

Changes Since the March Draft Budget*

Program Budget Comparison	FY 2027 Proposed Final (in \$ millions)	FY 2027 Draft (in \$ millions)	FY 2026 Adopted Budget (in \$ millions)
Overall Work Program (Chapter 2)	\$76.9	\$79.3	\$104.6
Regional Operations and Services (Chapter 3)	\$87.5	\$88.2	\$86.6
Capital Budget (Chapter 5)	\$800.8	\$691.3	\$682.9

*The FY 2027 multi-year capital budget is \$8.8 billion.

Staffing, Compensation, and Benefits***Staffing***

The agency is continuing the practice of being highly strategic with staffing resources by repurposing and reallocating vacancies to the highest-priority areas.

The proposed total staff headcount for Regular and Limited Term positions has been increased between draft and final from 432 to 437 positions. This reflects the strategic creation of five new positions across the agency, to align available headcount with work program priorities. In future years it is expected the headcount will be reduced through natural attrition.

Benefits

No changes are proposed to the benefits plan.

Project By Project Updates

Overall Work Program¹

Project No.	Project Title	\$ Change	Changes Explained
1500100	TransNet Financial Management	\$700	Travel budget increased by \$700.
1500400	OWP and Budget Programs Management	\$232,799	Labor costs increased due to the addition of a new staff position for financial management and budget oversight. The position is split between OWP and Capital Programs.
2300000	Data Science, Analytics, and Modeling	\$358,602	Labor costs increased due to the addition of a new staff position for internal control and administrative support.
3100400	Regional Plan Implementation	\$458,983	Labor costs increased due to the creation of a Mobility Program Manager Position to oversee transit planning, flexible fleets and Transportation Demand Management programs.
3100408	Regional Plan Outreach FY 2026	(\$194,000)	Contracted Services budget decreased to align with work planned for FY27.
3100409	Regional Plan Outreach FY 2027	\$25,588	Contracted Services budget increased for communications work planned in FY27.
3300101	TransNet Active Transportation Grant Programs	(\$3,067,591)	\$3 million ATP Call for Projects will not occur in FY27. Contracted Services budget also reduced by \$67,591.
3300102	TransNet Smart Growth Incentive Grant Program	\$75,000	Contracted Services budget increased by \$75,000 for baseline data collection required for the SGIP Program.
3300211	South Bay to Southeastern Bikeways	(\$721,820)	Contracted Services budget reduced by \$811,360 to align with executed planning contract. ODC budget increased by \$89,540.
3311700	Transportation Performance Monitoring and Reporting	\$50,000	Added \$50,000 to Contracted Services budget to collect and analyze regional climate data in FY27.
3320200	FTA Section 5310 Grant Program Administration	(\$3,330)	Contracted Services decreased by \$2,566 and ODC budget decreased by \$764 to align with FY27 work planned.
3402600	San Diego Regional Freight Resilience Plan	\$73,003	Contracted Services budget increased by \$73,003 to align with FY27 work planned.
7300200	Public Awareness	\$20,000	ODC budget increased by \$20,000 for software purchase.
7301000	Workforce Opportunities for Rising Careers (WORC) Program Initiative	(\$2,685)	Budget decreased based on updated costs for grant activities.
All		\$313,830	Reallocation of hours between projects, increased overhead rate impact on labor costs, and other minor adjustments.
		(\$2,380,921)	

¹ FTA=Federal Transit Administration; ODC=Other Direct Costs; OWP=Overall Work Program; SGIP=Smart Growth Incentive Program

Regional Operations²

Project No.	Project Title	\$ Change	Changes Explained
3310200	Motorist Aid Services—FSP	(\$32,649)	Reduction in Contracted Services budget based on FY27 projected expenses.
3310300	I-15 FasTrak® Value Pricing Program	\$989,002	Labor increased \$359,204, ODC budget increased \$619,796, and Contracted Services budget increased \$10,002 for software licenses, IT expenses, and other administrative needs.
3312100	State Route 125 Facility Operations	(\$1,085,825)	Labor increased \$533,153, ODC budget increased \$45,100 for software licenses and Contracted Services budget increased \$483,005 for additional CHP services. Debt services decreased by \$2,147,083 to reflect current portion of principal and interest payments.
3312702	Aladdin Bail Bond A Street Property	(\$177,000)	Contracted Services budget decreased by \$177,000 due to reduced need for property repairs.
7350100 7353300 7353400	ARJIS Program	(\$307,489)	Labor costs reduced by \$385,489. ODC budget increased by \$24,000 and Contracted Services budget increased by \$54,000 based on revised FY27 needs for professional services and IT maintenance. Member assessments totaling \$315,000 for DHS and Secret Service have been removed from the program. Other agency member assessments reduced by \$116,983 based on updated FY 27 member fees. Federal and local grant revenue reduced by \$112,516 in FY27 and shifted to other years within multi-year grant funded projects. To fund a portion of labor costs, ODC and Contracted Services, use of reserve funds is increasing by \$237,010. Net expense/funding reduction of \$307,489.
All		(\$111,619)	Reallocation of hours between projects, reduced overhead rate impact on labor costs, and other minor adjustments.
		(\$725,580)	

² ARJIS=Automated Regional Justice Information System; CHP=California Highway Patrol; FSP=Freeway Service Patrol; ODC=Other Direct Costs; IT=Information Technology; DHS=Department of Homeland Security

Capital Projects³

The FY 2027 Capital Annual Budget increased \$109.5 million from the Draft Budget. This is primarily due to new funding added to FY 2027 for the Otay Mesa East Port of Entry Project, new Transportation, Housing, and Urban Development (THUD) grants awarded to SANDAG, and expenses shifted from FY 2026 to FY 2027 within various projects' multi-year budgets.

The multi-year capital budget increased \$80.4 million as reflected in the table below.

Project No.	Project Title	\$ Change	Changes Explained
1200200	Project Biological Mitigation Fund	\$1,031,000	Updated revenue: adding federal CPF-CDS earmark for Buena Vista Lagoon Enhancement Project to complete 65% design.
1205204	SR 52 Improvements	\$4,000,000	Updated revenue: adding federal CPF-CDS earmark for future design phase.
1210091	Palomar Street Rail Grade Separation	\$8,795,000	Updated revenue: adding FTA 5307 funds to fully fund design and professional services.
1239812	Sorrento to Miramar Phase 2	\$2,000,000	Updated revenue: adding THUD earmark for design and right-of-way work.
1239825	Wall 508 Stabilization	\$4,109,000	Updated cost for emergency repairs. Adding \$4.1 million to fully fund phase 2 of construction. Budget amendment was approved at 4/10/26 BOD meeting.
1201101	SR 11 and Otay Mesa East Port of Entry	\$59,900,000	Updated revenue: adding federal STBG (\$39.5 million) and state TCEP funds (\$20.4 million) to fund construction in FY 2027.
1201107	Otay Mesa East Port of Entry ATP #1	\$8,000,000	Updated cost for construction phase. Adding \$8 million of federal RSTP funds.
1223020	North Park/Mid-City Bikeways: Robinson Bikeway	\$1,860,000	Updated costs for design and right-of-way phases. Adding \$1.9 million of local TransNet-BPNS funds.
1223054	Central Avenue Bikeway	\$1,081,000	Construction bids came in higher than the funded budget. Adding \$1.1 million of TransNet-BPNS funds to fully fund construction phase.
1223056	Border to Bayshore Bikeway	\$623,000	Construction change orders required to complete construction. Adding \$623k of federal RSTP funds.

³ ATP=Active Transportation Program; BOD=Board of Directors; BPNS=Bike Pedestrian and Neighborhood Safety; CPF-CDS= Community Project Funding/Congressionally Directed Spending; CIP=Capital Improvement Program; CRP=Carbon Reduction Program; FTA=Federal Transit Administration; NOAA= National Oceanic and Atmospheric Administration; RCN= Reconnecting Communities and Neighborhoods; RSTP=Regional Surface Transportation Program; STBG=Surface Transportation Block Grant; TCEP=Trade Corridor Enhancement Program; THUD= Transportation, Housing, and Urban Development

Project No.	Project Title	\$ Change	Changes Explained
1223058	Downtown to Imperial Avenue Bikeway	\$3,077,000	Construction change orders required to complete construction. Adding federal CRP (\$463k), federal RSTP (\$2.3 million), and local TransNet-BPNS funds (\$326k).
1223079	North Park/Mid-City Bikeways: Howard Bikeway	\$475,000	Updated costs for final design and administration phases. Adding TransNet-BPNS funds.
1223095	Inland Rail Trail Phase 4	\$923,000	Updated revenue: adding local TransNet-BPNS funds to fully fund design phase.
1145300	Rose Canyon Bridge Replacements	\$2,000,000	Updated revenue: adding THUD earmark for preliminary engineering and environmental clearance.
1131900	Capital Program Management	\$5,000,000	New CIP for various capital program management tasks. Adding \$5 million of federal RSTP funds for new CIP. Budget amendment was approved at 4/10/26 BOD meeting.
1149200	San Ysidro Transit Center Improvements	\$6,210,000	Updated revenue: adding THUD earmark (\$3.1 million) and FTA 5307 funds (\$3.1 million) to fund environmental phase.
		\$109,084,000	

Project No.	Project Title	\$ Change	Changes Explained
Grants being returned due to timely use of funds			
1223020	North Park/Mid-City Bikeways: Robinson Bikeway	(\$5,126,000)	Returning state ATP grant and reallocating federal CRP grant from construction phase due to timely use of funds deadlines that cannot be met and insufficient funds to complete construction based on updated engineer's estimate.
1223085	Uptown Bikeways: Mission Hills and Old Town Bikeways	(\$803,000)	Returning state ATP grants for environmental, design, and construction phases due to timely use of funds deadlines that cannot be achieved within the project timeline.
1223095	Inland Rail Trail Phase 4	(\$11,746,000)	Returning state ATP grant and reallocating state LPP formula funds for construction phase due to due to timely use of funds deadlines that cannot be met and insufficient funds to complete construction based on updated engineer's estimate.
1148000	Harbor Drive 2.0/Vesta Street Bridge	(\$11,000,000)	Removing future federal RCN grant from project since funds are no longer guaranteed from the federal government.
		(\$28,675,000)	

Project No.	Project Title	\$ Change	Changes Explained
Transfers between capital projects			
1239806	San Elijo Lagoon Double Track	(\$473,000)	Project pending final closeout. \$473k of TransNet-MC savings moved to CIP 1239814.
1239814	COASTER Preliminary Engineering	\$473,000	Updated cost for administration and environmental phases. Funds transferred from CIP 1239806.
1223085	Uptown Bikeways: Mission Hills and Old Town Bikeways	(\$200,000)	\$200k of TransNet-BPNS funds transferred to CIPs 1223017 and 1223079. Environmental and design phases are on hold, but administration funds are still budgeted to help determine a plan for the project in FY 2027.
1223017	Coastal Rail Trail Encinitas: E Street to Chesterfield Drive	\$150,000	Updated budget for project contingency. TransNet-BPNS funds transferred from CIP 1223085.
1223079	North Park/Mid-City Bikeways: Howard Bikeway	\$50,000	Updated costs for administration and design phases. \$50k of TransNet BPNS funds transferred from CIP 1223079 to partially fund need.
1223057	Pershing Drive Bikeway	(\$350,000)	Project pending final closeout. \$350k of TransNet-BPNS savings moved to CIP 1223056.
1223056	Border to Bayshore Bikeway	\$350,000	Updated cost for construction based on change orders. TransNet-BPNS funds transferred from CIP 1223057.
1400000	Regional Tolling Back Office System	(\$90,000)	Project pending final closeout. \$90k of local SR 125 savings moved to CIP 1612502.
1612502	CMCP—SR 125 Toll Removal Analysis	\$90,000	Increasing administration budget to fund needs through project closeout, which will occur in FY 2027. SR 125 funds shifted from CIP 1400000.
1400406	New SR 125 Regional Tolling Back-Office System	(\$11,945,000)	Remaining project scope and SR 125 funds (\$11.9 million) shifted to new CIP 1400412. Budget amendment was approved at the 2/27/26 BOD meeting.
1400412	SR125 Regional Tolling BOS Solution	\$11,945,000	New CIP approved at 2/27/26 BOD meeting. Funds shifted from CIP 1400406.
1400407	New I-15 Regional Tolling Back-Office System	(\$3,982,000)	Remaining project scope and I-15 FasTrak funds (\$4 million) shifted to new CIP 1400413. Budget amendment was approved at the 2/27/26 BOD meeting.
1400413	I-15 Regional Tolling BOS Solution	\$3,982,000	New CIP approved at 2/27/26 BOD meeting. Funds shifted from CIP 1400407.
		\$0	
Total Capital Multiyear changes		\$80,409,000	

Internal Operations Budget

Changes (in \$ thousands)		
Staffing: Salaries and Benefits	\$175,000	Increase reflects the updated compensation adjustment pool and new hires and promotions that occurred between draft and final budget development
Business Services	(\$15,000)	Reduced budget for hardware and printer accessories based on prior year actuals
Travel and Parking	\$5,000	A portion of expenses originally budgeted under Employee Professional Memberships was reallocated to this category to better align with expense categories. Included added budget to account for new costs that are anticipated as part of the new travel software that will be implemented in FY 2027.
Employee Professional Memberships and Certifications	(\$2,000)	Decrease reflects the reallocation of certain expenses to the Travel and Parking category to better align with expense categories
Temporary Personnel	(\$450,000)	Anticipated temporary needs were reassessed. In addition, select positions were established as regular staff rather than temporary resources.
Recruitment	\$3,000	Recruitment costs were redistributed between Administration and Regional Transportation Services based on anticipated staffing levels
Employee Training	\$2,000	Budget for employee development classes was redistributed between Administration and Regional Transportation Services based on anticipated staffing levels
Facilities / Rent	\$33,000	Budget for utilities was adjusted based on prior year actuals and anticipated needs
Office Equipment	(\$18,000)	Budget for printer maintenance was reallocated to IT Maintenance and Equipment
Insurance	(\$52,000)	Insurance costs adjusted based on current market conditions and discussions with the insurance broker
IT Maintenance and Equipment	\$101,000	Includes reallocation of printer maintenance from Office Equipment and added budget for switch maintenance.
IT Software Licenses	(\$166,000)	Program-related licenses were moved to project budgets (e.g., E-Builder, Bynder), and a duplicate cost (eScribe) was removed.
Contracted Services	\$225,000	Added funding for HR Department Assessment, PRA/Records Management technical assistance, office space Improvements, and executive training
OIPA Budget: Salaries and Benefits	\$101,000	Increase reflects updates to salary rates for OIPA staff
OIPA Budget: Contracted Services	(\$50)	Revision based on reduced need for contracted services to implement the annual Audit Plan
Total	(108,000)	

