

JUNE 20, 2024 REGULAR BOARD MEETING SUMMARY

1. **FY2025 Operating Budget and Capital Improvement Program:** The North County Transit District (NCTD) Board of Directors (Board) approved the Fiscal Year (FY) 2025 Operating Budget and FY2025-FY2029 Capital Improvement Program (CIP), which programs \$188 million in funding in FY2025 to support NCTD's operations and \$46 million in funding for critical capital projects.

The budget includes funding for the NCTD+ microtransit pilot program in the cities of San Marcos and Vista, as well as the COASTER Connection service in Sorrento Valley. The CIP includes funding for the construction of double tracking and bridge replacement on the San Dieguito River, stabilization of the Del Mar Bluffs, purchase of twenty LIFT vehicles, and investments to enhance safety and security on NCTD modes and at transit centers and improve the customer experience.

In accordance with Board policy, the FY2025 operating budget is balanced. However, the budget outlook in future fiscal years is challenging due to slower growth in sales tax revenues and increasing costs caused by inflation and regulatory mandates such as transition to zero emission vehicles and minimum railroad liability insurance. NCTD is exploring the potential to leverage funding from additional revenue sources – including ground leases from station redevelopment projects and potential partnerships with private entities to support specific services – to stabilize the budget in future years.

2. **NCTD+ Microtransit Funding Application:** The Board approved the submittal of an application for funding from the San Diego Association of Governments (SANDAG) Access for All Cycle 2 program to support the launch of NCTD+ microtransit pilot programs in the City of Vista and the Fallbrook/Pala area. The Access for All program provides funding to expand wheelchair accessible vehicle services in San Diego County. All NCTD+ vehicles are wheelchair accessible and can provide riders with expanded on-demand transportation options in addition to the LIFT paratransit service. SANDAG is currently reviewing project submittals and expects to issue a "Notice of Intent to Award" to applicants on September 20, 2024, before seeking approval from the SANDAG Board of Directors on September 27, 2024.