.00	
					\$83,819.91	\$12,572.99	\$96,393

Change Order Request Recap

Contract No: 24001-10

Project Title: Iris Bus Stops

Location: Various

Description of Work: **Attached is our electrical breakdown for cost for the location 7 adder. Hours and equipment are based on daytime work only. Quote is based on designed path creation methods. If path creation cannot be completed per design due to ground conditions or set up area is insufficient for bore, a scope change will be required with additional cost. Exclusions listed on overall proposal**

COR No: CCO 002 Ref No: _____

Date Submitted: December 13, 2024

G.C./Agency: _____

Job No: 3623

LABOR		Hours	Hourly Rate	Extended Amounts
Electrician - General Foreman SD	REG	96.00	\$ 81.09	\$ 7,784.64
Electrician - Foreman SD	REG	96.00	\$ 69.51	\$ 6,672.96
Electrician - Journeyman SD	REG	80.00	\$ 66.87	\$ 5,349.60
Back Hoe Operator	REG	96.00	\$ 97.70	\$ 9,379.20
-				
-				
Cost of Labor				\$ 29,186.40
Labor Surcharge				\$ -
Total Cost of Labor with Surcharge				\$ 29,186.40

MATERIAL				
Description	Qty	U.M.	Unit Cost	Ext. Amount
2" PVC SCH 80	280	LF	\$ 3.00	\$ 840.00
#5 PB, GROUT, TERMS	6	EA	\$ 230.00	\$ 1,380.00
STUB OUTS	1	EA	\$ 250.00	\$ 250.00
PCC	1	LS	\$ 1,292.00	\$ 1,292.00
WIRE	1	LS	\$ 1,929.00	\$ 1,929.00
POTHOLES	1.0	LS	\$ 925.00	\$ 925.00
DIRECT BORE ENTER/EXIT PITS	1	LS	\$ 1,500.00	\$ 1,500.00
Subtotal				\$ 8,116.00
(A) California Sales Tax			7.75%	\$ 628.99
Total Cost of Material				\$ 8,744.99

SUBCONTRACTED WORK				
Description	Qty	U.M.	Unit Cost	Ext. Amount
				\$ -
				\$ -
				\$ -
				\$ -
Total Cost of Subcontracted Work				\$ -

EQUIPMENT		Hours	Hourly Rate	Extended Amounts
WORK TRUCK WITH ATTACHMENTS		96	\$ 74.57	\$ 7,158.72
HORIZONTAL DIRECTIONAL BORE RIG		16	\$ 212.00	\$ 3,392.00
CRANE		-	\$ 41.00	\$ -
DUMP TRUCK WITH BACKHOE AND TRAILER		96	\$ 84.00	\$ 8,064.00
PICK-UP TRUCK F150		80	\$ 20.00	\$ 1,600.00
-		-		
-		-		
-		-		
-		-		
-		-		
Total Cost of Equipment				\$ 20,214.72

Total Cost of Labor		\$ 29,186.40
Labor Mark-up	15.00%	\$ 4,377.96
Total Cost of Equipment		\$ 20,214.72
Equipment Mark-up	15.00%	\$ 3,032.21
Total Cost of Material		\$ 8,744.99
Material Mark-up	10.00%	\$ 874.50
(B) California Sales Tax		\$ -
Total Cost of Subcontracted Work		\$ -
Subcontracted Work Mark-up	15.00%	\$ -
Sub-total		\$ 66,430.78
Bond & Insurance	1.30%	\$ 863.60
Other		\$ -
Total Cost		\$ 67,294.38



**Metropolitan
Transit
System**

DRAFT FOR EXECUTIVE COMMITTEE REVIEW DATE: 2/6/2025

Agenda Item No. 11

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS

February 13, 2025

SUBJECT:

Broadway Rail Replacement – Work Order Agreement

**AGENDA ITEM WILL
BE PROVIDED
BEFORE BOARD
MEETING**

1255 Imperial Avenue, Suite 1000, San Diego, CA 92101-7490 • (619) 231-1466 • sdmts.com

San Diego Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc. and San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations). MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego. MTS is also the For-Hire Vehicle administrator for multiple cities in San Diego County.





**Metropolitan
Transit
System**

DRAFT FOR EXECUTIVE COMMITTEE REVIEW DATE: 2/6/2025

Agenda Item No. 12

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS

February 13, 2025

SUBJECT:

Operations Budget Status Report For December 2024 (Gordon Meyer)

INFORMATIONAL ONLY

Budget Impact

None.

DISCUSSION:

This report summarizes the year-to-date operating results for December 2024 compared to the Fiscal Year (FY) 2025 budget for the San Diego Metropolitan Transit System (MTS). Attachment A-1 combines the operations', administrations', and other activities' results for December 2024. Attachment A-2 details the December 2024 combined operations' results and Attachments A-3 to A-7 present budget comparisons for each MTS operation. Attachment A-8 details budget comparisons for MTS Administration, and Attachment A-9 provides December 2024 results for MTS's other activities (For Hire Vehicle (FHV) Administration/San Diego and Arizona Eastern Railway Company (SD&AE)).

MTS NET-OPERATING SUBSIDY RESULTS

As indicated within Attachment A-1, for the year-to-date period ending December 2024, MTS's net-operating income favorable variance totaled \$3,252,000 (2.0%). Operations produced a \$2,897,000 (1.8%) favorable variance and the administrative/other activities areas were favorable by \$355,000.

MTS COMBINED RESULTS

Operating Revenues Year-to-date combined revenues through December 2024 were \$53,875,000, compared to the year-to-date budget of \$54,525,000, representing a \$651,000 (-1.2%) unfavorable variance. Year-to-date passenger revenue was unfavorable by \$755,000 (-1.9%) through December. Passenger revenue is up by \$2,250,000 (6.3%) versus the prior year.



Other operating revenue was favorable by \$104,000 (0.7%), primarily due to interest income.

Operating Expenses Year-to-date combined expenses through December 2024 were \$216,857,000, compared to the budget of \$220,760,000, representing a \$3,903,000 (1.8%) favorable variance.

Personnel Costs Year-to-date personnel-related costs totaled \$95,673,000, compared to a budgetary figure of \$98,202,000, producing a favorable variance of \$2,529,000 (2.6%). This is primarily due to favorable health and welfare costs and defined contribution pension plan costs for represented Bus employees. Security wages within Administration and Flag-person wages within Trolley are favorable as well.

Outside Services and Purchased Transportation Total outside services through six months of the fiscal year totaled \$78,665,000, compared to a budget of \$77,475,000, resulting in an unfavorable variance of \$1,190,000 (-1.5%). This is primarily due to unfavorable engines/transmission repairs and purchased transportation costs within Fixed Route operations.

Materials and Supplies Total year-to-date materials and supplies expenses were \$9,728,000, compared to a budgetary figure of \$9,978,000, resulting in a favorable variance of \$250,000 (2.5%). This is primarily due to favorable costs for revenue vehicle parts and maintenance supplies within Rail and Bus operations.

Energy Total year-to-date energy costs were \$23,347,000, compared to the budget of \$25,812,000, resulting in a favorable variance of \$2,465,000 (9.5%). This is primarily due to favorable commodity rates for both Compressed Natural Gas (CNG) and electricity.

Risk Management Total year-to-date expenses for risk management were \$4,868,000 compared to the budget of \$5,027,000, resulting in a favorable variance totaling \$159,000 (3.2%). This is primarily due to favorable claims payouts, recoveries, and legal costs within Administration as well as favorable claims and legal costs within Bus Operations.

General and Administrative The year-to-date general and administrative costs were \$3,445,000 through December 2024, compared to a budget of \$3,207,000, resulting in an unfavorable variance of \$238,000 (-7.4%). This is primarily due to unfavorable costs of office equipment within Administration due to handheld unit purchases for Security.

Vehicle and Facility Leases The year-to-date vehicle and facilities leases costs were \$1,131,000 compared to the budget of \$1,059,000, resulting in a \$72,000 (-6.8%) unfavorable variance.

YEAR-TO-DATE SUMMARY

The December 2024, year-to-date net-operating income totaled a favorable variance of \$3,252,000 (2.0%). These factors include favorable variances in other revenue, personnel, materials and supplies, energy, and risk management costs; partially offset by unfavorable variances in passenger revenue, outside services, general and administrative costs, and vehicle/facility lease costs.

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Mark Olson, 619.557.4588, mark.olson@sdmts.com

Attachment: A. December Operating Budget Results

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
MTS
CONSOLIDATED
COMPARISON TO BUDGET - FISCAL YEAR 2025
DECEMBER 31, 2024
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	VAR. %
Passenger Revenue	\$ 38,241	\$ 38,995	\$ (755)	-1.9%
Other Revenue	15,634	15,530	104	0.7%
Total Operating Revenue	\$ 53,875	\$ 54,525	\$ (651)	-1.2%
Personnel costs	\$ 95,673	\$ 98,202	\$ 2,529	2.6%
Outside services	78,665	77,475	(1,190)	-1.5%
Materials and supplies	9,728	9,978	250	2.5%
Energy	23,347	25,812	2,465	9.5%
Risk management	4,868	5,027	159	3.2%
General & administrative	3,445	3,207	(238)	-7.4%
Vehicle/facility leases	1,131	1,059	(72)	-6.8%
Administrative Allocation	0	0	0	0.0%
Total Operating Expenses	\$ 216,857	\$ 220,760	\$ 3,903	1.8%
Operating Income (Loss)	\$ (162,982)	\$ (166,234)	\$ 3,252	2.0%
Total Non-Operating Activities	160	400	(240)	-60.0%
Income (Loss) before Capital Contributions	\$ (162,822)	\$ (165,834)	\$ 3,012	-1.8%



**Metropolitan
Transit
System**

DRAFT FOR EXECUTIVE COMMITTEE REVIEW DATE: 2/6/2025

Agenda Item No. 13

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
Board of Directors

February 13, 2025

SUBJECT:

San Diego Metropolitan Transit System (MTS) Transit Asset Management (TAM) Plan – Fiscal Year (FY) 2025 Update

INFORMATIONAL ONLY

Budget Impact

None.

DISCUSSION:

On July 26, 2016, Federal Transit Administration (FTA) published the TAM Final Rule (49 CFR 625 & 49 CFR 630), which defines the term State of Good Repair (SGR) and establishes minimum Federal requirements for transit asset management that will apply to all recipients and subrecipients of chapter 53 funds that own, operate, or manage public transportation capital assets.

TAM is a strategic and systematic process through which an organization procures, operates, maintains, rehabilitates, and replaces transit assets to manage their performance, risks, and costs over their lifecycle to provide cost-effective, reliable, and safe service to current and future customers. The goal of TAM is to keep all organizational assets in a state of good repair, which is defined by the FTA as the condition in which a transit or capital asset is able to safely operate at a full level of performance.

On September 20, 2018 (Agenda Item No. 23), the MTS Board of Directors adopted MTS Board Policy No. 65, "TAM Policy" and approved the TAM plan for FY 2019. This policy and plan document the procedures in place for MTS to effectively manage its transit assets and maintain its system in a state of good repair to support safe, efficient, and reliable transit services across the organization. The TAM plan was updated in December 2024 to include up-to-date asset inventory, owners, condition, and performance information as reported to the National Transit Database (NTD) for FY 2024. The five-year constrained and unconstrained capital needs were



also updated in accordance with the FY 2025 Capital Improvement Program (CIP). All other material aspects of the TAM plan remain unchanged.

Sharon Cooney
Chief Executive Officer

Key Staff Contact: Mark Olson, 619.557.4588, mark.olson@sdmts.com

Attachment: A. TAM Plan – FY 2025 Update



TRANSIT ASSET MANAGEMENT PLAN

FISCAL YEAR 2025



Document Control History:

Version	Date	Comments
1.0	5/15/2018	Preliminary Draft
1.1	8/3/2018	Draft presented to Operations
1.2	8/27/2018	Draft post Operational Review
1.5	9/22/2018	2018 Draft to MTS Board
1.6	1/7/2022	Fiscal Year 2022 Update
1.7	2/13/2025	Fiscal Year 2025 Update

Transit Asset Management Plan

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Approvals

Transit asset management plans are required for all Federal Transit Administration grantees per federal legislation. The benefits from enhanced asset management practice include improved system safety and reliability, reduced costs, better customer service, and optimized resource allocation. This Transit Asset Management Plan outlines the agency's policy, approach, and specific actions to improve its asset management practices over the next five years.

Accountable Executive

Sharon Conney	Chief Executive Officer	
Name	Title	Signature

Original Board Policy adoption date: 9/20/2018

Fiscal Year 2025 Update: 2/13/2025

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Executive Summary

On July 6, 2012, a new two-year transportation reauthorization bill was signed into law, the Moving Ahead for Progress in the 21st Century Act (MAP-21). MAP-21 mandated new National Transit Database (NTD) reporting requirements for asset management. These Transit Asset Management (TAM) regulations were finalized in July 2016 with revisions through the Federal Registry (The Final Rule) detailing the expected responsibilities of transit agencies.

TAM is a strategic and systematic process through which an organization procures, operates, maintains, rehabilitates, and replaces transit assets to manage their performance, risks, and costs over their lifecycle to provide cost-effective, reliable, and safe service to current and future customers. The goal of TAM is to keep all organizational assets in a state of good repair (SGR), which is defined by the Federal Transit Administration (FTA) as the condition in which a transit or capital asset is able to safely operate at a full level of performance.

MTS established Board Policy No. 65, “MTS Transit Asset Management” (the “Policy”) as guidelines for the management of the agency’s organizational assets. This TAM Policy complies with the requirements of MAP-21.

MTS has always been committed to effectively managing its transit assets and maintaining its system in an SGR to support safe, efficient, and reliable transit services across the organization. No procedures are changing operationally as MTS has always been required to comply with applicable maintenance regulations of the FTA, Federal Railroad Administration (FRA), and the California Public Utilities Commission (CPUC). This policy and the attached TAM plan consolidate the many standard operating procedures that have been in place at MTS in each maintenance department into one formalized and unified framework. These documents will help MTS standardize maintenance practices across the agency, and also comply with the new regulations.

With this policy, MTS commits to:

- Maintain an asset inventory that includes vehicles, facilities, and facility equipment used in the delivery of transit service; and
- Identify safety-critical assets within the asset inventory and prioritize efforts to maintain those safety-critical assets in a SGR; and
- Clearly define ownership, control, accountability, and reporting requirements for assets, including leased and third-party assets; and
- Set asset performance targets and measure, monitor, and report on progress towards meeting those targets; and
- Base capital project prioritization and other asset management decisions on asset criticality, condition, performance, available funding, safety considerations, and on the evaluation of alternatives that consider full lifecycle benefits, costs, and risks; and
- Maintain an agency-wide TAM Plan that complies with current Federal Transit Administration requirements, Board Policies, Fleet and Facilities Maintenance Plans, Standard Operating Procedures and Transit Asset Management best practices; and
- Provide tools to communicate forecasted performance metrics outlined in MTS Board Policy 42.

TAM Plan

Per FTA's TAM Final Rule and as mentioned above, MTS must maintain an agency-wide TAM plan. This plan will include the following elements:

- Inventory of assets – A register of capital assets and information about those assets. The FTA defines these assets as all capital assets a provider owns, except equipment with an acquisition value under \$50,000 that is not a service vehicle.
- Condition assessment – A rating of the assets' physical state.
- Decision support tool – Analytic process/ tool to assist in capital asset investment prioritization needs.
- Prioritized list of investments – A prioritized list of projects or programs to manage or improve the SGR of capital assets.
- TAM and SGR policy – Executive-level direction regarding expectations for TAM.
- Implementation strategy – Operational actions to achieve agency TAM goals and policies.
- Key annual activities – Describe the key TAM annual activities.
- Identification of resources – List resources needed to carry out the TAM Plan.
- Evaluation plan – Monitor and update to support continuous TAM improvement.

It is anticipated that the TAM Plan strategy will evolve in response to internal and external changes or challenges faced by MTS. Therefore, the TAM Plan will be considered a “living document” that will be reviewed and revised every three years. Any and all process changes within SOPs or FMPs will be reviewed and impacts to the overall TAM plan will be revised accordingly. The figures included in the five-year plan will be from the most recent approved CIP (a five-year plan and a 20-year forecast are updated each year as part of the annual CIP development). The updated TAM plan will be published to the MTS Board of Directors every three years.

Asset Reporting

The Final Rule sets the minimum asset management practices for transit providers. Beginning in Report Year 2018, agencies that receive or benefit from Chapter 53 funds from the Federal Transit Administration are required to report asset inventory, condition, and performance information to the NTD.

The NTD program's Asset Inventory Module (AIM) is designed to collect basic information on assets and infrastructure used by U.S. transit agencies to deliver service. The purpose of assembling a nationwide inventory is to improve the FTA's ability to project capital costs for the future replacement (and necessary capital renewal activities) of existing transit assets. This information supports the FTA biennial report to the U.S. Congress regarding cost estimates of transit capital. These estimates directly influence the FTA annual budget request submitted for the Federal fiscal year.

The Asset Inventory Module data elements are contained within the following forms and will be submitted annually:

- Transit Asset Management Performance Measure Targets (A-90), plus the year-end narrative of progress against those targets
- Transit Asset Management Facilities Inventory (A-15)
- Transit Way Mileage (A-20)
- Revenue Vehicle Inventory (A-30)
- Service Vehicle Inventory (A-35)

In 2016 MTS implemented two new SAP systems, the Enterprise Resource Planning (ERP) system and the Enterprise Asset Management (EAM) system, to help facilitate TAM reporting. The SAP EAM system is utilized to manage each individual maintenance plan and the entire lifecycle for all MTS assets. MTS uses its SAP EAM system to track all inspections, preventive maintenance, and unscheduled repairs for each individual asset. The SAP ERP system is utilized to track all financial transactions, and these costs can be traced back to the underlying assets within EAM. All of this information enables the data-driven approach to maintenance that is essential to identify performance issues, deploy maintenance resources efficiently, and improve maintenance procedures with objective decision-making.

Introduction

Overview of MTS

The San Diego Metropolitan Transit System was created to provide the policy setting and overall management coordination of the public transportation system in the San Diego metropolitan service area. This service area encompasses approximately 3 million people residing in a 570 square mile area of San Diego County, including the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, Santee, San Diego and the unincorporated area of the County of San Diego. A number of fixed-route operating entities provide the service and have banded together to form a federation of transit service providers called the Metropolitan Transit System (MTS). The purpose of MTS is to provide coordinated routes, fares, and transfers among the different operating entities.

Bus Operations

MTS Bus Operations are a consolidation of services operated by San Diego Transit Corporation (SDTC) and MTS Contracted Services. These entities operate and maintain a fleet of 740 buses, all of which are environmentally friendly compressed natural gas bus or battery electric bus. In fiscal year (FY) 2025, MTS bus services operated a total of 97 fixed routes, including traditional urban shuttle-type, express and bus rapid transit routes, plus paratransit services. These bus services will log over 2.5 million revenue hours while traveling over 32 million revenue miles across San Diego County.

Bus operations are supported by five bus maintenance facilities: Imperial Avenue, Kearny Mesa, South Bay, East County and Copley Park. Each facility includes a maintenance building, administrative building, cleaning and fueling facilities, storage yard, and maintenance equipment which is used to support overall operations.

Rail Operations

MTS Rail Operations (SDTI) operate and maintain a fleet of 174 light rail vehicles (LRVs) to provide transit service over four separate operating line segments. The UC San Diego Blue Line operates from the US/Mexico border through downtown San Diego and terminates at the University Town Center Transit Center. The Orange Line serves the East County communities from El Cajon through downtown San Diego and terminates at the new County Courthouse Station. The Copper Line also serves the East County Communities from El Cajon Transit Center to Santee Town Center. The Green Line operates from El Cajon along Mission Valley and serves the campus of SDSU through a short tunnel section before continuing to the Imperial Avenue Station, via the Bayside Corridor. The entire system encompasses 65 total miles (126 total track miles) of light rail transit (LRT) to 62 transit centers. Regular LRT service is provided around the clock with a 22-hour service window and 509 daily scheduled train trips (many more during special events). The entire system (all four line segments) provides low-floor service where on-time performance and service efficiencies continue to enhance the ridership experience.

The general operating environment includes a combination of open stations at-grade with standard railroad crossing protection, downtown mixed street traffic operation, elevated guideways with aerial stations, open-cut sub-grade tracks, one 4,100-ft long tunnel, and an underground station at San Diego State University.

Rail Operations are supported by the maintenance facility in Downtown San Diego. This facility includes three buildings for maintenance activities, paint booth, vehicle wash and a large storage yard.

Management

California law establishes the San Diego Association of Governments (SANDAG) as the planning agency for San Diego County. The responsibility and decision-making for all transportation-related planning, programming, and development activities occurs within SANDAG's nine-member Transportation Committee. Approved transportation plans and programs are subsequently executed by SANDAG staff. Within this structure, MTS and the North County Transit District (NCTD) focus primarily on operating activities.

The MTS Board of Directors (Board) has policy-setting responsibility for the operation and development of MTS's transit operations as well as for the planning and approval of capital expenditures. The Board is comprised of 15 members with four appointed from the San Diego City Council, one appointed from the San Diego County Board of Supervisors, two appointed from the city council of Chula Vista, one appointed from each Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, and Santee. One of the appointed members is then elected by other Board members to serve as Chairman.

The day-to-day operating functions, labor matters, and maintenance of facilities are managed by the individual transit operators. MTS has centralized and consolidated Security, Planning, Human Resources, Finance, Information Technology, Stores, and Purchasing for all MTS operations.

MTS's mission statement, adopted by the Board, is to enhance the personal mobility of San Diego metropolitan area residents and visitors by:

- Obtaining maximum benefit for every dollar spent.
- Being the community's major public transportation advocate.
- Increasing public transportation usage per capita.
- Taking a customer-oriented approach.
- Implementing capital projects on schedule and within budget.
- Offering high-quality public transportation services.
- Responding to the community's socioeconomic interests.

The long-term goal of MTS is to fund operations solely with recurring revenues. MTS recognizes that this requires a delicate balance between funding the operating budget and also funding the Capital Improvement Program (CIP). In many cases, adequately funding the CIP enables savings within the operating budget. This lifecycle management planning is intended to drive successful service delivery and financial performance by minimizing the cost to procure, operate, maintain, rehabilitate, dispose of, and replace an asset while meeting or exceeding established service and reliability commitments for both the asset and the transit system as a whole.

Over the last decade, MTS has made funding the CIP a priority to bring the system up to a State of Good Repair (SGR), with over \$2.8 billion of funding spent on Capital. MTS and SANDAG completed the Mid-Coast extension, rehabilitation of the Blue Line, and also replaced both the East County and South Bay bus facilities. Our annual bus fleet replacement plan has been adjusted to keep the number of buses replaced to a manageable figure each year. The U2 LRV fleet has been replaced and we are in the process of replacing the SD100 LRVs as they approach the end of their useful lives. MTS has committed \$250 million for CIP in FY25, funding 66 projects focused on fleet replacement and state of good repair.

Transit Asset Management Plan Purpose

Transit assets cost money to build, maintain, operate, and use. Transit asset management (TAM) is defined as a strategic and systematic process through which an organization procures, operates, maintains, rehabilitates, and replaces its transit assets to manage their performance, risks, and costs

over their lifecycle to provide safe, cost-effective, and reliable service to current and future customers. The core of this plan is to understand and minimize the total cost of ownership of an asset while maximizing its performance. TAM integrates activities across departments within a transit agency to optimize resource allocation by providing quality information and well-defined business objectives to support decision-making within and between classes of assets.

Transit assets include both fixed long-life infrastructure assets (structures, tunnels, facilities, and maintenance of way) and equipment (bus, rail, and paratransit revenue vehicles or rolling stock). This guide provides a transit-specific asset management framework for managing assets individually and as a portfolio of assets that comprise an integrated system. In this guide, transit assets include physical infrastructure elements, equipment, and systems. Our definition of assets does not include “human capital” (the skills, training, goodwill, and institutional memory of employees), financial assets, data/information, or intangible assets (for example, reputation, culture, and intellectual property).

Asset management is most successful when it is integrated into an agency’s existing management processes for establishing policy, strategy, and business plans, as well as connected to an agency’s performance management and risk management processes. As SGR has long been a focus of this agency, this TAM plan is largely built upon existing procedures. These procedures are documented in the Fleet and Facilities Maintenance Plans (FMP) of the MTS Operators. The purpose of these FMPs is to not only ensure that our assets are maintained in an SGR based on original equipment manufacturer (OEM) standards but also help to enhance our operations by providing safe, frequent, and reliable service. These FMPs are used to monitor and manage assets to achieve these standards, improve safety, and increase reliability and performance. On the Rail side, MTS must also comply with regulations of the Federal Railroad Administration (FRA) and the California Public Utilities Commission (CPUC).

Asset management supports and enables the following elements of transit agency management:

- Performance management focus: Asset management integrates management activities across the agency’s various functional areas to address customer level of service and performance outcomes.
- Optimization of resources: Asset management aligns investment decisions associated with operations and maintenance budgeting and capital programming to achieve levels of service that meet agency goals.
- Fact-based management: Asset management is data-driven and transparent.
- Performance culture: Asset management is outcome-based, establishes metric-driven management, and provides tools to adopt a “predict and prevent” or “reliability” culture as opposed to a “find and fix” culture.

The TAM Plan is a key management document for tying the agency’s strategic goals and outcomes, or performance measures to the maintenance and capital programs that it delivers. The management cycle is completed by having more detailed, lower-level performance measures to both determine the effectiveness of the agency’s programs in achieving the outcomes (e.g., safety, asset condition, travel times, etc.) and its efficiency in completing the programs (e.g., output measures such as lane-miles resurfaced, projects completed on time and on budget, etc.).

Emphasis on managing assets through their life cycles, which vary by asset class and can stretch to decades, helps staff, management, and stakeholders to realize that the assets are being managed for the long term, and that the concept of ownership (“it is ours to do with what we like”) is able to be substituted with stewardship (“at the moment it is ours to care for and pass on to our grandchildren”).

MTS is committed to effectively managing its transit assets and maintaining its system in an SGR to support safe, efficient, and reliable transit across the organization. An Asset Management Policy (No. 65) will be approved by the Board apart from developing this TAM Plan.

This TAM Plan outlines the overall asset management approach in a manner consistent with that policy and current federal regulations and sets the direction for establishing and maintaining transit asset management strategies and plans that are achievable with available funds.

This TAM Plan complies with the Federal Requirements of the Moving Ahead for Progress in the 21st Century Act (MAP-21), which mandated new National Transit Database (NTD) reporting requirements for asset management. These regulations were finalized in July 2016 with revisions through the Federal Registry (The Final Rule) detailing the expected responsibilities of transit agencies. This included responsibilities mandating that transit agencies have TAM and SGR procedures in place. Accordingly, MTS commits to:

- Maintain an asset inventory that includes vehicles, facilities, and facility equipment used in the delivery of transit service; and
- Identify safety-critical assets within the asset inventory and prioritize efforts to maintain those safety-critical assets in an SGR; and
- Clearly define ownership, control, accountability, and reporting requirements for assets, including leased and third-party assets; and
- Set asset performance targets to measure, monitor, and report on progress towards meeting those targets; and
- Base capital project prioritization and other asset management decisions on asset criticality, condition, performance, available funding, safety considerations, and on the evaluation of alternatives that consider full lifecycle benefits, costs, and risks; and
- Maintain an agency-wide TAM Plan current with Federal Transit Administration (FTA) requirements, Board Policies, Fleet and Facilities Maintenance Plans, SOPs, and Transit Asset Management best practices.

Plan Contents

The FTA regulation defines MTS as a Tier I agency and, as such, MTS has implemented a TAM Plan that includes the following nine (9) TAM Elements listed and described in the Board-approved Asset Management Policy No. 65.

- Inventory of assets – A register of capital assets and information about those assets.
- Condition assessment – A rating of the assets' physical state.
- Decision support tool – Analytic process/ tool to assist in capital asset investment prioritization needs.
- Prioritized list of investments – A prioritized list of projects or programs to manage or improve the SGR of capital assets.
- TAM and SGR policy – Executive-level direction regarding expectations for transit asset management.
- Implementation strategy – Operational actions to achieve agency TAM goals and policies.
- Key annual activities – Describe the key TAM annual activities.
- Identification of resources – List resources needed to carry out the TAM Plan.
- Evaluation plan – Monitor and update to support continuous TAM improvement.

Implementation strategy

MTS's core business is to provide safe, reliable, and sustainable transportation options to the communities it serves. To accomplish this, MTS must continually improve its management of fleet and facilities. When executed properly, TAM improves the coordination of all departments across all phases of an asset's lifecycle to manage assets and required resources more efficiently.

This Plan sets forth MTS's approach to improving its TAM capabilities in compliance with federal requirements. This master document sets agency-wide objectives and strategies for delivering all commitments in its TAM Policy and its mission. This TAM Plan will:

- Specify the lifecycle management activities outlined in the FMPs for each department that is responsible for the operations and/or maintenance of a given asset class.
- Outline the personnel and technology resources that will be utilized to optimize the costs, risks, and performance of the transit system.
- Identify priority projects to improve TAM capabilities across the agency, as well as the funding for these projects.
- Provide structure for an ongoing planning effort.
- Create an ongoing performance monitoring and evaluation plan.
- Define the reporting framework to communicate with the FTA, the Board and the public about the results of these asset management activities, the benefits of investing in the transit system and the consequences of underinvestment.

Federal Requirements

The TAM rule (49 CFR part 625) is a set of federal regulations that set out minimum asset management practices for transit providers. Beginning in Report Year (RY) 2018, agencies that receive or benefit from Chapter 53 funds from the FTA are required to report asset inventory, condition, and performance information to the NTD. The FTA defines these assets as all capital assets a provider owns, except equipment with an acquisition value under \$50,000 that is not a service vehicle.

The NTD program's Asset Inventory Module (AIM) is designed to collect basic information on assets and infrastructure used by U.S. transit agencies to deliver service. The purpose of assembling a nationwide inventory is to improve the FTA's ability to project capital costs for the future replacement (and necessary capital renewal activities) of existing transit assets. This information supports the FTA biennial report to the U.S. Congress regarding cost estimates of transit capital. These estimates directly influence the FTA annual budget request submitted for the Federal fiscal year (FFY).

Asset Inventory

The asset inventory is structured to include a hierarchy of asset categories that comprise a specific asset class. The asset inventory and the associated asset hierarchy can provide a common basis for integrating this information and using it for multiple purposes across the agency.

Asset categories/hierarchy

A detailed asset inventory is maintained in the SAP Enterprise Asset Management (EAM) System. The table below summarizes the asset classes and asset categories used by MTS:

Classes:	Vehicles	Facilities & Stations	Fixed Guideway	Systems
Categories:	Revenue Vehicles: -Bus -Rail Non-Revenue Vehicles: -Operations -Maintenance -Administrative	Maintenance Facilities: -Bus -Rail Stations: -Transit Centers -Benches/shelters Administrative Buildings	Track: -Rail/Ties -Grade Crossings -Special Trackwork Right of Way: -Bridges -Elevated Track -Signaling Electrification	Software: -Financial -Maintenance -Operational Hardware

During asset procurement and receipt or acceptance, specific asset identification, useful life, warranty, and maintenance interval information [data] is collected from the OEM. This practice ensures the asset data is properly recorded into the EAM for effective and efficient lifecycle management.

SAP EAM Asset Inventory:

Display Equipment : General Data

Class overview Measuring points/counters Map

Equipment: 301 Category: REVENUE VEHICLE-BUS
 Description: 301-New Flyer C40LF Year: 2008
 Status: INST
 Valid From: 09/22/2008 Valid To: 12/31/9999

General Location Organization Structure Documents Sales and Distribution Vehicle I...

General data

Class	BUS_300	Bus - 300 Series Class
Vehicle Type	BUS_BU	BUS
AuthorizGroup	BM	Bus Maintenance
Weight	31,280.00	Size/dimension: 8.5 X 11.1 X 40.8
Inventory no.	4808	Start-up date: 09/18/2008
Shift Note Type	NB	
Report Type		

Reference data

AcquistnValue	0.00	Acquisition date	08/14/2008
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Manufacturer data

Manufacturer	NEW FLYER	ManufCountry	
Model number	C40LF	Constr.yr/mth	2008 / 08
ManufPartNo.			
ManufSerialNo.	5FYC4FB128C033862		

Vehicles

MTS vehicle inventory divides the vehicles into two categories: revenue vehicles and non-revenue vehicles. Revenue vehicles are the vehicles available to operate transit services provided by the agency. For MTS, this includes both buses and LRVs. Revenue vehicles tend to have maintenance priority among all transit assets, not only because of their critical role but also because they must meet regulatory requirements and acceptable safety and reliability levels to provide passenger service.

MTS vehicle inventory:

Category	Sub-category	Count
Bus Revenue Vehicles	40-Foot Bus	452
	60-Foot Articulated Bus	128
	ADA Minibus/Minivan	150
	Commuter Express Bus	24
Rail Revenue Vehicles	Vintage/U2/SD100 High Floor Vehicle	27
	SD7 Low Floor Vehicle	11
	SD8 Low Floor Vehicle	65
	SD9 Low Floor Vehicle	45
	SD10 Low Floor Vehicle	28
Non-Revenue Vehicles	Automobiles	2
	Trucks and other Rubber Tire Vehicles	20

As seen above, bus revenue vehicles come in a number of different sizes. MTS categorizes the buses by size and propulsion system and then groups them into series by the year they were put in service.

- **Heavy duty buses** – This asset category includes both the 40-foot buses and the 60-foot articulated buses, which comprise the majority of the bus fleet. MTS primarily purchases from New Flyer and Gillig; the 60-foot contract is with New Flyer through 2027, and the 40-foot contract is with New Flyer through 2027. Most of the heavy-duty buses currently run on compressed natural gas (CNG), with the exception of 29 new zero-emission buses.
- **Minibuses** – This asset category includes both minibuses used for ADA paratransit service as well as the less traveled fixed route services. These buses are propane-powered.
- **Commuter Express buses** – This asset category consists of the over-the-road coach-style bus used for MTS’s Interstate 15 premium express service. All 24 buses run on compressed natural gas (CNG).

On the rail side, the LRVs have been purchased from Siemens. For these vehicles, they are grouped by series based on the same build cycle. The 2000 series SD100 high-floor vehicles have been in service since the mid-1990s, and are in the process of being replaced by the new low-floor SD10 fleet by 2025. The 3000 series SD7 LRVs went into service in 2005, the 4000 series SD8 LRVs went into service between 2011 and 2013, and the 5000 series SD9 LRVs went into service between 2019 and 2021.

Non-revenue vehicles are the vehicles utilized by support staff of the agency. 165 of these vehicles are leased through Enterprise, an arrangement MTS started almost 15 years ago which has proven to provide a lower cost of ownership versus owning these vehicles outright. (Per FTA instructions, these

leased vehicles are not included in the table above nor are they reported to the NTD.) These vehicles include:

- Supervisory and pool vehicles
- Maintenance vehicles
- Security vehicles
- Other administrative vehicles

MTS also has specialized maintenance vehicles across the agency. These vehicles typically have a longer useful life, and due to their specialized nature, make direct purchase a lower cost of ownership. These vehicles include:

- Bus service trucks
- Flatbed trucks

Facilities

Facilities refer to the structures that enclose or support maintenance, operations, administrative, and spaces for passengers. Facilities also house specialized equipment that supports the operations and maintenance of the vehicles (for example, fueling and wash facilities). Maintenance work spaces must accommodate vehicle movement within and around buildings, industrial workflow, and storage. Service facilities may include industrial workspaces similar to maintenance facilities, storage areas, and office spaces. Passenger facilities are usually focused around spaces for pedestrian movement or waiting areas. Stations provide shelter for employees and customers, and facilities provide shelter for employees, revenue vehicles, and power systems. Stations and passenger facilities are particularly important because they directly impact the customer experience.

MTS facility inventory:

Category	Sub-category	Count
Maintenance Facilities	Maintenance Facility (Service and Inspection)	8
	General Purpose Maintenance Facility/Depot	2
	Heavy Maintenance & Overhaul (Back shop)	1
	Other, Administrative & Maintenance	1
Stations	LRV At-Grade Fixed Guideway	53
	Elevated Fixed Guideway	9
	Underground Fixed Guideway	1
	Bus At-Grade Fixed Guideway	5
	Bus Transfer Center	14
	Surface Parking Lot	30
	Parking Structure	3
Administrative Offices	Administrative office/sales office	3
	Combined Administrative office	3

Each of these facilities is owned by MTS. These facility types are described in greater detail below:

- **General Purpose Maintenance Facility/Depot** – This asset category refers to the five bus maintenance facilities: Imperial Avenue, Kearny Mesa, South Bay, East County and Copley Park. These include the structures used to maintain bus revenue vehicles (for example, heavy duty buses, over-the-road coaches, and paratransit buses), plus operations offices, administrative facilities, operations central control, and central warehouses. Each of these facilities also includes a large yard to store the vehicles when not in service.
- **Maintenance Facility (Service and Inspection)** – This asset category refers to the maintenance facility in Downtown San Diego. It includes the structures used for maintaining LRVs, maintenance-of-way, buildings, grounds field crew, operations offices, administrative facilities, operations central control, and central warehouses. This facility also includes a large rail yard to store the LRVs when not in service.
- **Vehicle Fueling Facility** – This asset category refers to specialized fueling stations at the bus maintenance facilities for each fuel type utilized at MTS.
- **Stations** – This asset category refers to structures intended primarily for passengers' use, including bus transfer facilities, rail stations (both elevated and at grade), and customer service facilities. MTS also has one underground station at San Diego State University.
- **Administrative Offices** – This asset category refers to stand-alone administrative facilities. This includes the MTS corporate offices in the Mills Building, and the Taxicab Administration building.

Each facility type listed above also encompasses a wide variety of subsystems required for that facility to function appropriately. These subsystems or sub-categories include assets such as:

- Substructure
- Shell
- Interiors
- Conveyance (Elevators and Escalators)
- Plumbing
- HVAC
- Fire Protection
- Electrical
- Site
- Equipment (for Administrative and Maintenance Facilities)
- Fare Collection (for Passenger and Parking Facilities)

MTS tracks assets at this subsystem level to ensure the entire facility is kept in a state of good repair.

Fixed Guideway

Fixed guideway elements refer to the structural elements that allow for the movement of MTS's LRVs. These assets are broadly categorized into track elements, guideway elements comprising the track right-of-way, grade crossings, and the electrical infrastructure. Failure to maintain minimum condition standards in any of these assets increases the risk of slow, unreliable, potentially unsafe, or inoperable service.

MTS fixed guideway inventory:

Category	Sub-category	Count/ Linear Feet
Track	Tangent – Revenue Service	53 miles
	Curve – Revenue Service	51 miles
	Non-Revenue Service	7 miles
Special Trackwork	Double Diamond Crossover	7
	Single Crossover	61
	Single Turnout	28
Guideway	At-Grade/Ballast (including expressway)	83 miles
	At-Grade/In-Street/Embedded	7 miles
	Elevated/Concrete	9 miles
	Below-Grade/Retained Cut	1 mile
	Below-Grade/Cut-and-Cover Tunnel	3 miles
	Below-Grade/Bored or Blasted Tunnel	1 mile
Grade Crossings		96
Electrification	Substation Building	62
	Overhead Catenary System	104 miles

The guideway asset categories are described in greater detail below:

- **Track** – This asset category refers to the guide structure directly under the wheels of the transit vehicle that distributes vehicle dynamic loads to its supporting infrastructure both above and below ground.
- **Special Trackwork** – This asset category consists of trackwork structures, trackwork components or apparatus that are normally fabricated in whole or in part from regular rail sections. This includes items such as crossovers and turnouts.
- **Guideway** – This asset category consists of the right-of-way elements upon which the track resides. The majority of MTS's system is run on at-grade ballast, but there are significant portions that are on elevated bridges.
- **Grade Crossings** – This asset category refers to specific points along the track line where the track is embedded in the street and shares right-of-way with general automobile or pedestrian traffic.

- **Electrification** – This asset category provides supply and distribution of propulsion power for MTS’s electric-powered LRVs and includes alternating current (AC) and direct current (DC) systems. Subsystems include overhead catenary system, distribution, and substations.

Like with facilities, there are a number of ancillary structures not detailed above that are required to physically support the safe and efficient operation of a transit system. These structures can include culverts, retaining walls, pedestrian walkways, utilities conduits, communications towers, light poles, safety fencing, signal cases, traffic gates, and vehicular signage.

MTS’s light rail service does not operate on an exclusive guideway, meaning the right-of-way is shared with other traffic or services. Portions of the trolley line share right-of-way with general automobile or pedestrian traffic, and other portions share right-of-way with overnight freight services. However, MTS is financially responsible for the entire rail line, even the portions that are shared.

Systems

The systems asset class includes a diverse set of systems that support core operational functions. In today's technology dependent world, practically everything is dependent on its own specialized system. All of these systems are critical to transit operations, providing financial information, communications, network connectivity, revenue collection, security, customer service, and safety controls.

Major MTS systems inventory:

Technology	Description	Owner
SAP ERP	Enterprise Resource Planning System – management information system that integrates accounting, budgeting, purchasing, inventory and asset management.	Information Technology (IT)
SAP EAM	Integrated module of SAP ERP, to manage Enterprise Asset Management System for Fleet and Facilities management. Software solution that improves planning, scheduling, routing, preventative and corrective maintenance, and completing work orders based on miles, condition, priority, resources and assets.	IT
SAP CRM	SAP Customer Relationship Management System, to manage customers' Lost & Found, complaints and compliment cases, integrated with Hastus for incidents, and Risk Department.	IT
ADP	Human Resources Information Systems that manages all employees benefit data and payroll operations.	IT/ Human Resources
ARINC	Centralized Train Control (CTC) refers to the wayside and onboard equipment responsible for safe train operation and traffic control	IT/ Operations
CAD/AVL	The CAD/AVL system connects our vehicles seamlessly with our back office scheduling and dispatching software. It automatically collects vital data used by dispatchers such as bus GPS locations, schedule adherence status, breakdowns and emergencies	IT/ Operations
Pronto	Revenue Collection systems used to collect transit revenues, and to collect data, including ridership and service performance data	IT/ Operations
Hastus	Scheduling & Dispatch – provides improved planning, scheduling, operations, passenger information and analysis.	IT/ Planning
S&A Systems FleetWatch	Fluid Management – provides real-time control and data acquisition for fluids and tank monitor systems to monitor fluid usage, schedule preventive maintenance, and reconcile fluids.	IT/ Operations
Multiple Vendors	Security provides protection for customers and employees from threats and vulnerabilities, both internal and external to the system. It comprises both monitoring and control systems	IT/ Security

This asset class also includes all of the hardware utilized by the systems listed above. This includes servers, computers, cameras, and other specialized devices.

Useful life

The Useful Life (UL) is the estimated lifespan of a fixed asset, during which it can be expected to contribute to agency operations. MTS has developed UL assumptions for all assets based on FTA guidelines and Generally Accepted Accounting Principles. Due to their specialized nature, many transit assets are not specifically listed in FTA guidelines or accounting rule. In these situations, staff will rely on manufacturer recommendations in order to determine the UL of these types of assets. MTS manages the asset lifecycles based on these ULs.

The Useful Life Benchmark (ULB) is the expected lifecycle of a capital asset for reporting to the NTD only. FTA has outlined default useful life benchmarks for vehicle types, using average age-based equivalent of a 2.5 rating on the FTA Transit Economic Requirements Model (TERM) scale. The FTA default ULB for each vehicle class is listed in the table below. As you can see, MTS's established UL is different from the FTA ULB. MTS will measure against these ULB for NTD reporting purposes.

Code	Vehicle Type	UL	ULB
AB	Articulated bus	12	14
AO	Automobile	7	8
BR	Over-the-road bus	12	14
BU	Bus	12	14
CU	Cutaway bus	7	10
LR	Light rail vehicle	25	31
MB	Minibus	7	10
MV	Minivan	7	8
SV	Sport utility vehicle	7	8
VN	Van	7	8

Condition assessments

Condition assessment is the process of inspecting the asset to collect data that is used to measure condition and performance. The condition assessment process involves regular inspections that evaluate an asset's visual and physical condition (for example, structural issues, and faulty components). This process addresses risk, ensures the asset can meet its level-of-service requirements, and provides information from which assets can be managed across their lifecycle.

The TAM Rule requires the inclusion of condition assessments in an agency's TAM Plan. Specific requirements include:

- A condition assessment of those inventoried assets for which a provider has direct capital responsibility.
- A condition assessment must generate information in a level of detail sufficient to monitor and predict the performance of the assets.
- A condition assessment must generate information in a level of detail sufficient to inform the investment prioritization.

Each asset class has different requirements for condition inspection and monitoring that depend on their performance characteristics, the risks, and the impacts of failure. In some cases, these requirements are specified by state and federal regulations. Gathering condition and performance data can be costly as it is a strictly manual process. However, these conditions and performance measures can be used to improve reliability and proactively plan for the investments required to maintain good performance on the most critical assets.

The following is a high-level summary of MTS's procedures for data collection:

- Data collection frequency – This addresses how often the inspections should occur. Triggers for a condition inspection may be based on a time or mileage interval, criticality or risk assessment, or it may be based on a performance trigger (for example, a bus with a skyrocketing mean time between failure metric).
- Inspection approach – For many asset classes, condition inspections can require appropriately trained and credentialed staff. Additionally, there is increasing interest and the ability to substitute a visual or manual inspection with technology-enabled monitoring. Examples include using sensors to monitor structural conditions and switch performance. Moreover, some inspection data may be collected through day-to-day operating and maintenance processes.
- Quality assurance process – These are the processes used to verify the data and ensure quality. Quality assurance processes may require random data checks or formal audits.
- Training – This is an important part of quality assurance for condition assessment and ensures that the condition is being measured consistently and accurately.

In order to determine an asset's condition, the FTA's Transit Economic Requirements Model (TERM) scale is being used, listed in the table below, with condition rating ranges from (5) Excellent to (1) Poor.

Rating	Condition	Description
5	Excellent	No visible defects, new or near new condition, may still be under warranty if applicable
4	Good	Good condition, but no longer new, maybe slightly defective or deteriorated, but is overall functional
3	Adequate	Moderately deteriorated or defective, but has not exceeded useful life
2	Marginal	Defective or deteriorated in need of replacement; exceeded useful life
1	Poor	Critically damaged or in need of immediate repair; well past useful life

Per the FTA TAM Final Rule, assets with a condition rating score of 3.0 and above are in a state of good repair. Assets with a condition score lower than 2.9 are not in a state of good repair, and may require prioritization during capital programming to ensure safe, efficient, and reliable transit service.

Facilities and Facility Equipment Condition Assessment:

For Facilities assets, condition assessments are scheduled and completed using in-house staff along with regular scheduled intervals. To determine the overall condition of a facility, MTS will inspect and assess the assets at the individual asset level. The FTA defines these assets as all capital assets a provider owns, except equipment with an acquisition value under \$50,000, as a general rule the condition assessments will follow this guideline, but there may be instances where condition assessments are done on assets with an acquisition value under \$50,000. Those individual assets will then be grouped into the following subcategories for each facility:

- Substructure

- Shell
- Interiors
- Conveyance (Elevators and Escalators)
- Plumbing
- HVAC
- Fire Protection
- Electrical
- Site
- Equipment (for Administrative and Maintenance Facilities)
- Fare Collection (for Passenger and Parking Facilities)

Each of these subcategories will encompass a number of individual assets. These results on an asset level are compiled into the Condition Assessment Report for a master asset which will aggregate (roll-up) the individual asset condition assessments to the subcategory levels listed above. Those subcategory scores will then aggregate (roll-up) for the master asset condition rating, which will be included in the NTD reports.

Fixed Guideway Condition Assessment:

MTS fixed guideway assets are subject to regulation by the FRA and the CPUC. As such, there are clearly defined inspection schedules per state and federal regulations. The data generated by these inspections allows MTS to track performance and proactively plan the required investments to keep the assets in a state of good repair.

Unlike facility assets, condition ratings for this asset class do not utilize the TERM scale. NTD requires a metric of the percentage of track segments that have performance restrictions. Performance restrictions are reported by mode and type of service as an average length of directional route mileage (DRM) operating under performance restriction. The NTD definition of DRM is the mileage in each direction over which public transportation vehicles travel while in revenue service

A performance restriction is defined to exist on a segment of a fixed guideway when the maximum permissible speed of transit vehicles is set to a value that is below the guideway's design speed. Generally, the design speed for a section will be the same as the maximum allowable speed established for the section at the time of system opening. The performance restriction can be communicated through operating instructions, route signage, flaggers, or an agency's dispatch system. Performance restrictions may result from a variety of causes, including defects, signaling issues, construction zones, maintenance work, or other causes.

To determine this measure, agencies are required to calculate the DRM (measured to the nearest hundredth of a mile) under performance restrictions as a result of all causes at the same time each month: 9:00 AM local time on the first Wednesday of each month. The total impacted DRM for that month is divided by the overall length of track, generating the performance restriction metric for that month. This process is repeated each month, and is then averaged to produce the required annual metric for the NTD.

Vehicle Condition Assessment:

Condition ratings for vehicles are expressed in terms of the percentage of assets that are at or beyond the Useful Life Benchmark (ULB). At the end of each year, the age of each asset in each vehicle type is compared to the ULB for that vehicle type. The number of assets that exceed the ULB is divided by the total number of assets in that vehicle type, generating the ULB percentage metric that is reported to the NTD.

Asset Lifecycle Management

Asset management is most successful when it is integrated into an agency's existing management processes for establishing policy, strategy, and business plans, as well as connected to an agency's performance management and risk management processes. As SGR has long been a focus of this agency, this TAM plan is largely built upon existing procedures. Asset management supports and enables the following elements of transit agency management:

- **Performance management focus:** Asset management integrates management activities across the agency's various functional areas to address customer level of service and performance outcomes.
- **Optimization of resources:** Asset management aligns investment decisions associated with operations and maintenance budgeting and capital programming to achieve levels of service that meet agency goals.
- **Fact-based management:** Asset management is data-driven and transparent.
- **Performance culture:** Asset management is outcome-based, establishes metric-driven management, and provides tools to adopt a "predict and prevent" or "reliability" culture as opposed to a "find and fix" culture.

The TAM Plan is a key management document for tying the agency's strategic goals and outcomes, or performance measures, to the maintenance and capital programs that it delivers. The management cycle is completed by having more detailed, lower-level performance measures to both determine the effectiveness of the agency's programs in achieving the outcomes (e.g., safety, asset condition, travel times, etc.) and its efficiency in completing the programs (e.g., output measures such as lane-miles resurfaced, projects completed on time and on budget, etc.).

Emphasis on managing assets through their life cycles, which vary by asset class and can stretch to decades, helps staff, management, and stakeholders to realize that the assets are being managed for the long term, and that the concept of ownership ("it is ours to do with what we like") is able to be substituted with stewardship ("at the moment it is ours to care for and pass on to our grandchildren").

Asset Lifecycle

Lifecycle management enables agencies to make better investment decisions across the lifecycle using management processes and data specific to each asset as a basis for predicting remaining useful life (including age, condition, historic performance, and level of usage). Transit asset management involves processes for managing and maximizing the performance of an asset while minimizing its costs throughout the course of its lifecycle. Lifecycle activities include the following:

- **Design/Procure** – If creating, this includes planning, design, and construction of the asset. If acquiring, this includes the scoping of the development and procurement of the asset. The asset management perspective involves considering the level of service requirements and total cost of ownership in this initial step.
- **Use/Operate** – This involves the use (or operation) of the asset. Asset management ensures that the asset is available in the specified condition to be used, or operates reliably to deliver the planned level of service.
- **Maintain/Monitor** – This involves all the predictive, preventive, corrective, and reactive activities required to maintain the asset in the condition required to deliver the planned level of service.
- **Rehabilitate** – Rehabilitation is the planned capital expenditures required to replace, refurbish, or reconstruct an asset partially, in-kind, or with an upgrade to optimize service and minimize

lifecycle costs. Examples might include reconstruction work on a bridge structure that replaces critical elements and thereby extends the bridge's life or a rail vehicle overhaul.

- **Dispose/Reconstruct/Replace** – When an asset can no longer perform at its intended level of service, the agency has the choice to dispose, reconstruct, or replace the asset. Typically at this stage, it is no longer cost-effective to renew the asset or it is functionally obsolete, and the agency must determine whether the asset must be replaced, whether the function of the asset remains necessary, and whether its function can be met more economically or efficiently by being replaced outright.

While these activities follow an asset through its lifecycle, the majority of the TAM activities and investment covers the operation, maintenance, and rehabilitation activities.

Maintenance Plans

Maintenance is managed with a multi-year time horizon to improve the reliability of all of its assets. The maintenance procedures are documented in the Fleet and Facilities Maintenance Plans (FMP) of the MTS Operators. The purpose of these FMPs is to not only ensure that the assets are maintained in a state of good repair based on original equipment manufacturer (OEM) standards, but also help to enhance operations by providing safe, frequent, and reliable service. These FMPs are used to monitor and manage assets to achieve these standards, improve safety and increase reliability and performance. On the Rail side, MTS must also comply with regulations of the Federal Railroad Administration (FRA) and the California Public Utilities Commission (CPUC).

The purpose of each FMP is to provide an overview of each department's resources, structure, asset management, and maintenance programs. These FMPs are also supported by the Standard Operating Procedures (SOPs) used to guide day-to-day activities.

Vehicle Maintenance Plans

Vehicle asset management focuses primarily on vehicle procurement, the structuring of the vehicle maintenance program, the identification of and response to specific maintenance issues, the planning of system and component replacements, and the management of the spare fleet and inventory. Manufacturers provide guidelines for preventive maintenance and replacement, and maintenance practices are broadly shared across the industry.

For all operating revenue and non-revenue fleet assets, the FMP addresses:

- Organization Structure
- Maintenance Program Schedules
- Quality Control
- Training
- Preventive Maintenance
- Inspections
- Records
- Service and Cleaning Activities
- Warranty Program
- Goals and statistics

The FMP is also supported by the departmental Standard Operating Procedures (SOPs) used to guide employee day to day functions.

MTS utilizes a number of Key Performance Indicators (KPI) to oversee its maintenance activities. These KPIs are utilized across the industry, generating reliable benchmarks to compare against. MTS will also set annual goals and track performance against those goals. Among these KPIs are:

- Mean distance between failure (MDBF)
- % of PMs performed on time
- California Highway Patrol (CHP) Inspection Defects
- Accidents
- Injuries
- Maintenance cost per mile

Additionally, MTS utilizes a Quality Assurance (QA) department to perform quality control measures to ensure that vehicle maintenance staff is adhering to business processes and properly completing inspections, maintenance, and rehabilitation activities. MTS staff also performs quarterly inspections and more frequent informal on-site walk-throughs and inspections of the vehicles at the contractor facilities to check fleet maintenance data. Daily operations reports are also reviewed to examine the operational status of ADA equipment on vehicles in revenue service. Finally, monthly oversight reports are produced for both the in-house and contracted service operations that monitor performance in the same KPIs.

As part of the annual CIP process, MTS will update its Fleet Replacement Plan. This plan will forecast the replacement needs of the agency over 15 year horizon based on the useful lives of each vehicle type, attempting to normalize the year-by-year replacement needs as much as possible, and also estimating the funding requirements.

MTS has additional standardized procedures for accepting new buses delivered each year, as well as decommissioning and disposal of vehicles that have reached the end of their useful life.

Facilities Maintenance Plans

Because of the unique functional requirements for most transit facilities, transit agencies tend to manage most of their facilities throughout the entire facility lifecycle rather than acquire and dispose of them as needed. Therefore, agencies are typically involved in the facility design, operation, maintenance, renewal, and replacement. All MTS transit facilities and stations are owned by the agency. However, the functions within two bus maintenance facilities have to be outsourced, including the maintenance of the facility. For both directly operated and contracted services, the lifecycle management is documented within the facilities management plans maintained by each relevant department to monitor and manage all assets to achieve and maintain a state of good repair, improve safety and increase reliability and performance.

Inspections are often the most cost-effective method to assess the condition of and identify issues related to facility structures including defects, deterioration, and damage. Each FMP will have precise procedures for both higher-frequency routine inspections and more-detailed structural inspections. Third-party maintenance agreements are in place for many of MTS's specialized facility assets to allow for the greater expertise required for those inspections (for example, for the compressed natural gas fueling stations).

MTS Contract Services staff monitors the facilities and vehicles maintained by contractors via frequent informal on-site walk-throughs and inspections as well as reviews of monthly facility inspection reports and monthly fleet maintenance data. Staff also conducts formal quarterly inspections of the maintenance records of the contractors to ensure compliance with the maintenance requirements.

For all operations and support facilities, the FMP addresses:

- Organization Structure
- Maintenance Program Schedules
- Quality Control
- Preventive Maintenance
- Inspections
- Service and Cleaning Activities
- Warranty Program

As part of the annual CIP process, MTS will utilize the annual CIP 20-Year Projection file to review the near-term and long-term rehabilitation and replacement needs for each facility. This plan will forecast the needs of the agency over a 20-year horizon based on the useful lives of each asset type and also estimate the funding requirements.

Fixed Guideway Maintenance Plans

Most fixed guideway elements are required by FRA and CPUC regulations to have regular condition inspections and assessments since they are safety-critical. For these assets, there are preventive maintenance activities that will be performed to minimize the risk of failures and to ensure the asset reaches (or even exceeds) its design life.

The longevity of guideway structures means that there may be a relatively high level of financial uncertainty and risk over the course of the asset's useful life. Guideway assets typically represent some of the largest capital assets of a transit agency, and without timely and effective maintenance, these assets may require additional or more costly rehabilitation to reach their full design life. Track elements require significant maintenance and investment over time to maintain performance and allow revenue vehicles to move at authorized speeds with minimal vehicle wear and maximum comfort.

The guideway asset owner should specify the requirements associated with the asset lifecycles—including design requirements, preventive maintenance activities, expected rehabilitation needs, and lifecycle costs—and incorporate this information into the lifecycle management plans for track, tunnels, and bridges. In addition, MTS is staffed for ongoing engineering support to modify the maintenance approach based on ongoing condition assessments and address unforeseen technical issues as they arise.

Track inspections are a critical quality control measure to assess both the quality and effectiveness of maintenance procedures, as well as to comply with FRA as well as CPUC regulations. As stated previously, MTS monitors the directional route mileage (DRM) operating under performance restriction by mode and type of service as another measure of the quality and effectiveness of maintenance procedures.

The assets will be evaluated relative to their remaining life to avoid the failure of the components in a timeframe that would not allow for repair or replacement. As part of the annual CIP process, MTS will review the near-term and long-term rehabilitation and replacement needs for these assets. The annual CIP 20-Year Projection file will forecast the needs of the agency over a 20-year horizon based on the useful lives of each asset type and also estimate the funding requirements.

Identification of Resources

Personnel Resources

Asset owners are responsible for the planning and implementation of lifecycle management. An asset owner is a transit agency manager who is usually in charge of an asset class's maintenance and, ideally, is also involved in asset design and procurement. The asset owner is responsible for lifecycle

management planning, developing and implementing the lifecycle management plan, and for facilitating asset management activities. The asset owner also participates in the annual operating and capital budgeting cycles, where they act as advocates for the necessary funding resources to keep their assets in a state of good repair. The table below lists the asset owners and their specific areas of responsibility:

Asset Owner	Title	Area of Responsibility
Thomas Pascarella	Director of Fleet & Facility Maintenance	Bus Revenue Vehicles, Bus Facilities
Michael Daney	Manager of Contract Operations & Passenger Facilities	Bus Transit Centers, Contracted Bus Facilities
Charles Posejpal	Manager of Paratransit & Mini Bus	ADA/Mini Bus Facility
Israel Maldonado	Fare Systems Administrator	Fare Collection Equipment
Alex Pereyra	Superintendent Wayside Maintenance	Rail Fixed Guideway and Electrification
Andy Goddard	Superintendent of LRV Maintenance	Rail Revenue Vehicles
Rolando Montes	Superintendent of Facilities	Rail Facilities and Transit Stations
Ernesto Garcia	Chief Information Officer	Information Technology
Jeremiah Johnson	Security Systems Administrator	Security Equipment

The FMPs and SOPs described previously provide a foundation asset owners can use to increase the effectiveness of these lifecycle management activities and thereby drive improved lifecycle management and optimize asset performance. The FMPs also describe the resources available to each asset owner for their applicable asset class.

Technology Resources

Information technology is a critical asset management enabler. Enterprise-wide lifecycle management for individual asset classes is data-driven and requires the application of innovative and creative information technologies. This data-driven approach to maintenance is essential to identify performance issues, deploy maintenance resources efficiently, and improve maintenance procedures. Also, appropriate levels of preventive maintenance for each asset category can decrease long-term costs and potentially avoid the need for additional costly rehabilitations.

Enterprise Asset Management Software

MTS utilizes SAP for both its Enterprise Resource Planning (ERP) and Enterprise Asset Management (EAM) systems.

The SAP EAM system is utilized to manage each individual maintenance plan and entire lifecycle for all MTS assets. MTS uses its SAP EAM system to track all inspections, preventive maintenance, and unscheduled repairs for each individual asset. The system also tracks completion timelines and overall PM compliance.

The process begins with the asset inventory. During asset procurement and receipt or acceptance, specific asset identification, useful life, warranty, and maintenance interval information [data] is collected from the original equipment manufacturer (OEM). This practice ensures the asset data is properly recorded into the EAM for effective and efficient lifecycle management.

This asset database allows MTS to track things such as:

- Asset class and an overall hierarchy of assets
- Individual asset number
- Asset owner
- Type
- Location
- Manufacturer
- Serial numbers
- Metadata statistics (like mileage data, condition ratings, etc.)
- All maintenance done on that asset

SAP EAM Asset Inventory:

Display Equipment : General Data

Class overview Measuring points/counters Map

Equipment: 301 Category: B REVENUE VEHICLE-BUS
 Description: 301-New Flyer C40LF Year: 2008
 Status: INST
 Valid From: 09/22/2008 Valid To: 12/31/9999

General Location Organization Structure Documents Sales and Distribution Vehicle I...

General data			
Class	BUS_300	Bus - 300 Series Class	
Vehicle Type	BUS_BU	BUS	
AuthorizGroup	BM	Bus Maintenance	
Weight	31,280.00	LB	Size/dimension 8.5 X 11.1 X 40.8
Inventory no.	4808	Start-up date	09/18/2008
Shift Note Type	NB		
Report Type			

Reference data			
AcquistnValue	0.00	Acquisition date	08/14/2008

Manufacturer data			
Manufacturer	NEW FLYER	ManufCountry	
Model number	C40LF	Constr.yr/mth	2008 / 08
ManufPartNo.			
ManufSerialNo.	5FYC4FB128C033862		

The OEM recommended preventive maintenance plan is also entered in the system, and these plans are assigned to each individual asset as appropriate. This allows the creation of an unlimited number of maintenance plans, differentiating things such as:

- Time or mileage interval
- Type of inspections
- Data to be recorded
- Maintenance required, if applicable

These individualized plans ensure the each asset is maintained according to OEM requirements and optimizes the lifecycle of each asset.

SAP EAM Maintenance Plan:

Display Maintenance Plan: Strategy plan 00000000005

Maintenance plan 5 Bus #202 Preventive Maintenance

Maint. plan header

Maintenance plan cycle 05/23/2018 Maintenance plan scheduling parameters Maintenance plan additional data Maintenance pla...

Counter 6341 BUS #202 ODOMETER

Cycle	Unit	Maintenance cycle text	Offset
	6000MI	6,000 Miles	0
	12000MI	12,000 Miles	0
	24000MI	24,000 Miles	0

Item Object list item Item location Schedule call item Cycle item 05/23/2018

Maintenance Item 5 Bus #202 PM (6K Frequency)

Reference object

Functional loc. BUS-RV-KMD REVENUE VEHICLES - KEARNY MESA

Equipment 202 202-GILLIG 40LF Year: 2015

Assembly

Planning Data

Planning plant 1000 Metropolitan Transit System Maint. Planner Group BM Bus Maintenance

Order Type BM01 Bus Maintenance Preventive Maintena.. MaintActivityType B15 Inspection/Maintenance

Main WorkCtr BM_KMD / 1000 Bus Maintenance - KMD Business Area 3000 San Diego Transit Corpora..

Priority 2-High Settlement Rule

Sales Document /

Do Not Rel.Immediately

The EAM uses the asset and plan data to generate a specific work order for any inspection or maintenance event. The system also enables the assignment of the work order to a mechanic/technician, plus the tracking of who completed the work and when. If one or more materials are used and added to a work order, the system integrates with the stock and non-stock items, and includes that cost to the maintenance order.

SAP EAM Work Order:

The screenshot displays the SAP EAM Work Order interface for a simplified order. The title is "Display Bus Facility Corrective Maintenance 5000023: Simplified Order". The interface includes several data fields and sections:

- Order Data:** Order ID: BF02 5000023, CURBSIDE MIRROR ACCIDENT: BUS # 609, Notification: 10014296.
- System Status:** TECO CNF NMAT PRC SETC, User Status: TECO.
- PMActType:** B30 Repair.
- Reference Object:** Functional loc.: BUS-RV-IAD, REVENUE VEHICLES - IMPERIAL AVENUE; Equipment: 609, 609-New Flyer C40LF Year: 2011.
- Malfnctn data:** Malf.start: 02/21/2016 09:34:36, MalfEnd: 00:00:00, Breakdown dur.: 0.00.
- Responsibilities:** Planner group: BM / 1000 Bus Maintenance; Main WorkCtr: BM_IAD / 1000 Bus Maintenance - IAD; Person respons.: 00518620 Guy M Ledesma.
- Dates:** Bas. start date: 02/21/2016, Basic fn. date: 02/21/2016.
- Table:** A table with columns: OpAc, SOp, Work ctr, Plant, Co..., STextKy, S., Operation short text, LT, Work, U..., N..., Norm. d..., Un., Calc. key, ActTyp, Recipien. The row shows: 0010, BM_IAD, 1000 PM01, R/R CURBSIDE MIRROR DUE TO ACCIDENT, 0.0HR, 0, 0.0HR, Calcula., BSMECH.

Coupled with the financial data of the ERP, the system also calculates the overall cost of each work order. Over time, this information can be totaled and trended across individual assets, or summarized across a similar series of assets or asset categories.

All of this information enables the data-driven approach to maintenance that is essential to identify performance issues, deploy maintenance resources efficiently, and improve maintenance procedures with objective decision-making. This data is used for performance analysis, trend identification, lifecycle costing, as well as budget development. It can also flag outlier assets that require more attention than similar assets, helping replacement planning decisions.

List of Key Annual Activities

Key annual activities supporting the TAM Plan and asset lifecycle management are detailed within Board Policies, Fleet and Facilities Maintenance Plans, Standard Operating Procedures, and the Capital Improvement Program (CIP). These activities align with the agency's business goals and objectives and include both the tactical, and day-to-day operational aspects, as well as longer-term strategic planning activities.

A high-level sample of these activities includes:

- Operational
 - Preventive Maintenance compliance
 - Goal setting and performance measurement against those goals
 - Costing/trending analysis
 - Annual NTD Asset Inventory Module Reporting
- Planning
 - Annual CIP process to review SRG needs and plan the near-term investments that need to take place
 - Vehicle fleet replacement plans
 - 20-year CIP to review longer-term SGR needs
 - Incorporate all changes identified into the updated TAM Plan

Capital Planning and Funding

The creation of the annual capital and operating budgets involves a multitude of decisions that impact transit asset management and the agency's ability to keep these assets in a state of good repair. This requires a delicate balance between funding capital and operations in order to effectively and efficiently provide transit services for the San Diego region.

The capital budget is used to fund the planning, design, acquisition, replacement, and capital maintenance of all MTS assets. The capital budget can also include major rehabilitations that extend the useful life of an existing asset.

The operating budget is used to fund service delivery as well as asset maintenance, including employee wages, spare parts, consumables, energy, and a variety of support services used throughout the organization. This also includes payments to third-party contractors responsible for a portion of the fixed-route bus services, the ADA Paratransit services, as well as general consulting and maintenance activities.

Both budgets are required for the service on the street and to keep that service in a state of good repair. The following sections detail how MTS makes these important decisions.

Capital and Operating Funding

Funding Sources

One of the primary funding sources for MTS is the fares it receives from its passengers. Typically, around 20% of the operating budget is funded by these fares for using the transit services provided to the region.

MTS receives a variety of operating revenues that are not received directly from passenger fares. The sources of these revenues are advertising, interest, rental income, land management revenue, energy credits, and other miscellaneous revenues.

MTS also receives a variety of non-operating revenues that primarily consist of federal, state, and local subsidy funds. The major subsidy sources of funding are described in more detail below.

Federal Transit Administration (FTA)

On November 15, 2021, President Biden signed the Bipartisan Infrastructure Law, reauthorizing surface transportation programs through Federal FY (FFY) 2026. The legislation establishes the legal authority to commence and continue FTA programs. Each reauthorization amends the Federal Transit Laws codified in 49 USC Chapter 53 and provides for the following funding streams MTS commonly receives:

- 5307 Urban Area Formula Grants for capital improvements and preventive maintenance
- 5311 Formula Grants for Rural Areas for capital improvements and to supplement operating costs
- 5337 State of Good Repair Funding for capital improvements and preventive maintenance
- 5339 Bus and Bus Facilities Funding for capital improvements

Transportation Development Act (TDA)

TDA provides funding for public transit operators. This state fund is one-quarter of a percent of the 7.75 percent sales tax assessed in the region. SANDAG is responsible for apportionment of these funds within the San Diego region.

State Transit Assistance (STA)

STA funding comes from the Public Transportation Act, which derives its revenue from the state sales tax on diesel fuel.

TransNet

In November of 2004, area voters approved a 40-year extension of the one-half-cent sales tax original ordinance that was set to expire in 2008 (TransNet II) and funded transportation needs throughout the San Diego region. This approval had two impacts; first, it assured and slightly improved the original TransNet funding beyond 2008; second, the Bus Rapid Transit (BRT) and Superloop Programs will receive most of its funding from TransNet II. SANDAG is responsible for the apportionment of these funds within the region.

Funding Plan

Each year, the Finance department generates a projected funding plan of revenues that will be available for both the operating and capital budgets. This funding plan incorporates regional revenue forecasts from SANDAG with short-term revenue assumptions for other MTS subsidies, creating the five-year estimate of available subsidy funding. Assumptions are also created for all operating revenues over a five-year horizon.

Capital Budget Development Process

The CIP process begins each October with a call for projects by the MTS Finance department. All asset owners review the state of their asset inventory and put together project requests for all rehabilitation, reconstruction, and replacement needs to cover the following five fiscal years. The project requests are submitted through the SAP Budgeting and Planning (SBP) online module and each request will include the following:

- Scope of Work (SOW)
- Independent Cost Estimate (ICE)
- Project Manager
- Department
- Completion time frame
- Regional project ranking criteria
- Department priority

Once submissions are received, Finance conducts a review meeting of all projects for each department. After the reviews are complete, the list of all projects is consolidated into the five-year, unconstrained need for the MTS operators.

The consolidated priority list of projects will be reviewed by the Capital Project Review Committee (CPRC) according to available funding and the investment prioritization process described below. This secondary prioritization becomes the five-year, constrained CIP.

The constrained five-year CIP is then forwarded to the MTS Board of Directors and Budget Development Committee (BDC) for approval. Once approved, the projects are then added to the Regional Transportation Improvement Program (RTIP), which first goes to SANDAG for approval before ultimately being approved as part of the FTA's comprehensive national Transportation Improvement Program (TIP).

The prioritized list of projects is also subject to an analysis based on social equity principles. This process assures that the benefits and burdens of transit investment are shared equitably throughout the MTS service area. A series of maps are used to detail the results of this analysis.

Operating Budget Development Process

MTS uses a zero-based budgeting process that begins in December each year. In MTS's process, every line item budget is approved each year. Department managers complete budget templates using the SBP online module, in which they propose amounts for each line item, submitted with the appropriate supporting details for each assumption. (In contrast, with a traditional historic budgeting process, managers only justify variances versus prior year budget; the assumption is that the baseline is automatically approved.)

Meetings are held with each department to validate their assumptions, review proposals versus existing spending trends, and review any new initiatives. Personnel headcount assumptions are also reviewed at this meeting. This collaborative process results in the consolidated MTS assumptions that are then presented to and reviewed by senior management.

Beginning in late February through April, staff will meet with the Board and BDC to review the budget development progress. Staff presents the major revenue and expense assumptions that are included in the budget, and ultimately will present a balanced budget where revenues match expenses. Staff will also present a five-year forecast of operating revenue and expenses in order to give the Board a strategic view of the financial condition of the agency to help the decision-making process.

In May each year, a public hearing is held by the Board to approve the overall capital and operating budgets for the next fiscal year. That fiscal year begins on July 1 and ends on June 30.

Investment Prioritization

MTS uses an existing capital project prioritization process that considers asset condition or age along with investment categorization. The basic unit of the prioritization process is the project request. As described previously, project requests are created by asset owners and have a set of required fields to assist in the prioritization process.

Asset owners are asked to pay special attention to their departmental prioritizations. Issues involving safety should always be given the highest priority. Capital items needed to replace critical components on the system that have reached the end of their useful life should also be given a high priority so the agency can maintain our state of good repair. Additionally, capital investment projects that yield a solid return on investment, decrease operating costs, or provide improved customer service will be strong contenders for funding.

Once submissions are received, Finance conducts a review meeting of all projects for each department. The asset inventory and condition assessment will be reviewed in this step to validate project requests based on the asset age or condition (as applicable to that asset class) for rehabilitation or replacement of the assets that are indicated within the CIP period. SAP reports showing the scheduled and unscheduled maintenance costs by assets will also be used to validate project requests and foster a fact-based decision-making process.

The five-year unconstrained project list will also be compared against the longer-term 20-year CIP forecast. This 20-year forecast is an overarching strategic look at asset management, and helps staff encapsulate the immediate decisions within the long-term plans to keep the system in a state of good repair.

The consolidated priority list of projects will be reviewed by the Capital Project Review Committee (CPRC). The CPRC is comprised of representatives from MTS Bus, MTS Rail, MTS Administration, and SANDAG. Each CPRC member was responsible for submitting the capital requests for its division, agency, or city. The CPRC reviews and approves the prioritization of the list of projects, subject to funding availability. Typically, revenue vehicle replacements are funded first, and the remaining

submitted projects compete for the balance of available funding. Based on these funding constraints, the CPRC reviewed the projects in the context of their impact on operations and determined the most critical projects to fund by year. The remaining unfunded projects are deferred; however, it is recognized that the continued deferral of some projects could have negative impacts on system infrastructure in future years.

The constrained five-year CIP determined by the CPRC is then forwarded to BDC for review. The BDC is a five-member subcommittee of the Board. The BDC will review the recommended prioritization from staff, and then forward its own recommendation of the constrained five-year CIP to the Board for ultimate approval.

Five-year investment plan

For fiscal year 2025, the CIP process has produced the following unconstrained and constrained funding plans for the next five years. MTS plans to invest \$864.8 million in its Capital Improvement Program to improve the overall state of good repair of MTS assets. Through this plan, MTS is able to fund 65% of the overall capital need. There still remains a five-year unfunded balance of \$463.0 million, and MTS does recognize that the continued deferral of some projects could have negative impacts on system infrastructure in future years.

Unconstrained Capital Needs (\$000s)

Asset Class	FY25	FY26	FY27	FY28	FY29	Total
Vehicle	\$82,277	\$75,566	\$70,566	\$93,566	\$97,566	\$419,491
Facilities & Stations	137,627	123,158	100,150	99,945	10,155	\$471,034
Fixed Guideway	76,672	104,894	93,408	52,435	45,288	\$372,697
Systems	22,702	10,395	12,280	9,800	9,400	\$64,577
Total	\$319,277	\$314,013	\$276,404	\$255,746	\$162,409	\$1,327,798

Constrained Capital Plan (\$000s)

Asset Class	FY25	FY26	FY27	FY28	FY29	Total
Vehicle	\$82,227	\$75,566	\$70,566	\$93,566	\$97,566	\$419,491
Facilities & Stations	137,627	116,025	72,837	50,014	10,155	\$386,658
Fixed Guideway	30,223	0	0	0	28,402	\$58,625
Systems	0	0	0	0	0	\$0
Total	\$250,077	\$191,591	\$143,403	\$143,580	\$136,123	\$864,774

Evaluation and Reporting

Asset lifecycle management is an ever-changing environment with advances in technology, changes in regulation, funding availability and asset management best practices. Therefore, the TAM Plan will be considered a “living document” that will be reviewed, and revised as necessary, on an annual basis. Any and all process changes within SOPs or FMPs will be reviewed and any impacts to the overall TAM plan will be revised accordingly. The figures included in the five-year plan will also be updated each year at the completion of the CIP process. In general, the revisions to the TAM plan will originate from the MTS Finance department with inputs from various internal and external stakeholders. The updated TAM plan will then be published to the MTS Board each year.

Continuous improvement is a core feature of asset management implementation, embodied in the self-assessment, monitoring, and measuring required to ensure there is a feedback loop. Ongoing evaluation of MTS asset maintenance activities will be detailed covering three distinct areas:

- Budget monitoring of both CIP projects and the operating budget to ensure the implementation of the projects deemed necessary to improve the state of good repair of the agency.
- Performance monitoring across the agency used to reinforce the feedback loop required in a continuous improvement culture.
- Tracking the agency’s actual results against FTA required performance measures.

Budget Monitoring

Each year, the capital and operating budgets identify a number of projects that urgently require funding in order to keep MTS assets in a state of good repair. Once funding is achieved, the management teams at MTS are tasked with implementing these projects in a timely manner. To help ensure the implementation of these projects, MTS routinely monitors the actual financial performance against what was submitted during the budgeting process.

Budget to Actual Monitoring

Budgets are entered into the SAP ERP system for each project (as well as each operating department) at a detailed line item level. The system records the actual expenses, pre-encumbrances and encumbrances at the same level of detail. But in order for a budget to be considered useful, it needs to be used as a comparison tool when the actual business results take place. The ERP provides useful reports for finance personnel and Project Managers to view the real-time actual performance against the budget, and also to quickly access the underlying source documents for those situations that require further analysis.

While a budget versus actual variance analysis might not provide all the answers, it gives finance personnel and the Project Managers an indication of where they can look for possible material issues and provide further investigation of each of those items as necessary. This practice will ensure both parties have a detailed understanding of the overall project and help achieve a successful outcome. In some instances, cost overruns can occur. Common reasons for cost overruns include higher than estimated costs versus the engineering plans and specifications, late additions to the overall scope of the project that were not included in the original budget, or even project delays. When projects incur cost overruns, recovery plan options are discussed between the finance and the Project Managers, before being approved by the CEO and Board if necessary.

Capital Project Status Updates

Project schedules, budgets and performance objectives are monitored through monthly meetings under the Project Management Department at MTS, as well as through quarterly status reports provided by the Project Managers. During the quarterly project status meeting, the project milestones are discussed

with the Project Manager to ensure the project is completed on time. Senior Management receives a system generated monthly Capital Project Budget Executive Summary report and also has access to the Capital Project Monitoring report so they can also keep tabs on the projects to ensure continued progress.

Operating Budget Status Updates

Consolidated reviews of the actual performance versus the operating budget are prepared and presented monthly to the CEO, Senior Management and the Board. The Finance department prepares these budgets versus actuals reviews at the department level, which are then summarized and consolidated for presentation purposes. Major assumptions are presented to the Board during the budget development process, covering items such as passenger levels, operating revenue, subsidy revenue, service levels, personnel assumptions, energy rates and other expense assumptions. These key assumptions are also reviewed with the Board throughout the year as part of the operating budget results presentations.

Performance monitoring

Performance monitoring across the agency is used to reinforce the feedback loop required in a continuous improvement culture. Monitoring of outcomes covers both their agency's performance and that of the assets, and helps ensure the outcomes that are listed in strategies, programs, and plans are in fact being delivered. Goals are determined, typically at the beginning of the fiscal year, and progress is benchmarked against the goals on a recurring basis.

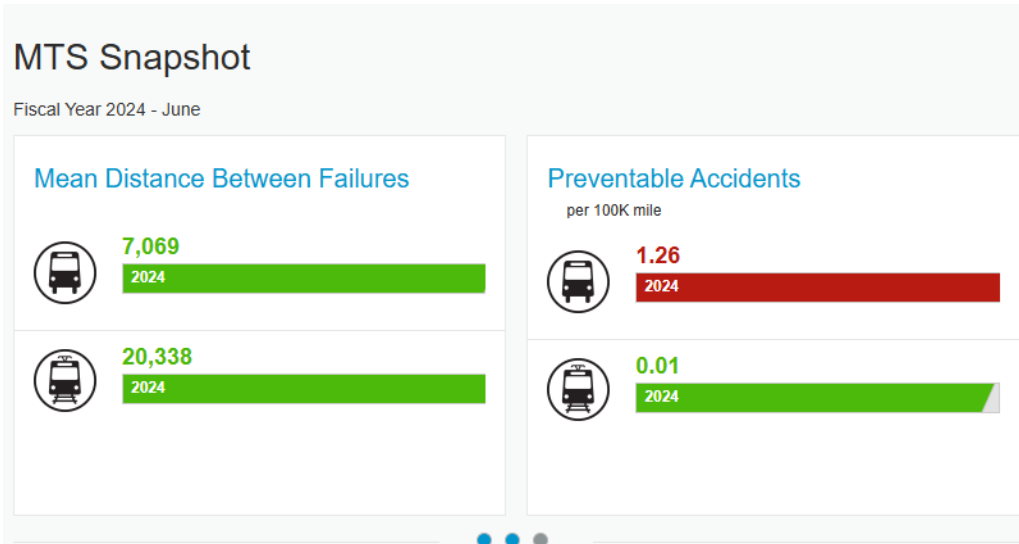
The agency also does a number of benchmarking efforts against other transit agencies as an effort to measure the performance of the agency. Whether using industry standard metrics or data of peer agencies as reported to the NTD, these benchmark comparisons are another point of feedback that can be used to measure the efficiency and effectiveness of the agency.

Key Performance Indicators

Another useful tool is the creation of Key Performance Indicators (KPI), which are standardized metrics that are routinely tracked. Certain KPIs are reported to the Board twice a year as part of overall performance monitoring. MTS Board Policy No. 42, "Transit Service Evaluation and Adjustment", establishes a process for evaluating existing transit services to achieve the objective of developing a customer-focused, competitive, integrated, and sustainable system. Additionally, federal Title VI guidance requires that certain performance measures be evaluated and reported to the Board periodically. Staff presents a summary of system performance, including the metrics outlined in Policy 42 and Title VI-required standards, including service efficiency, utilization, as well as safety and maintenance performance. The semi-annual nature of these reports allows the decision makers to see the trends in overall performance and use this information for fact based decision making.

KPIs are a great tool to communicate performance of the agency to a broad base of employees and provide the feedback required for a continuous improvement culture. Previously, maintenance focused KPIs were discussed, and every department has their individual KPIs they track and measure against. Most of these KPIs are department specific, used by managers to measure the effectiveness of their specific processes. However, MTS also has a number of agency-wide KPIs that are published on the landing page of the agency's intranet, visible to each employee every time they open a web browser.

Sample of MTS Intranet KPI report:



Highlighted below are the definitions for seven Key Performance Indicators (KPI) describing how they are measured and why. This is essential to understanding what changes can be made in order to improve performance.

- **Monthly Ridership** - Ridership is one of the most common measurements for transportation performance. Monthly ridership is measured by the number of passengers who take a single trip on a bus or Trolley. Tracking ridership is important because it helps MTS understand trends in transportation so we can make the best system adjustments.
- **Passengers Per Revenue Hour** - Passengers per revenue hour measures the average number of passenger boardings on an MTS bus or Trolley for every hour of service that a vehicle is on the rail or road. The measurement allows MTS to gauge the productivity and effectiveness of our service by providing a good comparison across routes (or modes) of differing levels of service. It also helps us adjust the frequency of service to match demand.
- **Farebox Recovery** - Farebox Recovery is the percent of total operating costs recovered through fare revenue paid by passengers. It is calculated by dividing total cash fares and pass sales revenue by the total operating expenses. This measurement is popular with decision-makers because it highlights a transit system's ability to maximize ridership while being efficient in other areas like maintenance, procurement of goods and services, grant acquisitions and customer service. The higher the farebox recovery rate, the less an agency has to depend on other sources of funding to keep us in business.
- **On-Time Performance** - On-Time Performance (OTP) refers to the level of success of the bus and Trolley remaining on the published schedule. OTP is a reflection of the dependability of our system to meet the needs of our passengers. If MTS is not timely with our delivery of services, riders will look for other options to get where they need to go.

- **Complaints per 100K Passengers** - Complaints Per 100K Passengers count the number of customer complaints received about MTS Bus or Trolley service per 100,000 passenger trips. Tracking complaints allows us to understand how MTS employees and customers are interacting and how our services are performing. It is important to identify the reasons for complaints against MTS employees and MTS services so we can realize the circumstances and use each situation as a learning tool to improve.
- **Mean Distance Between Failures** - Mean Distance Between Failures is the average distance between mechanical failures of an MTS Bus or Trolley. Measuring the distance between failures is important because it helps us understand the health of our vehicle fleet. The goal of our maintenance departments is to increase the distance between failures so that our reliability of service is the highest possible. Any time our in-service vehicles have maintenance issues it has a ripple effect throughout the entire system, and impacts other KPIs such as Complaints per 100K Passengers and On-Time Performance.
- **Preventable Accidents per 100K Miles** - A preventable accident can be defined as one in which the operator failed to do everything that he/she reasonably could have done to avoid the accident. Additionally, a preventable accident is one in which the operator has some responsibility for failing to prevent, contributing to, or causing an accident. Safety is the number one priority at MTS and preventable accidents are taken very seriously. We measure the number of preventable accidents to better understand why accidents happen and how we can prevent them in the future. Learning from these accidents helps us improve operator training methods, alter bus routes, and also help us find the safest routes to take. MTS operators are professional drivers, therefore we are held to a higher standard than non-professional drivers. A professional driver is expected to take all reasonable actions to prevent accidents and overcome the mistakes of other drivers.

Performance Improvement Plan

From a short term and operational perspective, MTS completes an annual Performance Improvement Plan (PIP). The plan is broken into two parts, performance measures with annual targets for improvement, and performance goals consisting of key projects that need to be completed over a one to two year horizon.

Every year, MTS leadership defines goals they hope to meet before the end of the next fiscal year (June 30) and breaks these goals down by department. These goals are "stretch goals," tasks that are in many cases above-and-beyond normal daily operations, designed to encourage MTS employees to push the envelope and accomplish things a little beyond their normal responsibilities. It's all in an effort to make MTS one of the most efficient, innovative and safest systems in the country.

The goals for the agency, listed by department, are posted on the agency's intranet. Results of each goal are tabulated and reported after the fiscal year end.

Performance measures

To comply with the FTA requirements associated with SGR, performance measures for capital assets have been established for each asset class along with performance targets. The measure targets are set at the beginning of each fiscal year. The description of these measures by asset class is as follows:

- **Rolling Stock** - Condition ratings for vehicles are expressed in terms of the percentage of assets that are at or beyond the Useful Life Benchmark (ULB), therefore the ideal situation is to be less than the target. At the end of each year, the age of each asset in each vehicle type is compared to the ULB for that vehicle type. The number of assets that exceed the ULB is divided by the

total number of assets in that vehicle type, generating the ULB percentage metric that is reported to the NTD.

- **Equipment (Automobiles/Trucks)** - Same as the above.
- **Infrastructure** - To determine this measure, agencies are required to calculate the DRM (measured to the nearest hundredth of a mile) under performance restrictions as a result of all causes at the same time each month: 9:00 AM local time on the first Wednesday of each month. The total impacted DRM for that month is divided by the overall length of the track, generating the performance restriction metric for that month. This process is repeated each month, and is then averaged to produce the required annual metric for the NTD.
- **Facilities** - Targets for facilities are expressed in terms of percentage of assets that are rated below the benchmark condition score, therefore the ideal situation is to be less than the target. Each of these subcategories will encompass a number of individual assets. These results on an asset level are compiled into the Condition Assessment Report for a master asset which will aggregate (roll-up) the individual asset condition assessments to the subcategory levels listed above. Those subcategory scores will then aggregate (roll-up) for the master asset condition rating, which will be included in the NTD reports.

There is no penalty for missing a target and there is no reward for attaining a target. At the end of each year, a narrative report will be compiled and submitted that describes conditions in the prior year that led to overall target attainment results. Transit Asset Management Plan Performance Metrics and Targets for FY24 are reflected below:

No.	Performance Measure	FY2024 Target (%)	FY2024 Performance
1	Rolling Stock - Percentage of revenue vehicles that have met or exceeded their U		
	AB - Articulated bus	0.0%	0.0%
	BR - Over-the-road bus	0.0%	0.0%
	BU - Bus	0.0%	0.0%
	CU - Cutaway Bus	0.0%	0.0%
	MV - Minivan	0.0%	0.0%
	LR - Light rail vehicle	0.0%	0.6%
	VT - Vintage trolley / streetcar	100.0%	100.0%
Total Fleet Count			
2	Equipment - Percentage of service vehicles that have either met or exceeded the		
	Automobiles	100.0%	100%
	Trucks and other Rubber Tire Vehicles	20.0%	15%
3	Facility - Percentage of facilities rated below 3 on the condition scale		
	Maintenance Facilities	0.0%	0.0%
	Administrative Facilities	0.0%	0.0%
	Passenger Facilities	0.0%	0.0%
	Passenger Parking Facilities	0.0%	0.0%
4	Infrastructure - Percentage of track segments with performance restrictions		
	LR - Light Rail	2.0%	2.3%

Communication Strategy

Clear communication, to both internal and external stakeholders, will be needed to demonstrate the progress being made in implementing asset management and the benefits to be gained from continuing the effort. It will also help provide an accurate understanding of the vision for and value of asset management and the challenges the agency faces.

NTD reporting

The Transit Asset Management (TAM) rule (49 CFR part 625) sets the minimum asset management practices for transit providers. Beginning in Report Year (RY) 2018, agencies that receive or benefit from Chapter 53 funds from the Federal Transit Administration are required to report asset inventory, condition, and performance information to the National Transit Database (NTD).

The NTD program's Asset Inventory Module (AIM) is designed to collect basic information on assets and infrastructure used by U.S. transit agencies to deliver service. The purpose of assembling a nationwide inventory is to improve the Federal Transit Administration's (FTA's) ability to project capital costs for the future replacement (and necessary capital renewal activities) of existing transit assets. This information supports the FTA biennial report to the U.S. Congress regarding cost estimates of transit capital. These estimates directly influence the FTA annual budget request submitted for the Federal fiscal year (FFY).

The Asset Inventory Module data elements are contained within the following forms:

- Transit Asset Management Performance Measure Targets (A-90), plus the year-end narrative of progress against those targets
- Transit Asset Management Facilities Inventory (A-15)
- Transit Way Mileage (A-20)
- Revenue Vehicle Inventory (A-30)
- Service Vehicle Inventory (A-35)

Reporting to the MTS Board

In the spirit of transparency and effective communication, staff routinely presents a number of monitoring reports to the MTS Board. Many of these reports have already been discussed, including:

- Budget development reporting
- Operating budget status reports
- MTS Board Policy No. 42, "Transit Service Evaluation and Adjustment", performance monitoring report
- Annual TAM plan update

Through these routine reports, staff will continue to identify the agency's challenges and progress. This habit of transparency, to both the board's elected officials and the greater public in general, reinforces the benefits of a sustained investment in transit asset management and transit in general.

Appendix

Key Definitions

AIM: Asset Inventory Module for NTD reporting to the FTA

Asset Category: Refers to a grouping of asset classes. The categories used at MTS include: Vehicles, Facilities, Guideway Elements, and Systems

Asset Class: Refers to the sub-groups within an asset category. For example, “Vehicles” is the asset category for three asset classes: “Bus Revenue Vehicles,” “Rail Revenue Vehicles,” and “Non-Revenue Vehicles.”

Asset Hierarchy: Refers to segmenting assets into appropriate classifications, based upon asset function, asset type or a combination of the two.

BDC: Budget Development Committee; a five-member subcommittee of the MTS Board of Directors.

CBM: Condition based maintenance

CIP: Capital improvement program

CNG: Compressed natural gas

CPRC: Capital Projects Review Committee

DRM: Directional route mileage

EAM: Enterprise asset management system

FMP: Fleet, facility, and equipment maintenance plans

FTA: Federal Transit Administration

ICE: Independent Cost Estimate

KPI: Key performance indicator

Level of Service: Level of service is the defined service quality that the agency and its assets are expected to deliver and be measured against. Levels of service usually relate to the quality, quantity, reliability, responsiveness, sustainability, cost, and cost efficiency of service. It applies at the enterprise level and for asset classes (for example, buses and elevators). Generally, level of service should be driven by what is important to the customer.

LRV: Light rail vehicle

MDBF: Mean distance between failure

NTD: National Transit Database

OEM: Original equipment manufacturer

PM: Preventive maintenance

QA: Quality assurance

RTIP: Regional Transportation Improvement Program

SAP: Systems, Applications and Products software

SBP: SAP Budgeting and Planning module

SOP: Standard operating procedure

SOW: Statement of Work

State Of Good Repair (SGR): Defined by 49 U.S.C. Chapter 53 as the “condition in which a [transit asset or] capital asset is able to [safely] operate at a full level of performance.” The State of Good Repair is further defined by an asset’s Useful Life Benchmark (for rolling stock and equipment) or physical condition (for facilities). Assets are considered in a State of Good Repair when they do not meet or exceed their ULB or physical condition threshold. Vehicle and equipment assets, for example, are considered in a State of Good Repair, when rated as a 2.5 or above on the FTA’s TERM Lite scale, where 2.5 is equivalent to the ULB set for an asset class. Additionally, facilities are considered in a State of Good Repair when rated as a 3 or above on FTA’s TERM scale. Also see definition for Useful Life Benchmark.

TERM Scale: The five category rating system used in the FTA’s Transit Economic Requirements Model (TERM) to describe the condition of an asset, where 5 is excellent condition and 1 is poor condition.

Tier I Transit Provider: An entity that receives Federal financial assistance under 49 U.S.C. Chapter 53, either directly from FTA or as a sub recipient, that owns, operates, or manages either (1) one hundred and one (101) or more vehicles in revenue service during peak regular service across all fixed route modes or in any one non-fixed route mode, or (2) rail transit.

TIP: Transportation Improvement Program

Transit Asset Management (TAM): Defined by 49 U.S.C. Chapter 53 as “the strategic and systematic practice of procuring, operating, inspecting, maintaining, rehabilitating, and replacing transit capital assets to manage their performance, risks, and costs over their life cycles, for the purpose of providing safe, cost-effective, and reliable public transportation.”

Total Cost of Ownership: Reflects the total estimated capital and Operations and Maintenance costs associated with an asset throughout its lifecycle (including the cost to design/procure, use/operate, maintain/monitor, rehabilitate, and dispose/reconstruct/replace.

Transit Asset Management Plan (TAM Plan): This document, which describes: the capital asset inventory; condition of inventoried assets; TAM performance measures, targets, and prioritization of investments aligned with the agency’s TAM and SGR policy, strategic goals and objectives; as well as the strategies, activities, and resources required for delivering this Plan (including decision support tools and processes); and other agency-wide approaches to continually improve TAM practices.

Useful Life: Defined by 49 U.S.C. Chapter 53 as “either the expected life cycle of a capital asset or the acceptable period of use in service determined by FTA.” It generally defines the minimum eligibility for retirement, replacement, or disposal of an asset.

Useful Life Benchmark (ULB): Defined by 49 U.S.C. Chapter 53 as “the expected life cycle or the acceptable period of use in service for a capital asset, as determined by a transit provider, or the default benchmark provided by FTA.” The ULB is the realistic expectation for when an asset would be disposed or replaced based on operating environment and procurement timelines. It is not the same as “Useful Life” in FTA grant programs, is reported by age (in years), and usually only pertains to rolling stock or equipment. It is a single number shared for or within specified asset classes, although may vary across different asset classes and providers.

DRAFT

Asset Listing

The tables below summarize the AIM data submitted to the NTD for the current reporting year.

Transit Asset Management Facilities Inventory (A-15)

Facility ID	Name	Primary Mode	Secondary Mode	Facility Type	Section of Larger Facility?	Condition Assessment	Date of Assessment	Next Assessment	Year Built or Reconstructed as New	Transit Agency Capital Responsibility (%)
18582	Taxi Administration Bldg	DR-Demand Response		Administrative Office / Sales Office	No	2	10/20/20	10/20/24	1973	100
6493	MTS Rail - Building A	LR - Light Rail		General Purpose Maintenance Facility/Depot	Yes	4	12/16/22	12/16/26	1981	100
6494	MTS Rail - Building B	LR - Light Rail		General Purpose Maintenance Facility/Depot	Yes	4	12/16/22	12/16/26	1989	100
6495	MTS Rail - Building C	LR - Light Rail		Heavy Maintenance & Overhaul (Backshop)	Yes	4	12/16/22	12/16/26	1990	100
6497	MTS Rail - Paint Both	LR - Light Rail		Maintenance Facility (Service and Inspection)	Yes	4	12/16/22	12/16/26	2000	100
6496	MTS Rail - Yard Tower	LR - Light Rail		Other, Administrative & Maintenance (describe in	Yes	4	12/16/22	12/16/26	2000	100
6481	Imperial Avenue Division (IAD)	MB - Bus		Combined Administrative and Maintenance Facilit	No	4	02/28/23	02/28/27	1972	100
6482	Administrative Offices (IAD)	MB - Bus		Administrative Office / Sales Office	Yes	4	02/28/23	02/28/27	1972	100
6483	Maintenance Bldg (IAD)	MB - Bus		Maintenance Facility (Service and Inspection)	Yes	4	02/28/23	02/28/27	2000	100
6484	Kearny Mesa Division (KMD)	MB - Bus		Maintenance Facility (Service and Inspection)	No	3	02/28/23	02/28/27	1989	100
6485	East County Bus Maintenance Facility	MB - Bus	CB	Maintenance Facility (Service and Inspection)	No	5	03/01/23	03/01/27	2017	100
6490	Old Administrative Bldg (SB)	MB - Bus		Combined Administrative and Maintenance Facilit	Yes	4	03/01/23	03/01/27	1985	100
6486	South Bay Bus Maintenance Facility	MB - Bus		Combined Administrative and Maintenance Facilit	No	4	03/01/23	03/01/27	2015	100
6487	Administrative Offices (SB)	MB - Bus		Administrative Office / Sales Office	Yes	5	03/01/23	03/01/27	2015	100
6488	Maintenance Bldg (SB)	MB - Bus		Maintenance Facility (Service and Inspection)	Yes	4	03/01/23	03/01/27	2015	100
6489	Old Maintenance Bldg (SB)	MB - Bus		Maintenance Facility (Service and Inspection)	Yes	3	03/01/23	03/01/27	1960	100
6491	Copley Park Division	DR - Demand Response		Maintenance Facility (Service and Inspection)	Yes	3	11/18/21	11/18/25	1995	100
6492	Copley Park Division	DR - Demand Response		Maintenance Facility (Service and Inspection)	Yes	3	11/18/21	11/18/25	2005	100

Transit Way Mileage (A-20)

Transit Way Mileage (A-20)

90026 - San Diego Metropolitan Transit System (Full Reporter: Operating) - RY24 Revision 2 (In Review)

[View Previous Year Data](#)

There are currently no open issues on this form.

Rail/Non-Rail Guideway

Select a guideway to update its information

Edit	Mode	Type of Service	Rail/Non-Rail	Total Miles	Total Crossings
Edit	LR	DO	Rail	135.63	131.00
Edit	MB	DO	Non-Rail	22.2	N/A
Edit	MB	PT	Non-Rail	11.4	N/A
Edit	CB	PT	Non-Rail	15.9	N/A

DRAFT

Revenue Vehicle Inventory (A-30)

Revenue Vehicle Inventory (A-30) - LR DO

90026 - San Diego Metropolitan Transit System (Full Reporter: Operating) - RY24 Revision 2 (In Review)

[View Previous Year Data](#)

There are currently no open issues on this form.

Fleet Totals

Total Vehicles	Active Fleet Vehicles	ADA Accessible Vehicles	Emergency Contingency Vehicles
185	185	185	0

Fleets

Energy Consumption

Type	Amount
Propulsion Power	60268354 Kilowatt Hours

▼

▼

ADD NEW FLEET

RVI ID	Agency Fleet ID	Total Vehicles	Active Fleet Vehicles	Vehicle Type	Manufacturer	Model	Year Manufactured	Useful Life Remaining (Years)	Miles This Year	Average Lifetime Miles	Status
25812	2000	33	33	LR	SDU - Siemens Mass Transit Division	SD100	1995	2	18,041	1,570,704	Active
25813	3000	11	11	LR	SDU - Siemens Mass Transit Division	S70	2005	12	100,453	1,104,448	Active
43778	529	1	1	VT	SLC - St. Louis Car Company	PCC	1946	-20	144	20,694	Active
49044	4000	65	65	LR	SDU - Siemens Mass Transit Division	S70US	2011	18	5,526,638	982,702	Active
347023	530	1	1	VT	SLC - St. Louis Car Company	PCC	1946	-20	52	683,216	Active
376580	5000	73	73	LR	SDU - Siemens Mass Transit Division	S70US	2019	26	6,965,607	330,186	Active
382272	1000	1	1	LR	SDU - Siemens Mass Transit Division	U2	1980	-13	254	629,263	Active

Service Vehicle Inventory (A-35)

Service Vehicle Inventory (A-35)

90026 - San Diego Metropolitan Transit System (Full Reporter: Operating) - RY24 Revision 2 (In Review)

[View Previous Year Data](#)

There are currently no open issues on this form.

> [Filters](#)

Service Fleets

<input type="checkbox"/>	ID	↑ Agency Fleet Id	Fleet Name	Vehicle Type	Primary Mode	Year Manufactured	Estimated Cost	Status
<input type="checkbox"/>	8709	2223	2007 Dodge Caliber SXT	Automobiles	MB - Bus	2007	\$4,745.59	Active
<input type="checkbox"/>	8710	2224	2007 Dodge Caliber SXT	Automobiles	MB - Bus	2007	\$8,000.00	Active
<input type="checkbox"/>	8711	9663	1988 Ford Flat Bed Truck	Trucks and other Rubber Tire Vehicles	MB - Bus	1998	\$24,363.98	Active
<input type="checkbox"/>	8717	9667	2007 Ford F250 SuperDuty	Trucks and other Rubber Tire Vehicles	MB - Bus	2007	\$16,855.46	Active
<input type="checkbox"/>	8723	M10	2017 Ford F450	Trucks and other Rubber Tire Vehicles	MB - Bus	2017	\$86,000.00	Active
<input type="checkbox"/>	8724	9405	2017 Ford F450	Trucks and other Rubber Tire Vehicles	MB - Bus	2017	\$86,000.00	Active
<input type="checkbox"/>	8725	9406	2017 Ford F450	Trucks and other Rubber Tire Vehicles	MB - Bus	2017	\$86,000.00	Active
<input type="checkbox"/>	21331	M-11	2019 Ford F-450	Trucks and other Rubber Tire Vehicles	MB - Bus	2018	\$107,014.34	Active
<input type="checkbox"/>	21332	M-12	2019 Ford F-450	Trucks and other Rubber Tire Vehicles	MB - Bus	2018	\$107,014.34	Active
<input type="checkbox"/>	21333	M-14	2019 Ford F-450	Trucks and other Rubber Tire Vehicles	MB - Bus	2018	\$107,014.34	Active
<input type="checkbox"/>	21334	M-15	2019 Ford F-450	Trucks and other Rubber Tire Vehicles	MB - Bus	2018	\$107,014.34	Active
<input type="checkbox"/>	21335	M-16	2019 Ford F-450	Trucks and other Rubber Tire Vehicles	MB - Bus	2018	\$107,014.34	Active
<input type="checkbox"/>	21336	9407	2019 Ford F-450	Trucks and other Rubber Tire Vehicles	MB - Bus	2018	\$47,836.69	Active
<input type="checkbox"/>	22683	504	2010 Hi-Rail Vehicle	Trucks and other Rubber Tire Vehicles	LR - Light Rail	2010	\$151,777.40	Active
<input type="checkbox"/>	22684	440	2011 Altec Bucket Truck	Trucks and other Rubber Tire Vehicles	LR - Light Rail	2011	\$191,701.18	Active



**Metropolitan
Transit
System**

DRAFT FOR EXECUTIVE COMMITTEE REVIEW DATE: 2/6/2025

Agenda Item No. 14

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS

February 13, 2025

SUBJECT:

Uninterruptible Power Supply (UPS) On-Site Repair and Support – Contract Amendment

**AGENDA ITEM WILL
BE PROVIDED
BEFORE BOARD
MEETING**

1255 Imperial Avenue, Suite 1000, San Diego, CA 92101-7490 • (619) 231-1466 • sdmts.com

San Diego Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc. and San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations). MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego. MTS is also the For-Hire Vehicle administrator for multiple cities in San Diego County.





**Metropolitan
Transit
System**

Agenda Item No. 15

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS

February 13, 2025

SUBJECT:

Semiannual Uniform Report of Disadvantaged Business Enterprise (DBE) Awards and Payments

INFORMATIONAL ONLY

Budget Impact

None.

DISCUSSION:

As a Federal Transit Administration (FTA) grantee, San Diego Metropolitan Transit System (MTS) complies with the federal regulations set forth in 49 CFR Part 26 regarding participation by DBEs in the U.S. Department of Transportation (DOT) Program.

I. Goals of MTS's DBE Program

The goals of MTS's race-neutral DBE program are:

1. to ensure nondiscrimination in the award and administration of DOT-assisted contracts;
2. to create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
3. to ensure that the DBE program is narrowly tailored in accordance with applicable law;
4. to ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs;
5. to help remove barriers to the participation of DBEs in DOT-assisted contracts;
6. to assist the development of firms that can compete successfully in the marketplace outside of the DBE program; and
7. to provide appropriate flexibility to recipients of federal financial assistance in establishing and providing opportunities for DBEs.



II. MTS's DBE Triennial Overall Goal for FFY 2022-2024

The DBE regulations require MTS to prepare a DBE Triennial Overall Goal. The DBE Triennial Overall Goal is established upon the number of ready, willing, and able DBE contractors within MTS's geographic market area that are available to bid on MTS's federally assisted procurements (excludes transit vehicle procurements). For FFY 2022-2024 (October 1, 2021 to September 30, 2024), MTS's aspirational DBE Overall Goal is **6.3%** on federally funded contracts. Please note, MTS recently adopted its aspirational DBE Overall Goal on federally funded contracts for FFY 2025-2027 (October 1, 2024 to September 30, 2027), of **5.6%**, which will be the goal used for future Semiannual DBE Reports (See MTS Board of Directors July 18, 2024 Meeting Agenda Item No. 5 for further information on MTS's FFY 2025-2027 DBE Overall Goal Methodology).

III. Participation by certified DBEs

For purposes of reporting DBE participation to the FTA, MTS may only count participation by certified DBE contractors. In order to be certified as a DBE through the California Unified Certification Program, contractors must:

- (1) have a majority owner who is **socially and economically disadvantaged** (Native Americans, Black Americans, Hispanic Americans, Asian-Pacific Americans, Subcontinent Asian Americans, Women and any additional groups whose members are designated as socially and economically disadvantaged by the U.S. Small Business Administration (SBA)) are currently presumed to be socially and economically disadvantaged by the DOT);
- (2) the majority owner must have a personal net worth of less than **\$2,047,000**; and
- (3) the business must be a **small business** and, for *most* types of businesses, have average annual gross receipts less than **\$30,720,000**.

Per DOT DBE Regulations, MTS *may not* count participation from certified minority owned businesses (MBE), disabled veteran owned businesses (DVBE), women owned businesses (WBE), small businesses (SB), lesbian gay bisexual transgender owned businesses (LGBTBE), or persons with disabilities businesses (PDBE) (collectively referred to as SBEs) toward meeting its DBE Triennial Overall Goal. Nonetheless, MTS encourages participation from, conducts outreach to, and tracks awards to SBEs.

IV. Race-Neutral Outreach Measures to Increase DBE and SBE Participation

A race-neutral DBE program means that there are no DBE contract specific goals and no advantages provided to interested DBE contractors when submitting bids or proposals. Successful bidders are chosen using race-neutral means, generally through a low-bid or best-value procurement process.

To increase DBE participation on MTS's federally assisted procurements, as well as SBE participation on all MTS's contracts, MTS conducts outreach to DBEs and SBEs in an effort to inform them of upcoming MTS procurements. The following are some of the race-neutral measures MTS has implemented:

1. outreach to new vendors to provide the benefits of DBE, MBE, DVBE, WBE, SB, PDBE and/or LGBTBE certification and what qualifications are necessary to become certified, as some may already qualify;
2. outreach to vendors requesting that they register on PlanetBids so they can receive automatic notification of upcoming MTS procurements;
3. for small purchase procurements in which MTS must seek out three (3) bids, MTS aims to advertise more of these procurement on PlanetBids so as to increase the potential of DBEs, and SBEs learning of the procurement, if such a contractor is available to perform the work;
4. for small purchase procurements in which MTS must seek out three (3) bids, seeking at least one (1) of those bids from a DBE or SBE, if available; and
5. attend and actively promote small business conferences and programs to alert DBEs and SBEs of upcoming MTS contracting opportunities and to educate about MTS's DBE program.

MTS also continued to attend San Diego Public Agency Consortium (PAC) bi-monthly meetings, as well as the Local Small Business Council bi-monthly meetings, virtually. At these meetings, public agencies discuss upcoming planned outreach events amongst the members and best practices regarding their agency's DBE and SB programs.

V. Federally Funded Procurements

Only contracts awarded and paid by MTS using federal funds (or a portion of federal funds) are reported to the FTA per DOT DBE Regulations. MTS generally reserves federal funds for transit vehicle procurements, transit facility improvements, state-of-good-repair vehicle or system preventative maintenance projects, and contracted fixed route and paratransit bus services. MTS generally uses local and state funds for administrative costs and other expenses (e.g. marketing, land management, office supplies).

VI. Summary of Semi-Annual DBE Report Achievement (Federal Funds Only)

The FTA Semi-Annual Report for April 1, 2024 to September 30, 2024 is the last of six reports in the triennial period of FFY 2022-2024.

a. Contracts Awarded

For this reporting period, MTS **did not achieve** its DBE Triennial Overall Goal of 6.3% for contracts awarded. MTS achieved **2.08%** DBE participation for contracts awarded, as shown below in Table 1.

Table 1: Federal Contracts Awarded

Federal Contract Awards/Commitments				Goal
REPORTING PERIOD	Total Federal \$	DBE \$	DBE %	vs 6.3%
Federal Funds: Apr 1, 2024 to Sept 30, 2024	\$3,624,621.11	\$75,249.65	2.08%	-4.22%

The main reason for why MTS was not able to meet its DBE Triennial Overall Goal for contracts awarded was due to awarding several large contracts to non-DBE firms. This included but is not limited to: Jacobs Project Management for bridge inspection services in the amount of \$322,460.34 (federal portion only), San Diego Power Clean (SB certified) for parking lot sweeping services in the amount of \$301,632.00 (federal portion only), A&K Railroad Materials for purchase of 115 RE head hardened steel rail in the amount of \$285,890.42 (federal portion only), and Dattel System Incorporated for VMS Media Converter and Cradlepoint services in the amount of \$193,553.50 (federal portion only). These contract awards to a non-DBE substantially diluted the participation that was achieved through contract awards to DBE firms, such as a contract amendment to **NMS Management**, a **DBE firm**, relating to janitorial services in the amount of \$55,467.30 (federal portion only).

b. Contracts Open

For this reporting period, MTS **did not achieve** its DBE Triennial Overall Goal of 6.3% for contracts opened. MTS achieved **2.69%** DBE participation for contracts open, as shown below in Table 2.

Table 2: Federal Contracts Open

Federal Contracts Open/Payments During Reporting Period				Goal
REPORTING PERIOD	Total Federal \$	DBE \$	DBE %	vs 6.3%
Federal Funds: Apr 1, 2024 to Sept 30, 2024	\$30,384,591.63	\$816,462.30	2.69%	-3.61%

The main reason why MTS was not able to meet its DBE Triennial Overall Goal for contracts opened was due to ongoing payments to **Transdev**, a **non-DBE firm**, for fixed route bus service, in the amount of \$19,653,533.67 (federal portion only) paid between April 1, 2024 to September 30, 2024. These payments substantially diluted ongoing payments to contracts with DBE firms, such as a large contract to **NMS Management**, a **DBE firm**, for janitorial services, in the amount of \$812,878.30 (federal portion only) paid between April 1, 2024 to September 30, 2024.

c. Contracts Completed

For this reporting period, MTS **did not achieve** its DBE Triennial Overall Goal of 6.3% for contracts completed. MTS achieved **0.26%** DBE participation for contracts completed, as shown below in Table 3.

Table 3: Federal Contracts Completed

Federal Contracts Completed/Total Payments				Goal
REPORTING PERIOD	Total Federal \$	DBE \$	DBE %	vs 6.3%
Federal Funds: Apr 1, 2024 to Sept 30, 2024	\$7,670,058.64	\$19,782.35	0.26%	--6.04%

The main reason for why MTS was not able to meet its DBE Triennial Overall Goal for contracts completed was due to closing out a grade crossing replacement project with **Balfour Beatty Infrastructure**, a **non-DBE firm**. Total payments made during the life of this contract totaled \$5,888,910.83 (federal portion only). Please note, MTS decides contract performance periods based on MTS business and operational needs. Every reporting period will differ on the number, type and dollar amount of contracts closed out. No large contracts with a DBE firm were closed out during this reporting period.

VII. Summary of Achievement Toward Meeting MTS's DBE Triennial Overall Goal

While the specific DBE participation rate for each six (6) month reporting period may fluctuate, the goal of the MTS DBE program is to achieve the 6.3% DBE Triennial Overall Goal as an average for the FFY 2022-2024 triennial period. MTS has **achieved** its DBE Triennial Overall Goal of 6.3% for FFY 2022-2024. MTS achieved **18.94%** DBE participation for FFY 2022-2024, as shown below in Table 4.

Table 4: DBE Achievement for FFY 2022-2024

DBE Achievement for FFY 2022-2024				
FFY	Reporting Period	Total Federal Awarded	Total DBE Awarded	DBE %
FFY 2022	Oct 1 21 to Mar 31 22	\$7,843,315.85	\$234,599.40	2.99%
FFY 2022	April 1 22 to Sept 30 22	\$6,977,851.08	\$92,523.71	1.33%
FFY 2023	Oct 1 22 to Mar 31 23	\$17,806,277.45	\$7,965,351.88	44.73%
FFY 2023	April 1 23 to Sept 30 23	\$9,630,377.28	\$2,237,323.28	23.23%
FFY 2024	Oct 1 23 to Mar 31 24	\$11,394,054.87	\$240,626.03	2.11%
FFY 2024	April 1 24 to Sept 30 24	\$3,624,621.11	\$75,249.65	2.08%
TOTAL		\$57,276,497.64	\$10,845,673.95	18.94%
Achievement Toward Meeting FFY 2022-2024 DBE Triennial Overall Goal of 6.3% (FFY 2022-2024 Total DBE Awarded ÷ FFY 2022-2024 Total Fed Awarded)		18.94% Achieved 18.94% towards DBE Overall Triennial Goal of 6.3%		

VIII. Shortfall Analysis and Corrective Action Plan

Per DBE Regulations, whenever the last 2 reporting periods cumulatively show that MTS did not achieve its DBE Overall Goal, a Shortfall Analysis and Corrective Action Plan is required to be submitted to the FTA at the end of the FFY (by December 29 of any applicable year).

On December 26, 2024, MTS submitted to the FTA a Shortfall Analysis and Corrective Action Plan (Attachment A) that explains the reasons for the shortfall, as well as what steps MTS will be taking that are aimed to increase DBE participation in the future.

As discussed in more detail in the enclosed Shortfall Analysis and Corrective Action Plan (Attachment A), MTS plans to complete the following corrective actions in the coming FFY: updating MTS’s e-procurement website, PlanetBids, to better capture how firms are learning to register on MTS’s PlanetBids website to understand which MTS outreach measure is most successful, updating MTS’s DBE website to include information on what financial and technical assistance resources are provided by the U.S. Chamber of Commerce to assist DBE and SB firms, adding a goal of evaluating at least 3 federally funded procurements to determine if a small business set aside would be appropriate, updating MTS’s Project Labor Agreement website and its pre-bid meeting materials to better highlight all the benefits of DBE and SB subcontractors participating on MTS’s larger construction projects and how to become certified as a DBE and SB firm, and identifying new strategies to better encourage prime contractors awarded master agreements for on-call work to identify DBE and SB certified subcontractors as appropriate for individual task orders.

IX. Summary of DBE, WBE, MBE, DVBE, PDBE, LGBTBE and SB Participation for all Contracts (Regardless of Funding Source)

Although MTS may not count participation of MBE, DVBE, WBE, SB, PDBE and LGBTBE (collectively referred to as SBEs) towards achievement of its DBE Overall Triennial Goal, MTS does record the participation of these businesses to gauge the success of its program to foster small business participation. MTS encourages the participation of DBEs and SBEs on all of its contracts, no matter the funding source.

MTS’s DBE and SBE participation rates for the reporting period, *using both local and federal funds*, are included below in Table 5.

Table 5: All Contracts Awarded (All Funding Sources)

All Contract Awards/Commitments (All Funding Sources)					
REPORTING PERIOD	Total \$	DBE \$	DBE %	SBE \$ (MBE, DVBE, WBE, SB, PDBE and LGBTBE)	SBE %
Total Funds: Apr 1, 2024 to Sept 30, 2024	\$3,649,043.32	\$6,949,059.93	9.44%	\$4,564,695.97	6.20%

To compare MTS's current achievements with past reporting periods, enclosed is a History of Semi-Annual Reports (Attachment B).

/S/ Sharon Cooney _____
Sharon Cooney
Chief Executive Officer

Key Staff Contact: Mark Olson, 619.557.4588, mark.olson@sdmts.com

Attachment: A. Shortfall Analysis and Corrective Action Plan
B. History of Semi-Annual DBE Reports



Att.A, Item 15, 02/13/25
**Metropolitan
Transit
System**

December 29, 2024

Federal Transit Administration (FTA)
FTAShortfallAnalyses@dot.gov

Re: SHORTFALL ANALYSIS AND CORRECTIVE ACTION PLAN - FEDERAL FISCAL YEAR (FFY) 2024

To whom it may concern:

As one of the nation's 50 largest transit agencies, San Diego Metropolitan Transit System (MTS) is required to submit a shortfall analysis and corrective action plan within 90 days of the end of the FFY (i.e. December 29, 2024) if the awards and commitments shown on MTS's Uniform Report at the end of any FFY are less than the overall goal applicable to that FFY.

I. Race-Neutral DBE Program

MTS operates a strictly race-neutral DBE program and only uses race-neutral measures to increase DBE participation. MTS's FTA Disadvantaged Business Enterprise (DBE) Triennial Overall Goal for FFY 2022 – 2024 (October 1, 2021 – September 30, 2024) is 6.3%. MTS's DBE Triennial Overall Goal of 6.3% includes a 100% race-neutral component and 0% race-conscious component.

II. Shortfall Percentage for FFY 2024

To determine the DBE percentage of awarded contracts for FFY 2024 (October 1, 2023 – September 30, 2024), MTS divided DBE Awards and Commitments by the total Awards and Commitments made to all contractors in FFY 2024 (using the June 1, 2024 and December 1, 2024 DBE Semi-Annual Uniform Reports).

Total federal dollars awarded to a DBE firm for FFY 2024 was \$315,875.68. Total federal awards and commitments to all contractors for FFY 2024 was \$15,018,678.98. As shown in Table 1, the difference between MTS's DBE Triennial Overall Goal of 6.3% and the DBE Awards and Commitments for FFY 2024 of 2.10% was a 4.20% shortfall.



Table 1: FFY 2024 Contract Awards/Commitments

Reporting Period	Total Federal \$	Total DBE \$	DBE %	Shortfall %
Oct 1, 2023 to Mar 31, 2024	\$11,394,054.87	\$240,626.03	2.11%	
Apr 1, 2024 to Sept 30, 2024	\$3,624,624.11	\$75,249.65	2.08%	
TOTAL FFY 2024	\$15,018,678.98	\$315,875.68	2.10%	-4.20%

III. Specific Reasons for the Shortfall in FFY 2024

The reasons for the shortfall between MTS’s DBE Triennial Overall Goal and the Awards and Commitments obtained in FFY 2024 are described below.

A. Federal Funds Generally are Allocated Towards Paying for Unique, Specialized Services

MTS generally reserves federal funds for transit vehicle procurements (excluded from DBE Triennial Overall Goal and Semi-Annual Reports per FTA DBE Regulations), contracted bus services, and state-of-good-repair vehicle and system preventative maintenance activities. These procurements usually have very low DBE potential, as they involve specialized and unique goods and services.

In addition, San Diego Association of Governments (SANDAG), the Metropolitan Planning Organization for the San Diego region, is generally responsible for the large ,regional MTS-related construction projects. Construction projects have historically been one of the most effective ways to achieve DBE participation through the use of DBE subcontractors. For those small construction projects that MTS is responsible for, MTS typically uses local and state funds. Thus, how MTS generally allocates its federal funds makes it increasingly difficult to achieve our DBE Triennial Overall Goal.

B. Overall Goal is a Triennial Goal, Not an Annual Goal

MTS’s DBE Triennial Overall Goal is an aspirational goal for DBE participation over a three (3) year period. Although FTA DBE Regulations requires a review of the annual goal to determine whether a shortfall analysis is required, it may be deceiving to only view one (1) FFY out of the entire three (3) year period. The timing of when MTS awards certain contracts, specifically large, unique or specialized contracts that have low DBE potential, has a significant effect on whether MTS meets its DBE Triennial Overall Goal in any given FFY. As shown in Table 2, the DBE utilization percentage for any given reporting period can swing greatly, depending on the size and type of contracts awarded at any given time. MTS was able to not only achieve, but exceed, its triennial goal. MTS achieved **18.94%** DBE Participation over the

entire three (3) year period, well exceeding its 6.3% DBE Overall Triennial DBE Goal, using 100% race-neutral DBE goals.

Table 2: DBE Achievement for FFY 2022 - 2024

DBE Achievement for FFY 2022-2024				
FFY	Reporting Period	Total Federal Awarded	Total DBE Awarded	DBE %
FFY 2022	Oct 1 21 to Mar 31 22	\$7,843,315.85	\$234,599.40	2.99%
FFY 2022	April 1 22 to Sept 30 22	\$6,977,851.08	\$92,523.71	1.33%
FFY 2023	Oct 1 22 to Mar 31 23	\$17,806,277.45	\$7,965,351.88	44.73%
FFY 2023	April 1 23 to Sept 30 23	\$9,630,377.28	\$2,237,323.28	23.23%
FFY 2024	Oct 1 23 to Mar 31 24	\$11,394,054.87	\$240,626.03	2.11%
FFY 2024	April 1 24 to Sept 30 24	\$3,624,624.11	\$75,249.65	2.08%
Achievement Toward Meeting FFY 2022-2024 DBE Triennial Overall Goal of 6.3% (FFY 2022-2024 Total DBE Awarded ÷ FFY 2022-2024 Total Fed Awarded)		18.94% Achieved 18.94% towards DBE Overall Triennial Goal of 6.3%		

C. Large Contract Award for Trolley Track Improvements

MTS awarded a large construction contract for trolley track improvements to **Balfour Beatty, a non-DBE**, in the amount of \$5,888,910.84 (federal dollars only) in FFY 2024. This work includes replacement of vehicular crossings and track. Three (3) prime contractors submitted proposals on this procurement, all of which were non-DBE firms, and it was awarded to the firm providing the lowest bid, Balfour Beatty.

Balfour Beatty did designate two (2) subcontractors for this work: Traffic Management (a Minority Owned Business (MBE)); and Miramar General Engineering (a Small Business (SB)). Unfortunately, since none of the subcontractors were DBE specifically certified, none of these federal dollars paid to the subcontractors were able to be counted towards achievement of MTS’s DBE Overall Goal.

Please note, this project was not included in MTS’s DBE Overall Triennial Goal. At the time of developing the Overall Goal in 2021, it was not anticipated that MTS would use any federal funds on this contract, as generally MTS seeks to

minimize the use of federal funds on construction projects and to maximize the use of federal funds on preventive maintenance and vehicle replacement projects. This strategy allows MTS to expedite grant spending and close-out, while maximizing cash-flow. However, due to overall funding availability and CIP funding allocation requirements, federal funds were used for this construction project.

Since this resulted in substantially more federal dollars being awarded than anticipated when developing the Overall Goal, it made MTS's ability to meet its Overall Goal of 6.3% significantly more difficult. This large contract also substantially diluted achieved DBE participation.

IV. Procurements Awarded in FFY 2024 that were included within MTS's DBE Triennial Overall Goal

Table 3 shows the projects awarded during FFY 2024 that were used to establish the DBE Triennial Overall Goal for FFY 2022 - 2024. The majority of these projects are of a nature that are very specialized and which have little or no DBEs in San Diego County, MTS's geographic market area, that are available to perform.

MTS DBE Shortfall Analysis and Corrective Action Plan
Page 5

Table 3: Overall DBE Goal Projects Awarded in FFY 2024

Project	Estimated Federal \$ to be Awarded in FFY 2022 - 2024, as used in Overall Goal	Per NAICS, Estimated DBE% Weighted Ratio, as used in Overall Goal	If Contract Awarded to DBE	Actual Federal \$ Awarded in FFY 2024	Notes
<p>HVAC Preventative Maintenance & Repairs</p>	<p>\$152,458</p>	<p>0.14%</p>	<p>No. Request for Proposal (RFP) process was used. One (1) proposal was received. Awarded to the firm with the best value proposal, Comfort Mechanical.</p>	<p>\$316,314</p>	<p>Three (3) year base period, with two (2) 1-year options (not yet exercised option). When developing the Overall Goal in 2021, the estimate used only accounted for the trolley portion of the scope, and not also the bus operations portion of the scope. This may account for the difference between the estimated and actual awarded amounts.</p>

MTS DBE Shortfall Analysis and Corrective Action Plan
Page 6

Project	Estimated Federal \$ to be Awarded in FFY 2022 - 2024, as used in Overall Goal	Per NAICS, Estimated DBE% Weighted Ratio, as used in Overall Goal	If Contract Awarded to DBE	Actual Federal \$ Awarded in FFY 2024	Notes
Parking Lot Sweeping Services	\$106,068	0.04%	No. Invitation for Bid (IFB) process was used. Two (2) bids were received, none of which were from a DBE. Awarded to the firm with the lowest, responsive and responsible bidder, San Diego Power Clean.	\$309,408	When developing Overall Goal in 2021, the estimate only included the amount to be solicited for a new 3-year base contract. However, staff later decided to solicit for a new 5-year base contract instead. This may account for the difference between the estimated and actual awarded amounts.
On-Call Plumbing Services	\$147,987	0.14%	No. IFB process was used. Five (5) bids were received, none of which were from a DBE firm. Awarded to the lowest, responsive and responsible bidder, Drain Medic.	\$162,462	3-year base contract awarded.

MTS DBE Shortfall Analysis and Corrective Action Plan
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Project	Estimated Federal \$ to be Awarded in FFY 2022 - 2024, as used in Overall Goal	Per NAICS, Estimated DBE% Weighted Ratio, as used in Overall Goal	If Contract Awarded to DBE	Actual Federal \$ Awarded in FFY 2024	Notes
<p>LRV OBVSS Preventative Maintenance</p>	<p>\$470,707</p>	<p>0.0%</p>	<p>No. In 2022, Seon Design (USA) Corp was awarded this contract as a sole source.</p>	<p>\$276,558</p>	<p>Amount awarded Includes two amendments to exercise both the 2-year option period and option to purchase hardware and install. When soliciting this contract in 2022, it was for a 2-year base, with 2-year option and option of purchase and install of additional hardware. Since the base period was already awarded previously in the triennial period, this may account for the difference between estimated and actual awarded amount.</p>

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Project	Estimated Federal \$ to be Awarded in FFY 2022 - 2024, as used in Overall Goal	Per NAICS, Estimated DBE% Weighted Ratio, as used in Overall Goal	If Contract Awarded to DBE	Actual Federal \$ Awarded in FFY 2024	Notes
<p align="center">On-Call Electrical Repair Services</p>	<p align="center">\$168,456</p>	<p align="center">0.16%</p>	<p>YES, however DBE firm does not have the appropriate NAICS code for electrical repair services so unable to count towards DBE achievement. IFB process was used. Six (6) bids were received, two (2) of which were from a DBE firm. Awarded to the lowest, responsive and responsible bidder, Advanced Railway Innovations.</p>	<p align="center">\$141,080</p>	<p>3-year base contract awarded. When developing Overall Goal in 2021, estimate included exercising remaining two 1-year option years, as well as this 3-year base contract. The remaining option years were exercised in FFY 2022 and the new 3-year base contract was awarded in FFY 2024, which may account for the difference between the estimated and actual amounts here.</p>

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Project	Estimated Federal \$ to be Awarded in FFY 2022 - 2024, as used in Overall Goal	Per NAICS, Estimated DBE% Weighted Ratio, as used in Overall Goal	If Contract Awarded to DBE	Actual Federal \$ Awarded in FFY 2024	Notes
Bridge Inspection Services	\$865,540	0.28%	No. In 2018, MTS issued a mini-RFP to its existing on-call construction management firm panel. Three (3) proposals were received. Awarded to the firm with the best value proposal, Jacobs Management (previously known as CH2M Hill).	\$ 322,460	This is an amendment to add funds and extend the existing work order for bridge inspection services. A separate procurement will occur for a new competitively procured multi-year bridge inspection services work order in the next triennial period. When developing Overall Goal in 2021, the estimate used was based on the assumption that the new 5-year base contract would be awarded in this triennial period, which may account for the difference between the estimated and actual awarded amounts.
Office Trailer Lease - LRV Maintenance	\$11,794	0.0%	No. Requested three (3) quotes. Single bid received. Offered to the lowest, responsive bidder, Bert's Office Trailers .	\$17,037	3-year lease for office trailer.

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Project	Estimated Federal \$ to be Awarded in FFY 2022 - 2024, as used in Overall Goal	Per NAICS, Estimated DBE% Weighted Ratio, as used in Overall Goal	If Contract Awarded to DBE	Actual Federal \$ Awarded in FFY 2024	Notes
Weed Abatement Services	\$322,003	0.03%	No. In 2019, a IFB process was used. Three (3) bids were received. Awarded the lowest responsive and responsible bidder, Quality Sprayers.	\$33,600	Amendment to add funds and extend period of performance for 9 months, on existing contract for a 5-year base, which may account for the difference between estimated and actual awarded amounts.
Interior Bus Cleaning Services	\$739,071	1.03%	No. In 2019, Arc of San Diego was awarded this contract as a sole source.	\$737,471	This is an amendment to exercise the remaining 2-year option.
Trash Disposal, Green Waste, & Recycling Services	\$727,023	0.17%	No. In 2018, a IFB process was used. Two (2) bids received. Awarded to the lowest, responsive and responsible bidder, EDCO Disposal Services.	\$206,147	This is an amendment to exercise one (1) of the five (5), one (1)-year options, as well as funds for increased disposal fees. When contract awarded in 2018, it was for a five (5) year base period with five (5), one (1) year options terms. This may account for the difference between the estimated and actual awarded amount.

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Project	Estimated Federal \$ to be Awarded in FFY 2022 - 2024, as used in Overall Goal	Per NAICS, Estimated DBE% Weighted Ratio, as used in Overall Goal	If Contract Awarded to DBE	Actual Federal \$ Awarded in FFY 2024	Notes
Railcar Maintenance Training	\$72,512	0.08%	No. Awarded to ITLC as a sole source.	\$36,800	Three (3) year base period executed. When developing Overall Goal, estimated a 5-year base period, which may account for difference between estimated and actual awarded amounts.
Track Geometry Testing	\$179,220	0.0%	No. RFP process was used. Single bid received. Awarded to the proposer with the best value proposal, Holland L.P.	\$184,766	Awarded a five (5)-year base with three (3)-year option (not yet exercised).
Communication Cabinets HVAC Maintenance	\$269,422	0.14%	No. RFP process was used. Two (2) bids received, one of which was from a DBE firm. Awarded to the proposer with the best value proposal, Comfort Mechanical.	\$560,958	Awarded a five (5) year period. When developing Overall Goal in 2021, estimate used was likely too low based on recent cost increases, as well as this contract increased preventative maintenance from quarterly to bi-monthly. This may account for the difference between estimated and actual awarded amounts.

V. Proposed Corrective Action Plan

The following list describes the effectiveness of race-neutral measures used in FFY 2024, MTS’s proposed corrective actions to increase DBE participation in the future, and the timeline in which MTS aims to implement these corrective actions.

A. Outreach Measure of Advertising Events and Other Resources

The first outreach measure is participation at conferences, events or meetings, which may include teaming opportunities between prospective prime contractors and prospective subcontractors, and/or certified firms, such as DBEs, Small Businesses (SB), Woman Owned Businesses (WBE), Minority Owned Businesses (MBE), Disabled Veteran Business Enterprises (DVBE), Persons with Disabilities Business Enterprises (PDBE) and Lesbian, Gay, Bisexual and Transgender Businesses (LGBTBE) (collectively referred as “SB”). MTS also actively promotes DBE and SB conferences, programs, and events offered by other agencies.

1. Events and Other Resources - How implemented in FFY 2024:

MTS’s goal is to: attend at least six (6) outreach events each FFY; attend Public Agency Consortium (PAC) meetings; advertise other agencies’ outreach events to MTS’s vendor list, upon request; and maintain a survey question on PlanetBids (MTS’s e-bid management site) to learn how newly registered firms heard about MTS to see if outreach event attendance is effective or not.

MTS attended 6 outreach events and meetings in FFY 2024 (October 1, 2023 to September 30, 2024) and 4 outreach events thus far in FFY 2025.

Outreach Event Attendance		
Event Name	Event Date	FFY
Connecting with Contracts Celebrating National Veterans and Military Month - San Diego & Imperial Valley Small Business Development Center (SBDC) Network in partnership with the City of Oceanside (In-Person)	11/8/2023	2024
Local Small Business Council Meeting – California Department of Transportation (Caltrans) (On-line)	2/28/2024	2024
Small Business Expo - San Diego & Imperial SBDC (In-person)	6/20/2024	2024
DBE Workshop – Flatiron in partnership with Caltrans District 11 (On-line)	6/21/2024	2024

Construction Expo - San Diego Unified School District (SDUSD) (In person)	7/17/2024	2024
20th Annual Procurement and Resource Fair - Caltrans (In person)	8/14/2024	2024
Subcontractor & DBE outreach for SR 78 Asset Management CMGC San Diego Project - Caltrans (On-line)	10/10/2024	2025
Small Business Expo III 2024 - Caltrans & PAC (In person)	10/24/2024	2025
Disparity Study and DBE Goal – Caltrans	11/12/2024	2025
Business and Workforce Open House – SANDAG (In person)	12/16/2024	2025

At in-person events in which MTS has a booth, MTS offers a QR code that vendors can use to be directed to MTS’s PlanetBids website to register on MTS’s PlanetBids website. MTS staff is also available to verbally provide information on MTS’s DBE program, how to learn about upcoming contract opportunities, and how to learn about DBE and SB available certifications.

PAC is a partnership of many San Diego local public agencies focused on increasing bidding opportunities and the likelihood of success of SBs on public agency contracts. Generally, PAC offers meetings every two (2) months. MTS also continued its participation with this group.

MTS hosted its own DBE and SB outreach events as well. MTS hosted a “How to do business with MTS” webinar on 2/15/2024, that provided information on how to register on MTS’s Planet Bids website. MTS also hosted two (2) webinars on 5/29/2024 and 7/10/2024 and conducted an online survey to seek feedback on MTS’s proposed new DBE Overall Triennial Goal. Outreach included responding to questions from vendors, which provided MTS an opportunity to further share information on MTS’s DBE and SB program and upcoming contracting opportunities and requesting new vendors to register on MTS’s PlanetBids website to keep informed of upcoming contracting opportunities.

In addition, MTS advertised other public agencies’ outreach events by sending information for the outreach event via email to firms on MTS’s Vendor List, as requested. MTS advertised other agency’s outreach events nine (9) times in FFY 2024.

Sharing Notice to MTS's Vendors on Other Agency's Outreach Events		
Event Name	Event Date	Date Emailed to MTS Vendors
Small Business Bonding Series	3/12/2024	2/22/2024
Elevate – SBDC Small Business Conference	3/20/2024	2/22/2024
4th Annual BELL Business & Government Contracting Summit	6/28/2024	4/16/2024
Connecting with Contracts: Government Contracting, Selling to Government	6/4/2024	4/18/2024
Caltrans District 11's 20th Annual Procurement and Resource Fair	8/14/2024	5/10/2024
SDUSD Construction Expo 2024	7/17/2024	5/17/2024
Small Business Expo	6/20/2024	5/22/2024
Caltrans District 11 20th Annual Procurement and Resource Fair	8/14/2024	7/22/2024
Meet The Primes - San Diego Airport Meet the Primes	9/5/2024	8/28/2024
Veteran Success: Honoring Service and Empowering Business Growth - San Diego Airport, SBDC, & City of Oceanside Event	11/21/2024	11/4/2024
SANDAG Business and Workforce Open House	12/16/2024	11/18/2024

2. Events and Other Resources - Effectiveness of Measure in FFY 2024:

MTS continues to meet new contractors unfamiliar with MTS's procurement program (e.g. they did not know that MTS advertises its formal procurements on PlanetBids; they did not know the difference between the various certification programs available for firms, and the different benefits that come with each; and they did not know what type of services and goods MTS procures, as some assume MTS only procures buses and trolleys and might not realize MTS also needs general services such as administrative supplies, preventative maintenance services for building assets etc.). Attending these events and advertising MTS's DBE Program likely helps contractors understand that MTS may be a potential contracting partner in the future and increases their likelihood of registering on MTS's PlanetBids.

To measure the effectiveness of MTS's attendance at outreach events and advertising other agency's outreach events, MTS requests that any firm registering on MTS's PlanetBids e-procurement website, or updating their

profile, to answer “How did you hear about registering with MTS?”. Since October 1, 2023, from a total of 804 firms, 671 firms responded to this survey question.

“How did you hear about registering with MTS” Survey Question when registering on MTS’s PlanetBids		
Survey Response Choices	Number of Responses	Percent
Other	194	29%
Notification from MTS Staff	136	20%
Another Agency	130	19%
DBE/Small Business outreach event	92	14%
A prime contractor	73	11%
Newspaper	28	4%
A Subcontractor	18	3%
TOTAL	671	100%

Results from MTS’s PlanetBids Survey Question show that outside of those responses that stated “other”, the top three results were: “notification from MTS staff”, “another agency” and “DBE/Small Business outreach event”. This shows that attendance at outreach events is beneficial to increasing the number of DBE and SB firms learning about MTS’s contracting opportunities. MTS will continue to maintain the goal of attending at least six (6) outreach events.

As for the PAC meetings, MTS has found this group to be very helpful. MTS has learned the best practices from each agency on how they increase participation from DBEs, SBs and emerging businesses. MTS will continue to maintain the goal of attending PAC bi-monthly meetings.

It is unclear how effective advertising other agency’s outreach events is on increasing DBE and SB participation on MTS’s contracting opportunities. However this measure shows we value the partnership and connections we have made with other public agencies, and that helping firms learn about other outreach events is a benefit to all firms so they can grow their businesses within the San Diego community generally. MTS will continue to share information to MTS vendors on other public agency DBE and SB outreach events.

3. Events and Other Resources - How to improve in FFY 2025:

To improve, MTS noticed that the majority of responses to “How did you hear about registering with MTS” chose “other”. Unfortunately, there does not appear to be a “write-in” option if choosing “other” in order to learn exactly how they learned about registering with MTS. MTS will be re-evaluating how it can update MTS’s PlanetBids drop down box to add additional appropriate responses to better capture how else firms are hearing about registering on MTS’s PlanetBids website. One example could be from PlanetBids itself, as if a firm is registered on another agency’s PlanetBids website, there are features where they can be notified through PlanetBids that there is similar work available on MTS’s website if interested to review. “PlanetBids” is currently not an available drop-down option when answering this survey question.

4. Events and Other Resources – Timeline of Corrective Action in FFY 2025:

By June 30, 2025, MTS aims to work with MTS Procurement Department and PlanetBids as necessary to review and revise the dropdown choices for this survey question.

B. Outreach Measure of Advertising Bonding, Financial Assistance and Other Business Resources

The second outreach measure is providing information to contractors on how to obtain bonding, financing assistance and other business resources.

1. Bonding, Financial Assistance and Other Business Resources - How implemented in FFY 2024:

MTS, through its webpage and contract language, refers the DBE and SB contracting community to the: federal Small Business Administration Bonding Assistance Program (U.S. SBA), which has delivered millions of loans, loan guarantees, contracts, counseling sessions and other forms of assistance to SBs; the SBDC, which provides a vast array of no- and low-cost support to entrepreneurs and SB; and the California Grants Portal, which provides access to all grants and loans offered by California state agencies. MTS also encourages businesses to use minority and women-owned banks when seeking financial services.

Also, MTS through its webpage refers the DBE and SB contracting community to other resources, such as technical assistance resources and

ways to grow their businesses. This includes: The Procurement Technical Assistance Center, which offers free procurement technical assistance services to SB; the Caltrans Office of Business & Economic Opportunity Program, which provides contractors resources to becoming certified, finding contracting opportunities, and how to work with Caltrans; and the Caltrans Construction Mentor-Protégé Program, which assists in the development of emerging construction companies to better compete in the market.

2. Bonding, Financial Assistance and Other Business Resources - Effectiveness of Measure in FFY 2024:

Generally, DBE and SB firms do not report to MTS on whether they have used these bonding, financial assistance or other business resources. Therefore, it is unclear how effective this measure is to increase DBE and SB participation. One way to indirectly measure the effectiveness of this outreach measure is by reviewing the number of views of MTS's DBE Webpage, using Google Analytics.

Since October 1, 2023 until present, there have been 472 views of the MTS DBE Website page, which shows about an average of 33 views a month. Assuming the majority of the 472 are individual firms (and not the same firm reviewing the information multiple times), this appears to be a good resource for vendors to learn more about MTS's DBE Program generally, and the resources available to them.

MTS will continue to maintain its DBE Webpage, as it requires little cost and maintenance by MTS Staff to ensure it is current with up-to-date resources, and the information provided is useful to interested DBE and SB firms looking to grow their businesses.

3. Bonding, Financial Assistance and Other Business Resources - How to Improve in FFY 2025:

To improve, MTS will update its DBE Webpage to include the U.S. Chamber of Commerce's website link, which provides a digital platform for DBEs and SBs on timely and actionable information and resources for businesses, including a current up to date list of grants, loans and programs available to small businesses throughout the country.

4. Bonding, Financial Assistance and Other Business Resources – Timeline of Corrective Action in FFY 2025:

By February 1, 2025, MTS aims to update its DBE Webpage to include a link to the U.S. Chamber of Commerce's website.

C. Outreach Measure of Soliciting DBEs and SBs

The third outreach measure MTS performs is soliciting DBEs and other SB participation on upcoming contract opportunities.

1. Soliciting DBEs and SBs - How implemented in FFY 2024:

For procurements within the formal competitive threshold (i.e. estimated value over \$150,000 for goods and services and over \$50,000 for construction), MTS posts its procurements on MTS's PlanetBids website at a minimum, and may also post additional notices in other ways (e.g. newspaper). For procurements within the simplified acquisition threshold (i.e. estimated value between \$5,000 to \$150,000 for goods and services and \$1,000 to \$50,000 for construction), MTS seeks at least three (3) bids or proposals, which generally means direct notification to three (3) or more bidders. For procurements within the micro purchase threshold (i.e. estimated value under \$5,000 for goods and services and under \$1,000 for construction), MTS seeks at least one (1) bid or proposal.

Posting on MTS's PlanetBids allows advertising to significantly more contractors, including DBE and SB contractors, that might not have otherwise received notice of the procurement if MTS just asked for quotes directly from only three (3) vendors. MTS currently has over 8,000 vendors registered on its PlanetBids website. To ensure more DBE and SB contractors learn of MTS's small acquisition thresholds, one of MTS's outreach measures includes posting federally funded procurements estimated at over \$25,000 on PlanetBids, as appropriate, to increase notice.

Further, whenever MTS posts a solicitation on PlanetBids, the procurement is sent to all MTS's registered vendors (which includes DBEs and other SBs). To expand outreach, MTS uses a "broadcast" feature which allows the solicitation to be sent to any DBE registered firm on any other local public agency's PlanetBids website. This measure also aims to reach more

DBE and SB contractors, even if they are not currently registered on MTS's PlanetBids website.

MTS also uses the Caltrans DBE database to find DBEs who may not be registered on MTS's PlanetBids website but perform the category work related to the solicitation and sends a direct email to these firms so that they can register on PlanetBids and/or review an upcoming solicitation that is posted on PlanetBids.

When seeking three (3) quotes for federal procurements within the small purchase acquisition threshold that are not posted on PlanetBids, if there are DBEs available and it is not a sole source procurement, MTS requests that its Buyers and Contracting Officers contact at least 1 DBE. In the instances where there is no available DBE that performs that type of work, Buyers and Contracting Officers are requested to alternatively seek at least 1 quote from an SB contractor. The Contract Specialist assists the Procurement Department in identifying DBEs and/or SBs.

MTS also has recently created a small business set-aside implementation guideline document to identify which procurements would be successful in implementing a small business set aside, which would only allow a U.S. SBA certified small business to submit a bid or proposal (as well as any DBE certified firm, since a DBE must meet the U.S. SBA small business standard size in order to be a DBE).

Further, as a resource to prime contractors, MTS makes available information on how to view a listing of potential DBE and other SB subcontractors by including a link to DBE and other SB databases on MTS's DBE Webpage and in MTS's contracting language.

Lastly, during construction related pre-bid meetings as well as during kickoff meetings with prime contracts on on-call master agreements, MTS presents information on MTS's DBE Program and encourages prime contractors to utilize DBE and SBE subcontractors if subcontracting opportunity available and explains how to find DBE and SB subcontractors. For larger construction projects, MTS also explains the incentives provided to DBE and SBE contractors participating on projects that utilize MTS's Project Labor Agreement.

2. Soliciting DBEs and SBs - Effectiveness of Measure in FFY 2024:

As discussed previously, in FFY 2024, MTS achieved a 2.10% DBE participation rate on its federally funded contracts, a shortfall from MTS's DBE Overall Goal of 6.3%. Reasons include but are not limited to that the types of contracts MTS uses federal funds are those that generally have limited DBE firms available to perform that work. This makes it difficult to ascertain whether one or more of MTS's outreach measures to solicit DBE and SB firms are ineffective, or whether it is the unique, specialized nature of the procurements that are federally funded.

Further reviewing the DBE participation achieved, 100% was from prime DBE contractors for FFY 2024 awards. There were no DBE subcontracts awarded on a federally funded contract in FFY 2024. This shows that how we solicit DBEs and SBs (whether it is direct notice to DBE certified firms, requesting one (1) of three (3) quotes from a DBE firm, posting procurements on PlanetBids etc.) appears most targeted to DBE primes and not DBE subcontractors. This is an area in which further review is needed.

Lastly, in FFY 2024, MTS did not implement a small business set aside on any federally funded procurements. MTS only recently developed an internal guideline document that identifies how and when to decide if it is appropriate to implement, as MTS wants to ensure there would be enough SB and DBEs that perform that work to ensure enough competitive bids are received. MTS recently identified one (1) federally funded procurement for weed abatement services as a potential candidate. However, after reviewing the U.S. SBA database and DBE databases, and what firms submitted previous bids received for this work, MTS did not find at least three (3) SB or DBE vendors that performed this work in MTS's geographic market area. Therefore, MTS declined to implement a small business set aside requirement on this procurement due to concerns it would too restrictively limit competition. Nonetheless, a small business set aside would be an effective way to increase DBE and SB participation and thus MTS does want to continue to review more potential procurements that could benefit from its inclusion.

3. Soliciting DBEs and SBs - How to improve in FFY 2025:

To improve, MTS wants to use a small business set aside on more federally funded procurements. So long as MTS reasonably can ascertain sufficient number of vendors that perform the work, this would ensure only SB and DBEs submit a bid and be successful. It is MTS's goal to identify at least

three (3) federally funded procurements that could be reviewed to determine if a small business set aside would be appropriate, depending if it meets MTS's small business set aside guidelines.

In addition, MTS wants to increase notice to the DBE and SB community about the benefits of working on MTS's large construction projects that implement a project labor agreement. It is MTS's goal to update its Project Labor Agreement website and its pre-bid meeting materials to better highlight all the benefits of participating on these large construction projects to better incentivize DBE and SB subcontractor participation.

Lastly, MTS wants to identify better ways to get DBE subcontractors on its federally funded projects. This could include more outreach to prime contractors on on-call master agreements to have them prioritize identification of DBE subcontractors for their work orders, whether it be for architectural and engineering, construction management of JOCs. Since MTS utilizes a 100% race-neutral DBE program, MTS cannot require contract specific goals or quotas on its contracts. Nonetheless, MTS can still strongly encourage that primes identify DBE and SB subcontractors when possible. MTS aims to work with Procurement and Project Manager staff to come up with strategies to accomplish this goal.

4. Soliciting DBEs and SBs -Timeline of Corrective Action in FFY 2025:

MTS aims to identify at least three (3) federally funded procurements that can be reviewed for whether it can utilize a small business set aside by June 30, 2025.

Also, MTS aims to update its website and pre-bid meeting materials on DBE and SB incentives for participating on Project Labor Agreements by June 30, 2025.

Lastly, MTS aims to work with its Procurement and Project Manager staff to develop strategies to strongly encourage prime contractors on its on-call master agreements to identify DBE and SB subcontractors when there are subcontracting opportunities by June 30, 2025.

D. Informing Firms about DBE and SB Certifications

The fourth outreach measure is informing contractors of the benefits of becoming certified as a DBE or SB, the eligibility requirements, and the link to the Certifying Agency's online directory.

1. Informing Firms about DBE and SB Certifications - How Implemented in FFY 2024:

MTS provides this information on MTS's DBE Webpage, as well as in its DBE and SB contract clauses, with links to where a firm can apply or learn more about the various certifications. In addition, upon request from a contractor, MTS contacts the firm to provide information on how to become eligible, the eligibility criteria, and other resources that may assist them in the application process.

Also, MTS sends targeted email communications to vendors that MTS likely knows are interested in DBE and/or SB certifications. Specifically, this includes when firms fill out MTS's New Vendor Form. On MTS's New Vendor Form, the firm is requested to fill out whether their firm has any DBE or SB certifications. In the instances where they state they are a DBE or SB, but after review of relevant databases, MTS cannot locate a certification, MTS will email these vendors information on how to become DBE or SB certified. MTS will also send targeted emails when vendors request further information about DBE and SB certification.

2. Informing Firms about DBE and SB Certifications - Effectiveness of Measure in FFY 2024:

Since October 1, 2024, 804 vendors registered and/or updated their existing profile on PlanetBids, of which 140 classified their firm as a DBE. However, it is unclear whether these firms registered on MTS's PlanetBids website after receiving an email blast from MTS after using the Caltrans DBE database, or whether these firms learned about MTS after an outreach event, direct contact from MTS staff, or some other method.

MTS has no data to show whether any of the vendors that were emailed (33 firms emailed in FFY 2024) or that used of any MTS resources about certification, subsequently pursued DBE or SB certification in the last FFY. It is not common for a newly certified DBE or SB firm to reach out to MTS to inform MTS of their recent change in certification status.

3. Informing Firms about DBE and SB Certifications - How to Improve in FFY 2025:

MTS will continue to provide this information on its DBE Webpage, within its DBE and SB contract clauses, and upon request to vendors, as it is easy to maintain and it is good information for interested firms.

To improve, MTS will be adding information about how to become a DBE or SB certified firm as part of its pre-bid meeting materials for construction projects and on its Project Labor Agreement website.

4. Informing Firms about DBE and other SB Certifications – Timeline of Corrective Action in FFY 2025:

MTS aims to update its pre-bid meeting materials and its Project Labor Agreement website with this information by March 15, 2025.

MTS's race-neutral outreach measures, along with the above corrective actions, aim to increase participation of DBEs and SBs and should have a positive impact on MTS's achievement of its DBE Overall Goal over the remaining triennial period.

If you have any further questions regarding MTS's DBE Program, please contact me at 619-557-4539 or Samantha.Leslie@sdmts.com.

Sincerely,

/s/ Samantha Leslie

Samantha Leslie
Deputy General Counsel / DBE Liaison Officer

MTS History of DBE Semi Annual Reports

Contract Awards/Commitments*

	<u>Federal</u> <u>DBE</u> <u>GOAL</u>	<u>REPORTING PERIOD</u>	<u>TOTAL DOLLARS</u> <u>AWARDED (fed &</u> <u>local)</u>	<u>Total DBE \$\$</u>	<u>Total DBE</u> <u>%</u>	<u>Total SBE \$\$</u>	<u>Total</u> <u>SBE %</u>
FFY16	3.75%	Oct 1 15 to Mar 31 16	\$ 63,883,438.52	\$ 298,902.02	0.47%	\$ 2,929,504.04	4.59%
		Apr 1 16 to Sept 30 16	\$ 32,178,592.14	\$ 976,115.34	3.03%	\$ 996,434.97	3.10%
FFY17**		Oct 1 16 to Mar 31 17	\$ 92,516,929.91	\$ 5,611,166.70	6.07%	\$ 3,735,641.71	4.04%
		Apr 1 17 to Sept 30 17	\$ 40,939,010.42	\$ 478,288.92	1.17%	\$ 1,622,764.06	3.96%
FFY18		Oct 1 17 to Mar 31 18	\$ 31,874,559.08	\$ 754,167.60	2.37%	\$ 3,002,750.48	9.42%
		Apr 1 18 to Sept 30 18	\$ 68,024,202.91	\$ 1,725,734.24	2.54%	\$ 4,982,014.37	7.32%
FFY16-18	3.75%	Oct 1, 2015 thru Sept 30, 2018 (6 semi-annual reports)	\$ 329,416,732.98	\$ 9,844,374.82	2.99%	\$ 17,269,109.63	5.24%
	<u>Federal</u> <u>DBE</u> <u>GOAL</u>	<u>REPORTING PERIOD</u>	<u>Total Federal \$\$</u>	<u>Federal DBE \$\$</u>	<u>Federal</u> <u>DBE %</u>	<u>Federal SBE \$\$</u>	<u>Federal</u> <u>SBE %</u>
FFY16	3.75%	Oct 1 15 to Mar 31 16	\$ 4,094,298.13	\$ 11,859.89	0.29%	\$ 246,645.99	6.02%
		Apr 1 16 to Sept 30 16	\$ 6,418,545.41	\$ 255,760.97	3.98%	\$ 148,325.08	2.31%
FFY17**		Oct 1 16 to Mar 31 17	\$ 19,827,518.60	\$ 3,781,098.94	19.07%	\$ 196,188.57	0.99%
		Apr 1 17 to Sept 30 17	\$ 3,326,175.53	\$ 31,444.62	0.95%	\$ 405,594.52	12.19%
FFY18		Oct 1 17 to Mar 31 18	\$ 5,888,603.26	\$ 107,876.47	1.83%	\$ 716,139.92	12.16%
		Apr 1 18 to Sept 30 18	\$ 5,453,720.86	\$ 977,533.90	17.92%	\$ 267,303.01	4.90%
FFY16-18	3.75%	Oct 1, 2015 thru Sept 30, 2018 (6 semi-annual reports)	\$ 45,008,861.79	\$ 5,165,574.79	11.48%	\$ 1,980,197.09	4.40%

	<u>Federal DBE GOAL</u>	<u>REPORTING PERIOD</u>	<u>Total Local \$\$</u>	<u>Local DBE \$\$</u>	<u>Local DBE %</u>	<u>Local SBE \$</u>	<u>LOCAL SBE %</u>	
FFY16	3.75%	Oct 1 15 to Mar 31 16	\$ 59,789,140.39	\$ 287,042.13	0.48%	\$ 2,682,858.05	4.49%	
		Apr 1 16 to Sept 30 16	\$ 25,760,046.73	\$ 720,354.37	2.80%	\$ 848,109.89	3.29%	
FFY17**		Oct 1 16 to Mar 31 17	\$ 72,689,411.31	\$ 1,830,067.76	2.52%	\$ 3,539,453.14	4.87%	
		Apr 1 17 to Sept 30 17	\$ 37,612,834.89	\$ 446,844.30	1.19%	\$ 1,217,169.54	3.24%	
FFY18		Oct 1 17 to Mar 31 18	\$ 25,985,955.82	\$ 646,291.13	2.49%	\$ 2,286,610.56	8.80%	
		Apr 1 18 to Sept 30 18	\$ 62,570,482.05	\$ 748,200.34	1.20%	\$ 4,714,711.36	7.54%	
FFY16-18		3.75%	Oct 1, 2015 thru Sept 30, 2018 (6 semi-annual reports)	\$284,407,871.19	\$ 4,678,800.03	1.65%	\$ 15,288,912.54	5.38%
		<u>Federal DBE GOAL</u>	<u>REPORTING PERIOD</u>	<u>TOTAL DOLLARS AWARDED (fed & local)</u>	<u>Total DBE \$\$</u>	<u>Total DBE %</u>	<u>Total SBE \$\$</u>	<u>Total SBE %</u>
FFY19	2.9%	Oct 1 18 to Mar 31 19	\$ 73,790,097.91	\$ 606,817.10	0.82%	\$ 5,715,068.36	7.75%	
		Apr 1 19 to Sept 30 19	\$ 40,005,268.47	\$ 6,243,719.33	15.61%	\$ 1,796,894.06	4.49%	
FFY20		Oct 1 19 to Mar 31 20	\$ 52,022,126.82	\$ 4,330,163.32	8.32%	\$ 4,831,911.79	9.29%	
		Apr 1 20 to Sept 30 20	\$ 230,588,830.67	\$ 636,712.08	0.28%	\$ 2,322,909.77	1.01%	
FFY21		<i>Apr 1 20 to Sept 30 20 w/o First Transit contract (*for reference only*)</i>	\$ 47,280,121.00	\$ 636,712.08	1.35%	\$ 2,322,909.77	4.91%	
		Oct 1 20 to Mar 31 21	\$ 546,248,722.19	\$ 428,054.08	0.08%	\$ 5,511,166.79	1.01%	
		<i>Oct 1 20 to Mar 31 21 w/o Transdev contract (*for reference only*)</i>	\$ 39,863,273.69	\$ 428,054.08	1.07%	\$ 5,511,166.79	13.83%	
			Apr 1 21 to Sept 30 21	\$ 96,111,004.32	\$ 461,370.54	0.48%	\$ 44,133,244.11	45.92%

	<u>Federal DBE GOAL</u>	<u>REPORTING PERIOD</u>	<u>Total Federal \$\$</u>	<u>Federal DBE \$\$</u>	<u>Federal DBE %</u>	<u>Federal SBE \$\$</u>	<u>Federal SBE %</u>	
FFY19	2.9%	Oct 1 18 to Mar 31 19	\$ 8,603,476.55	\$ 204,022.26	2.37%	\$ 182,110.81	2.12%	
		Apr 1 19 to Sept 30 19	\$ 9,005,016.32	\$ 3,884,727.66	43.14%	\$ 644,406.58	7.16%	
FFY20		Oct 1 19 to Mar 31 20	\$ 7,065,591.07	\$ 84,861.22	1.20%	\$ 1,309,065.78	18.53%	
		Apr 1 20 to Sept 30 20	\$ 130,881,224.89	\$ 135,337.29	0.10%	\$ 242,071.52	0.18%	
		<i>Apr 1 20 to Sept 30 20 w/o First Transit contract (*for reference only*)</i>	\$ 14,306,408.31	\$ 135,337.29	0.95%	\$ 242,071.52	1.69%	
FFY21		Oct 1 20 to Mar 31 21	\$ 182,514,682.65	\$ 45,759.00	0.03%	\$ 369,213.11	0.20%	
		<i>Oct 1 20 to Mar 31 21 w/o Transdev contract (*for reference only*)</i>	\$ 1,059,896.95	\$ 45,759.00	4.32%	\$ 369,213.11	34.83%	
		Apr 1 21 to Sept 30 21	\$ 14,952,198.32	\$ 44,380.72	0.30%	\$ 712,640.36	4.77%	
		<u>Federal DBE GOAL</u>	<u>REPORTING PERIOD</u>	<u>Total Local \$\$</u>	<u>Local DBE \$\$</u>	<u>Local DBE %</u>	<u>Local SBE \$</u>	<u>LOCAL SBE %</u>
FFY19		2.9%	Oct 1 18 to Mar 31 19	\$ 65,186,621.36	\$ 402,794.84	0.62%	\$ 5,532,957.55	8.49%
	Apr 1 19 to Sept 30 19		\$ 31,000,252.15	\$ 2,358,991.67	7.61%	\$ 1,152,487.48	3.72%	
FFY20	Oct 1 19 to Mar 31 20		\$ 44,956,535.75	\$ 4,245,302.10	9.44%	\$ 3,522,846.01	7.84%	
	Apr 1 20 to Sept 30 20		\$ 99,707,605.78	\$ 501,374.79	0.50%	\$ 2,080,838.25	2.09%	
	<i>Apr 1 20 to Sept 30 20 w/o First Transit contract (*for reference only*)</i>		\$ 32,973,712.69	\$ 501,374.79	1.52%	\$ 2,080,838.25	6.31%	
FFY21	Oct 1 20 to Mar 31 21		\$ 363,734,039.54	\$ 382,295.08	0.11%	\$ 5,141,953.68	1.41%	
	<i>Oct 1 20 to Mar 31 21 w/o Transdev contract (*for reference only*)</i>		\$ 38,803,376.74	\$ 382,295.08	0.99%	\$ 5,141,953.68	13.25%	
	Apr 1 21 to Sept 30 21		\$ 81,158,806.00	\$ 416,989.82	0.51%	\$ 43,420,603.75	53.50%	

	<u>Federal DBE GOAL</u>	<u>REPORTING PERIOD</u>	<u>TOTAL DOLLARS AWARDED (fed & local)</u>	<u>Total DBE \$\$</u>	<u>Total DBE %</u>	<u>Total SBE \$\$</u>	<u>Total SBE %</u>
FFY19-21	2.9%	Oct 1, 2018 thru Sept 30, 2021 (6 semi-annual reports)	\$ 1,038,766,050.38	\$ 12,706,836.45	1.22%	\$ 64,311,194.88	6.19%
		<i>Oct 1, 2018 thru Sept 30, 2021 (6 semi-annual reports) w/o First Transit or Transdev contract (*for reference only*)</i>	<i>\$ 349,071,892.21</i>	<i>\$ 12,706,836.45</i>	<i>3.64%</i>	<i>\$ 64,311,194.88</i>	<i>18.42%</i>
	<u>Federal DBE GOAL</u>	<u>REPORTING PERIOD</u>	<u>Total Federal \$\$</u>	<u>Federal DBE \$\$</u>	<u>Federal DBE %</u>	<u>Federal SBE \$\$</u>	<u>Federal SBE %</u>
FFY19-21	2.9%	Oct 1, 2018 thru Sept 30, 2021 (6 semi-annual reports)	\$ 353,022,189.80	\$ 4,399,088.15	1.25%	\$ 3,459,508.16	0.98%
		<i>Oct 1, 2018 thru Sept 30, 2021 (6 semi-annual reports) w/o First Transit or Transdev contract (*for reference only*)</i>	<i>\$ 54,992,587.52</i>	<i>\$ 4,399,088.15</i>	<i>8.00%</i>	<i>\$ 3,459,508.16</i>	<i>6.29%</i>
	<u>Federal DBE GOAL</u>	<u>REPORTING PERIOD</u>	<u>Total Local \$\$</u>	<u>Local DBE \$\$</u>	<u>Local DBE %</u>	<u>Local SBE \$</u>	<u>LOCAL SBE %</u>
FFY19-21	2.9%	Oct 1, 2018 thru Sept 30, 2021 (6 semi-annual reports)	\$ 685,743,860.58	\$ 8,307,748.30	1.21%	\$ 60,851,686.72	8.87%
		<i>Oct 1, 2018 thru Sept 30, 2021 (6 semi-annual reports) w/o First Transit or Transdev contract (*for reference only*)</i>	<i>\$ 294,079,304.69</i>	<i>\$ 8,307,748.30</i>	<i>2.83%</i>	<i>\$ 60,851,686.72</i>	<i>20.69%</i>

	<u>Federal DBE GOAL</u>	<u>REPORTING PERIOD</u>	<u>TOTAL DOLLARS AWARDED (fed & local)</u>	<u>Total DBE \$\$</u>	<u>Total DBE %</u>	<u>Total SBE \$\$</u>	<u>Total SBE %</u>
FFY22	6.3%	Oct 1 21 to Mar 31 22	\$ 58,074,628.88	\$ 637,356.70	1.10%	\$ 6,907,845.36	11.89%
		Apr 1 22 to Sept 30 22	\$ 45,351,112.49	\$ 670,801.19	1.48%	\$ 1,810,431.39	3.99%
FFY23		Oct 1 22 to Mar 31 23	\$ 67,365,767.07	\$ 10,440,863.02	15.50%	\$ 12,221,020.20	18.14%
		Apr 1 23 to Sept 30 23	\$ 53,799,232.47	\$ 5,446,585.33	10.12%	\$ 1,208,807.09	2.25%
FFY24		Oct 1 23 to Mar 31 24	\$ 77,886,701.74	\$ 4,246,084.11	5.45%	\$ 8,310,162.54	10.67%
		Apr 1 24 to Sept 30 24	\$ 73,649,043.32	\$ 6,949,059.93	9.44%	\$ 4,564,695.97	6.20%
	<u>Federal DBE GOAL</u>	<u>REPORTING PERIOD</u>	<u>Total Federal \$\$</u>	<u>Federal DBE \$\$</u>	<u>Federal DBE %</u>	<u>Federal SBE \$\$</u>	<u>Federal SBE %</u>
FFY22	6.3%	Oct 1 21 to Mar 31 22	\$ 7,843,315.85	\$ 234,599.40	2.99%	\$ 760,885.51	9.70%
		Apr 1 22 to Sept 30 22	\$ 6,977,851.08	\$ 92,523.71	1.33%	\$ 231,078.11	3.31%
FFY23		Oct 1 22 to Mar 31 23	\$ 17,806,277.45	\$ 7,965,351.88	44.73%	\$ 1,029,876.32	5.78%
		Apr 1 23 to Sept 30 23	\$ 9,630,377.28	\$ 2,237,323.28	23.23%	\$ 126,527.09	1.31%
FFY24		Oct 1 23 to Mar 31 24	\$ 11,394,054.87	\$ 240,626.03	2.11%	\$ 1,832,026.03	16.08%
		Apr 1 24 to Sept 30 24	\$ 3,624,621.11	\$ 75,249.65	2.08%	\$ 871,257.12	24.04%
	<u>Federal DBE GOAL</u>	<u>REPORTING PERIOD</u>	<u>Total Local \$\$</u>	<u>Local DBE \$\$</u>	<u>Local DBE %</u>	<u>Local SBE \$</u>	<u>LOCAL SBE %</u>
FFY22	6.3%	Oct 1 21 to Mar 31 22	\$ 50,231,313.03	\$ 402,757.30	0.80%	\$ 6,146,959.85	12.24%
		Apr 1 22 to Sept 30 22	\$ 38,373,261.41	\$ 578,277.48	1.51%	\$ 1,579,353.28	4.12%
FFY23		Oct 1 22 to Mar 31 23	\$ 49,559,489.62	\$ 2,475,511.14	5.00%	\$ 11,191,143.88	22.58%
		Apr 1 23 to Sept 30 23	\$ 44,168,855.19	\$ 3,209,262.05	7.27%	\$ 1,082,280.00	2.45%
FFY24		Oct 1 23 to Mar 31 24	\$ 66,492,646.87	\$ 4,005,458.08	6.02%	\$ 6,478,136.51	9.74%
		Apr 1 24 to Sept 30 24	\$ 70,024,422.21	\$ 6,873,810.28	9.82%	\$ 3,693,438.85	5.27%

			<u>TOTAL DOLLARS AWARDED (fed & local)</u>	<u>Total DBE \$\$</u>	<u>Total DBE %</u>	<u>Total SBE \$\$</u>	<u>Total SBE %</u>
FFY22-24	6.3%	Oct 1, 2021 thru Sept 30, 2024 (6 semi-annual reports <i>IN PROGRESS</i>)	\$ 376,126,485.97	\$ 28,390,750.28	7.55%	\$ 35,022,962.55	9.31%
			<u>Total Federal \$\$</u>	<u>Federal DBE \$\$</u>	Federal DBE %	<u>Federal SBE \$\$</u>	<u>Federal SBE %</u>
FFY22-24	6.3%	Oct 1, 2021 thru Sept 30, 2024 (6 semi-annual reports <i>IN PROGRESS</i>)	\$ 57,276,497.64	\$ 10,845,673.95	18.94%	\$ 4,851,650.18	8.47%
			<u>Total Local \$\$</u>	<u>Local DBE \$\$</u>	<u>Local DBE %</u>	<u>Local SBE \$</u>	<u>LOCAL SBE %</u>
FFY22-24	6.3%	Oct 1, 2021 thru Sept 30, 2024 (6 semi-annual reports <i>IN PROGRESS</i>)	\$ 318,849,988.33	\$ 17,545,076.33	5.50%	\$ 30,171,312.37	9.46%

*Transit Vehicle Procurements (buses, trolleys) from Transit Vehicle Manufacturers (TVM) are not included in this Report per DOT DBE Regulations. TVMs have their own DBE Program, Goals and Reporting requirements. Inventory procurements are also not included. Only at time an inventory item is issued from store room will the federal/local breakdown be known, not at the time of purchase. *

In FY17, MTS began using the U.S. Small Business Administration Database, which provides a listing of Small Businesses. This Database tracks firms in which revenues and/or number of employees do not exceed the North American Industry Classification System (NAICS) code's small business size standards, which is used to determine whether a DBE is a small business or not.