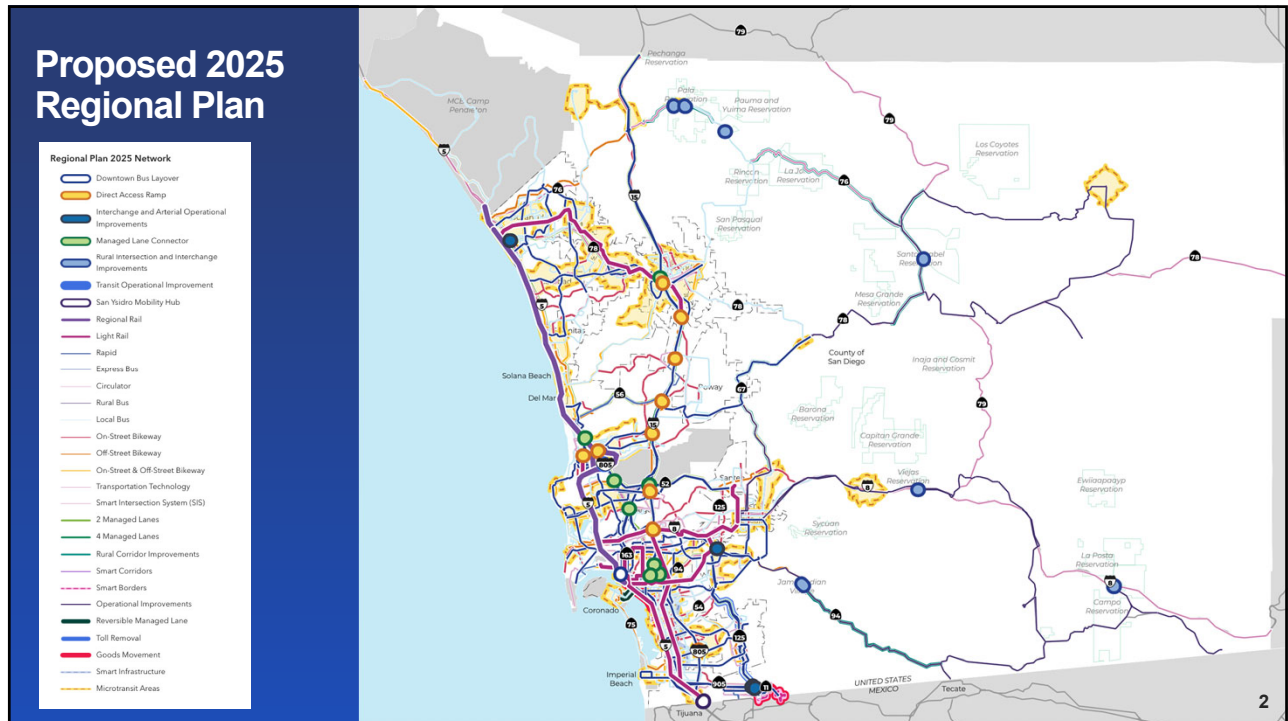




Proposed Project Delivery Strategy Including the 2026 STIP

Item 5.1 | Board of Directors
Antoinette Meier, Senior Director of Planning
Clint Peace, Senior Director of Capital Delivery
Susan Huntington, Director of Financial Planning, Budgets, and Grants
November 7, 2025

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Planning and Budgeting Efforts

Regional Plan

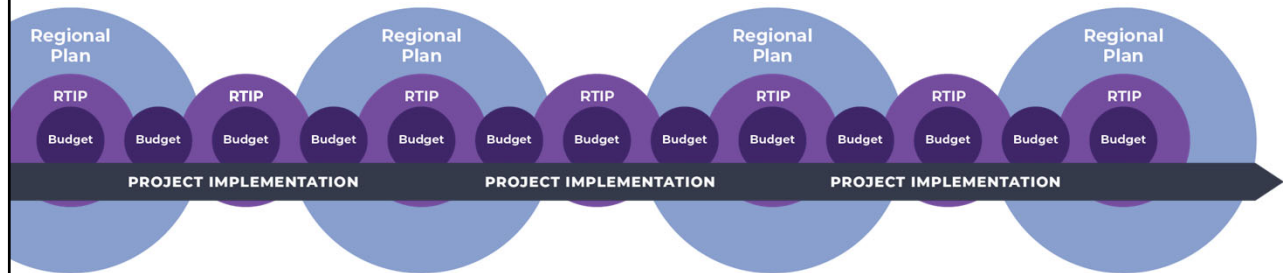
- Conceptual long-term vision (30 years)
- Updated every 4 years

Budget

- Financial plan for projects with identified funding (planning projects: 1 year, capital projects: 10 years)
- Updated annually (fiscal year spans July 1 to June 30)

RTIP

- Near-term investment plan (5 years)
- Projects and programs that were identified through Regional Plan and Budget process with committed funding
- Updated every 2 years

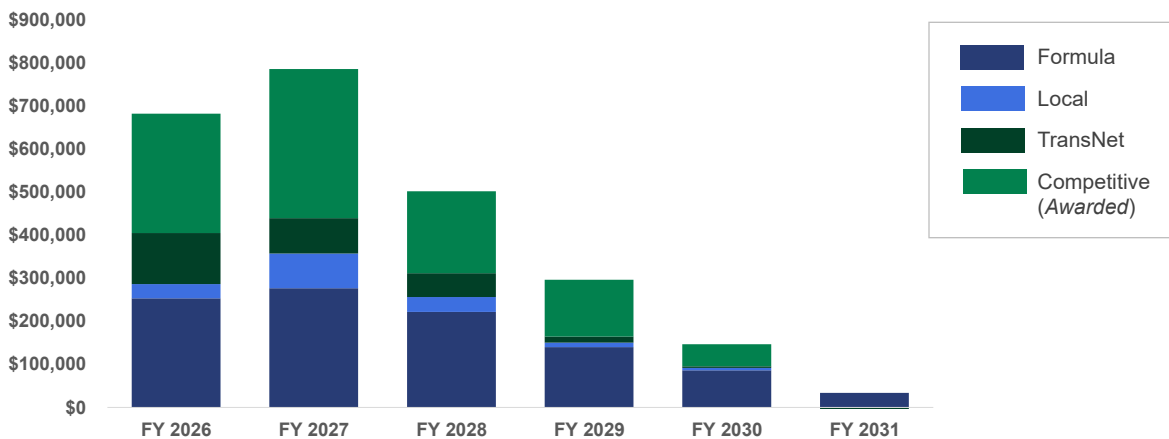


3

Current Overall Funding (Programmed) Capital Budget by Fiscal Year

FY 2026 Approved Budget

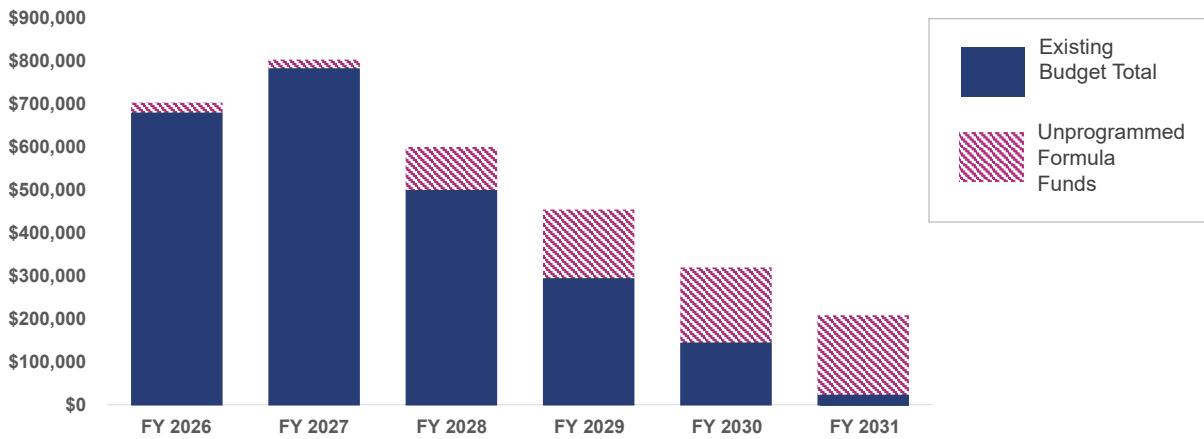
in thousands of dollars



4

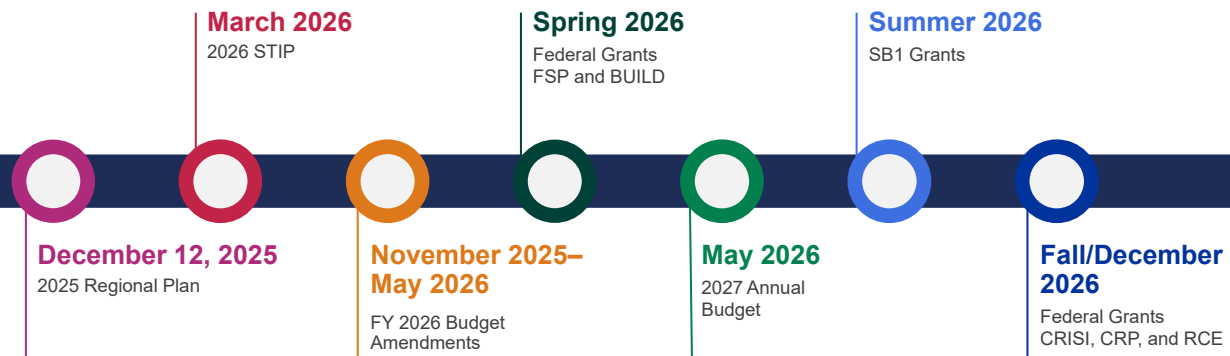
Estimated Overall Funding Available (Programmed and Unprogrammed) Capital Budget by Fiscal Year

FY 2026 Approved Budget with Estimated Unprogrammed Funding
(subject to change based on actual revenues and future federal authorization funding levels)
in thousands of dollars



5

Funding Opportunities in 2026



6

Proposed Delivery Strategy Development

Foundational Principles

Policy

Consider policy and directives at local/state/federal levels

- regional impact
- multimodal
- safety
- TransNet Ordinance
- BOD direction and priorities
- public input
- partner input and partnerships

Funding

Cost, current funding, funding needs, current funding constraints

- timing use of funds
- matching opportunities
- availability
- flexibility
- limitations on phase
- programming rules
- revenue projections
- previous investments

Delivery

Project/program readiness and risk

- “backbone” of transportation system
- readiness
- balancing short- and long-term
- costs of completion
- phasing
- risks

SANDAG | 7

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Proposed Delivery Strategy Development

Criteria and Considerations

- Safety
- Past commitments
- Subregional spread
- Efficient transit
- Mobility needs
- Segmenting for construction
- TransNet Major Corridors
- Flexibility and stability
- Maintenance and operations considerations

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Proposed Delivery Strategy Development

Balancing Risk and Opportunity

Risk Mitigation

- **Account for inherent risk** – delays, overruns, funding gaps, revenue shortfalls, etc.
- **Reduce risk**
 - Identify known immediate funding and program to priorities
 - Program projects that are ready to advance phases
 - Close funding gaps on projects ready to advance phases
- **Avoid unnecessary risk/transfer risk**
 - Use grant and other one-time funding opportunities for higher-risk and long-range projects

Opportunity

Optimize projects to receive other funding sources

- Identify new competitive grant opportunities
- Focus competitive grant applications on projects most likely to be awarded
- Ensure projects are “shovel-ready” to maximize grant awards
- Hold funds for matching requirements and contingencies

Proposed Delivery Strategy Development

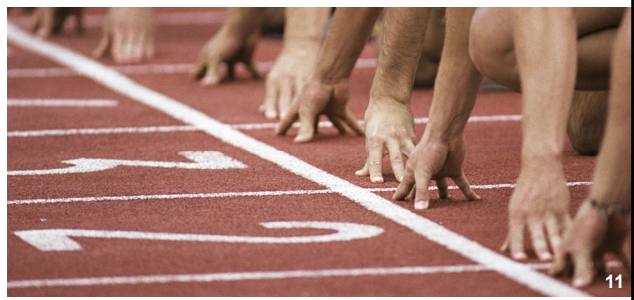
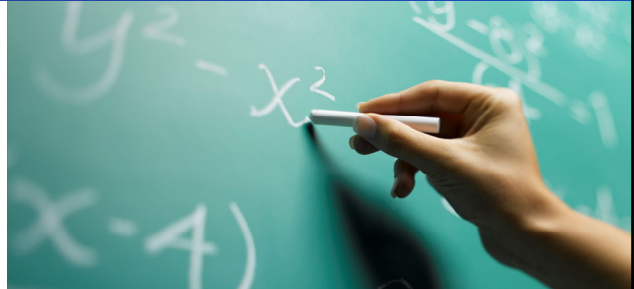
Project Management Approaches

- **Practical Phasing:** Break projects into manageable phases for faster implementation
- **Holding Formula Funds:** Maintain flexibility by seeking alternative funding sources first
- **Contingency:** Protect against unanticipated needs and/or cost increases with healthy reserve funds
- **Innovative Funding Strategies:** Partner with private sector and non-profits for new funding opportunities

Proposed Delivery Strategy Development

Funding Sources

- **State/Federal Formula**—allocated to SANDAG based on population, mileage or some other formula
- **TransNet**—local sales tax measure provides a dedicated funding framework to support major regional transportation improvements across San Diego County.
- **Competitive Grant**—awarded to SANDAG based on the merits of the project as compared to a scoring rubric vs. other agencies which apply for the funding



FY 2026 Budget

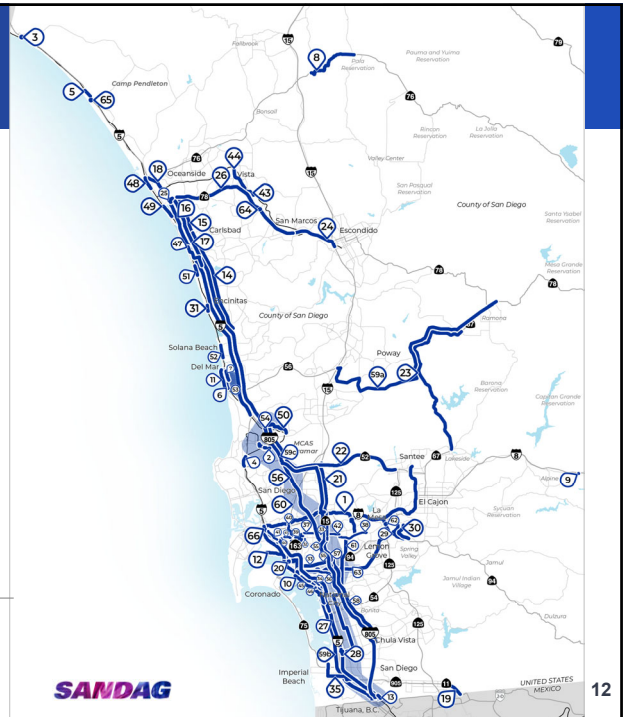
Projects by phase*

Delivering Projects across the San Diego region

- 16** Projects in Construction
- 27** Projects in Design
- 14** Projects in Environmental

* as of November 6, 2025.

Map includes FY 2026 Budget Capital Projects in Environmental, Design/Engineering, or Construction phases and a selection of FY 2026 Budget Overall Work Program Transit projects in Planning (including active pilot programs) with expected near-term milestones.



Proposed Delivery Strategy

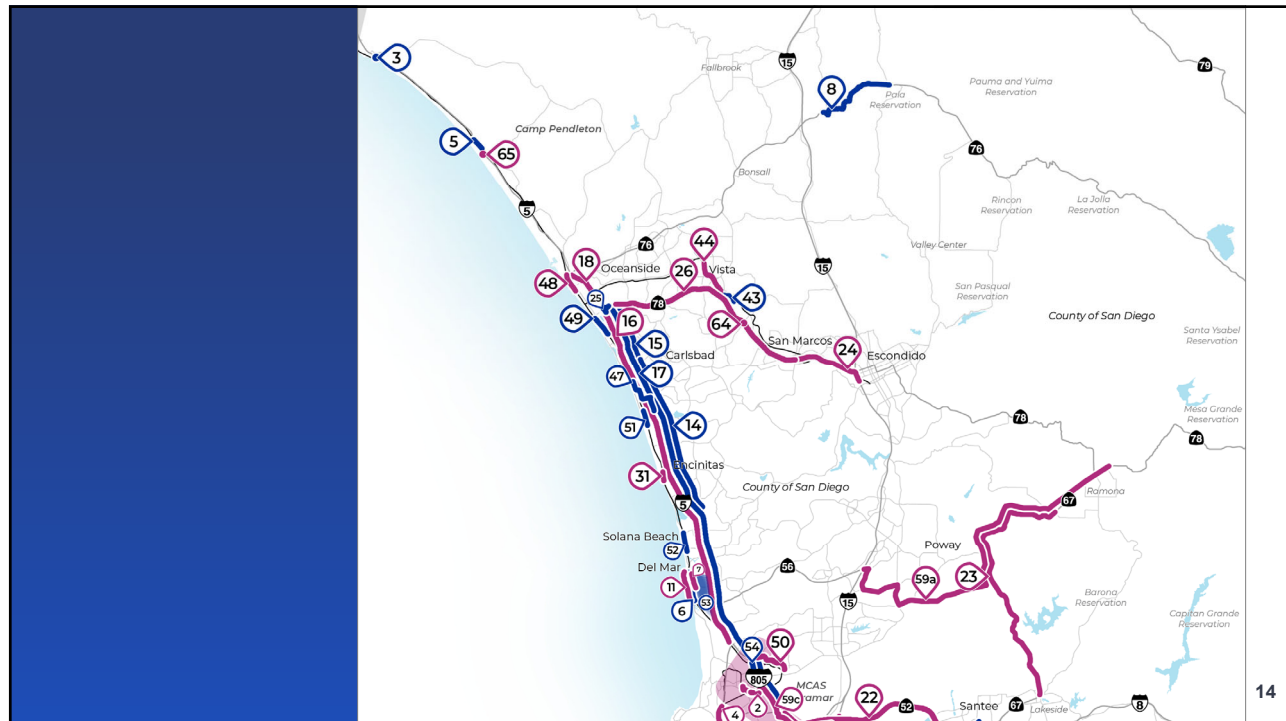
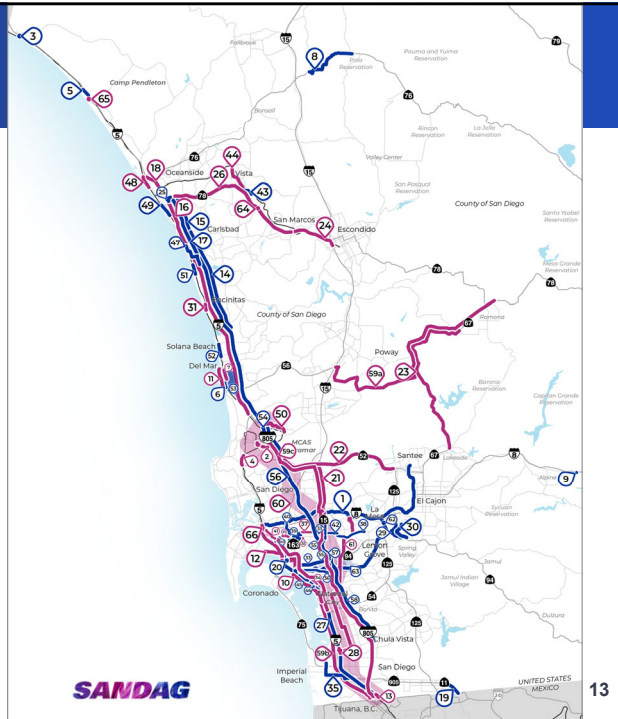
Projects by phase*

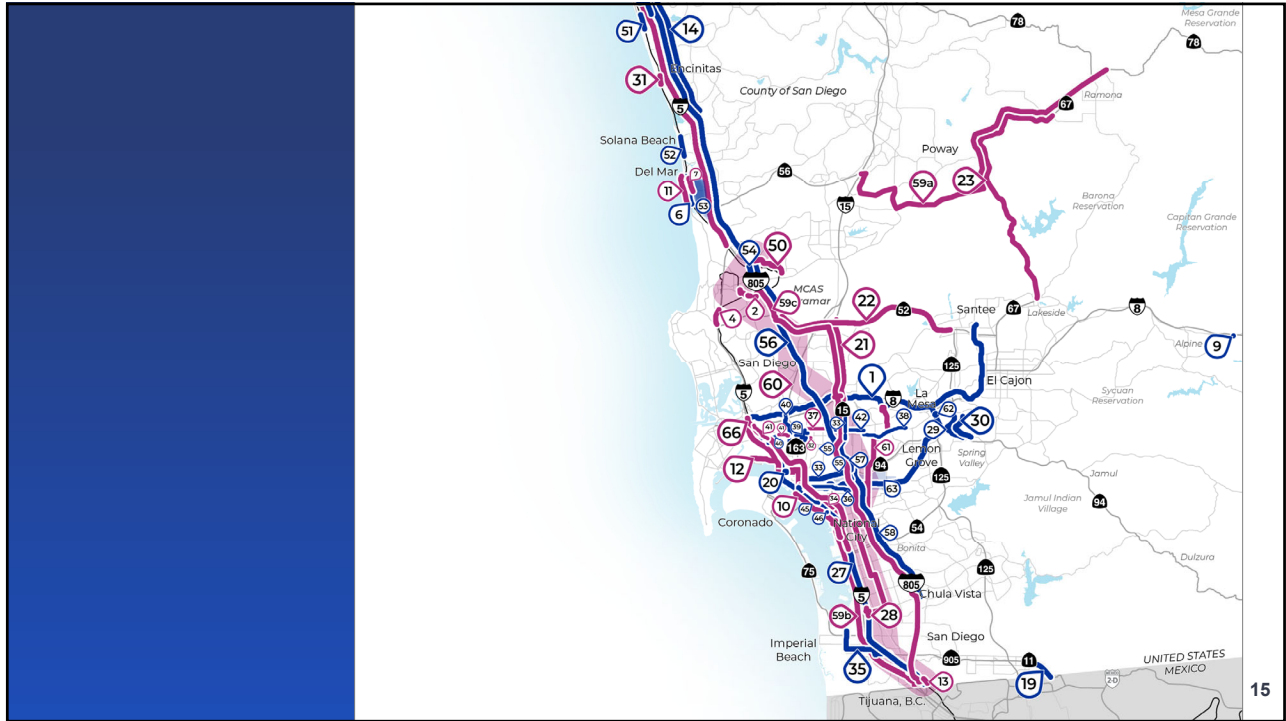
Delivering Projects across the San Diego region

- 26** Projects in Construction
- 13** Projects in Design
- 11** Projects in Environmental

* as of November 6, 2025. Project phases and totals subject to change.

Youth Opportunity Pass, TransNet EMP, Regional Tolling Back Office System, and Regional Grade Separation Study not shown on map.





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Proposed Delivery Strategy Regional Programs

- Youth Opportunity Pass
- Rapid Routes Analysis
- Regional Grade Separation Study
- Regional Back Office System
- TransNet Environmental Mitigation Program

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Board Actions

What's Next?



2026 STIP



FY 2026 Budget Amendments



2025 Regional Plan



FY 2027 Annual Budget



2026 RTIP



**Future and On-going
Budget Amendments**