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San Diego – At its meeting today, the Metropolitan Transit System (MTS) Board of Directors addressed significant topics that impact the future of transit in San Diego.

COVID-19 Financial Impacts/Budget Amendments:

MTS staff gave an update to the Board about the financial impacts stemming from the COVID-19 pandemic. The Board of Directors voted to amend the FY 2020 budget due to lost revenue.

- In the current fiscal year, MTS anticipates a loss of \$33.5 million due to COVID-19
- In FY 2021 (July 1, 2020 through June 30, 2021), MTS estimates a loss of approximately \$100 million from original forecasts
- MTS estimates \$30-50 million loss of fare revenue for FY 2021
- State and local sales tax revenues are estimated to decrease by \$13.5 - \$23 million in FY 2021
- Other operating income (including advertising revenues, energy credits, rental income, interest income) could drop by approximately \$7 million over the current and upcoming fiscal year
- MTS anticipates receiving \$220 million in CARES Act stimulus funding from the federal government to offset financial losses stemming from the COVID-19 pandemic

MTS Board Approves Capital Improvement Program

In another step towards keeping San Diego's transit system in a solid state of good repair, the Metropolitan Transit System (MTS) Board of Directors unanimously approved a \$100 million for the FY 2021 Capital Improvement Program (CIP) budget.

"The MTS CIP is an important road map for planning and funding assets for San Diego's transit system. And having more than \$100 million to allocate in CIP funds is very healthy for an agency our size. This includes new Trolleys and buses, new transit facilities and improvements to existing ones, technology improvements and more," said MTS CEO Paul Jablonski. "MTS is committed to providing the best rider experience as possible and the CIP helps us achieve this goal."

Capital project highlights include:

- Additional funding toward 47 new low-floor Trolleys in two phases through 2025 - \$26 million
- Funding toward 69 Compressed Natural Gas buses - \$33 million
- New electric bus chargers and operation of pilot program – \$12.5 million

- Keeping the MTS rail network in a state of good repair - \$10.9 million
- Funding for a new electric bus service between Otay Mesa and Iris Avenue Transit Centers - \$5 million

MTS also uses CIP funding as the basis for federal, state and local grant applications. The CIP process began in October 2019 with an internal call for projects from MTS departments. Each department submitted its capital project requests in priority order, and the lists were consolidated for review by the Capital Projects Review Committee (CPRC). The CPRC reviewed the projects in the context of their impact on operations and determined the most critical projects to fund this year. The MTS Budget Development Committee, made up of several MTS Board members, then approved the CIP for full board consideration. For more information about the all the projects selected can be accessed in the Board agenda item.

Elevate SD 2020

Elevate SD 2020, the agency's effort to develop a transit-only revenue measure for the November 2020 ballot has been postponed due to the COVID-19 pandemic.

"The day will come when we can ask voters for additional revenue for the expanded transit system San Diego deserves. That day is not going to come in 2020," said MTS Board Chair Nathan Fletcher. "Right now, MTS needs to be focused on providing the essential service of transit. Then we will focus on the rebuilding effort, and getting residents back to work and school."

MTS continues to operate about 95 bus routes and three Trolley lines. Frequencies and spans have been modified temporarily due to COVID-19. Updated schedules can be accessed on the MTS website. MTS asks that only essential trips be made on public transit, and that people wear face coverings and practice physical distancing at all times.

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