



**BOARD OF DIRECTORS
SEPTEMBER 22, 2006**

**AGENDA ITEM NO. 06-09-1A
ACTION REQUESTED - APPROVE**

**BOARD OF DIRECTORS DISCUSSION AND ACTIONS
JULY 14, 2006**

First Vice Chair Mary Sessom (Lemon Grove) called the meeting of the SANDAG Board of Directors to order at 10:03 a.m. The attendance sheet for the meeting is attached.

1. PUBLIC COMMENTS/COMMUNICATIONS/MEMBERS COMMENTS

Don Stillwell, a member of the public, said that in less than 60 days there will be a major change in the bus routes in the Allied Gardens, Grantville, Navajo communities. These changes could cause students to be late for school, employees late for work, and will require residents more time to complete their trips. He commented on the impacts that deletion of the Route 14 bus stop at the Grantville Trolley Station will have. He said that riders from Mission Valley will lose connections to North Park, and children will be forced to transfer to get to school. This delay will occur when the Route 13 bus terminates at a new bus terminal location. Passengers will have to wait for the Route 14 bus with a 30-minute frequency. Congestion will increase due to these frequencies. Deleting the bus stop on Fairmount Avenue is nonproductive. He said that with all of the millions of dollars being spent to allow a higher volume of vehicle traffic on the roadways, we should invest a little to improve ridership on the buses by restoring the Route 14 bus stop at the Grantville Trolley Station and moving the Route 13 bus terminal to the Grantville Trolley Station.

Councilmember Patricia McCoy (Imperial Beach) announced that next Thursday, July 20, 2006, the League of California Cities' quarterly dinner will be held in Imperial Beach with the theme "Going Back to the 50s." She invited all to attend this event.

First Vice Chair Sessom and the Board wished San Diego City Mayor Jerry Sanders a happy birthday.

REPORTS

2. TRANSPORTATION FUNDING WORKSHOP (INFORMATION)

Susan Brown, Financial Manager of Programming, indicated that a new version of the "Alphabet Soup, A Primer on Transportation Funding in the San Diego Region," has been distributed as a reference for funding sources in the region. On page 7 is a table that lists federal, state, and local funds and additional information. An appended version of criteria is on page 13 for near- and long-term projects, and on page 16 is a glossary of terms. The overview will look at existing revenue sources, Senate Bill (SB) 1266 State Infrastructure

Bonds, and transportation planning and programming processes that ultimately direct where those funds are invested.

Ms. Brown indicated that a fact sheet on the infrastructure bond measure was distributed along with a crossword puzzle. The answers to the puzzle will be revealed during her discussion.

Ms. Brown stated that transportation revenues in the 2006-2030 period will total about \$36 billion, with 43 percent (\$15.5 billion) of non-SANDAG revenues and 57 percent (\$20.5 billion) in SANDAG revenues. The non-SANDAG revenues consist of local gas tax, general fund/miscellaneous fees, State Highway Operation and Protection Program (SHOPP), Proposition 42 (for cities/County), and other sources.

Ms. Brown explained that the SANDAG revenues are comprised of the following: federal at 21.5 percent (\$4.4 billion), state at 15.1 percent (\$3.1 billion), and local at 63.4 percent (\$13 billion). The SANDAG revenues include *TransNet*, *TransNet* bonds, Transportation Development Act (TDA), Miscellaneous Local, State Transportation Improvement Program/Transportation Congestion Relief Program (STIP/TCRP), State Transit Assistance (STA), Miscellaneous State, Federal Transit Administration (FTA) Formula funds, FTA Discretionary funds, Congestion Mitigation and Air Quality/Regional Surface Transportation Program (CMAQ/RSTP), and Miscellaneous Federal funds. TDA funds are from the ¼ cent of sales tax, and it is transit's primary subsidy source. There are several off-the-top amounts including County Administration (\$41,000), SANDAG Regional Planning and Administration (\$7.4 million), Bicycle-Pedestrian Program (\$2.5 million), and the Consolidated Transportation Service Agency (\$112,000). The balance of \$118.5 million is allocated to the transit agencies by population.

SANDAG state revenues come from STIP/TCRP (\$1.8 billion), STA (\$0.5 billion), and Miscellaneous State funds (\$0.8 billion). Ms. Brown noted that the STIP is funded through 2012, and most of that funding is being used on State Route (SR) 52 and the Mid-Coast project. STA comes through state sales tax on gasoline used for operations and capital but has been an unstable source in the past for two reasons: it is based on sales tax and fluctuations with gas prices, and there have been many legislative raids to use these funds for other than transportation purposes.

Ms. Brown reviewed the federal funds including: FTA formula funds at \$1.9 billion, FTA discretionary funds at \$0.3 billion, Federal Highway Administration (FHWA) flexible funds CMAQ and Surface Transportation Program (STP) at \$1.4 billion, and Miscellaneous Federal at \$0.8 billion for a total of \$4.4 billion. She said that we anticipate the FTA Discretionary funds to increase due to Full Funding Grant Agreements for several projects. The CMAQ fund must be used for projects that impact air quality, including managed lanes, rail extensions, and vanpool services. The STP is broader in applicability and is used for regional arterials, highway projects, and Intelligent Transportation-type projects. The Early Action Program includes a percentage of these funds to match the *TransNet* program along with the STIP funds. This is consistent with the provisions of the *TransNet* program that requires a 50/50 match ratio. We will continue to get some fair share of FHWA highway and border infrastructure funds (the Federal Miscellaneous funds). These are known sources. However, there are not enough of these funds to do what we need to do in transportation and to match the *TransNet* funding. There is some promise on the horizon in the form of the

infrastructure bond measures for the November ballot. We hope that our fair share would be in the range of our population share of the state; however, these funds are not formulized except in a few cases and will be allocated based on criteria developed by the California Transportation Commission (CTC). She thought that the following categories should get higher than minimum amounts: the Border, the airport, major congested freeways, and rail corridors.

Ms. Brown said that the Infrastructure bond includes \$4.5 billion for corridor mobility for congestion relief and, we have three major congested corridors with projects (Interstate 5 [I-5], I-15 and I-805). Our projected share is about \$360 million. There is \$3.1 billion for ports, security, and air quality projects that relate to ports. Our regional share from this bond should be approximately \$248 million. This bond would be an augmentation to the STIP program. State Route (SR) 905 and the Intercity Rail Corridor have done well in getting intercity money. We should do better than the projected \$109 million. Out of the \$4 billion for transportation, we should get in the range of \$222 million. There is also a \$1 billion set aside for transit safety, security, and disaster preparedness. Of that amount, our fair share would be \$80 million. In the \$1 billion for the state/local partnership program, the regional goal is \$80 million. These funds would provide the match for designated priority projects in the region. *TransNet* funds have been designated as the local match to state funds for the projects included in the *TransNet* measure. For the \$125 million in Local Bridge Retrofit funds, the regional goal is \$8 million. These funds will match federal local bridge retrofit funds. There is \$250 million slated for Highway Railroad Crossings and Safety. The regional goal from this category is \$20 million. There is \$750 million for the SHOPP program. The regional goal is \$20 million. This category deals with the condition of our state highways. There is \$2 billion for Local Streets and Roads with funds to cities and the County. The regional goal for this category is \$153 million. There is \$1 billion for SR 99. This highway is not in our County so we would not be eligible for this funding. There is also \$200 million for School Bus Retrofit, which goes to entities that handle that issue.

Ms. Brown stated that the State Infrastructure bond funds will be administered by the CTC. The CTC plans to develop criteria and anticipates having these criteria ready by mid-November. The CTC has been setting up five task forces, and we have placed staff on each of these task forces. Once the criteria are established, projects should be submitted by January 2007. There is a condition that projects need to be constructed by 2012. We will identify a list of projects by March 2007. The Legislature will appropriate these bond funds on an annual basis.

Ms. Brown said the question is how SANDAG will decide to invest the region's transportation revenues. The MOBILITY 2030 vision is that a transportation system should move people and goods, provide travel choices that are safe and efficient, preserve resources, and be efficiently managed. There are six mobility goals: reliability, equity, accessibility, sustainability, efficiency, and livability. Included in MOBILITY 2030 are quantitative measures that will serve to benchmark the future performance of networks. Project evaluation criteria involve highway corridors, freeway/high-occupancy-vehicle (HOV) connectors, transit service, and regional arterials. This is the basis of the Regional Transportation Plan (RTP), and it is a long-range plan.

Ms. Brown said that we get from a long-range plan the ability to implement projects through the programming process. First, we determine RTP consistency, and then we go through SANDAG priority requirements for both short-term and long-term projects,

indicating opportunities to leverage state and federal funds. To do that, we must meet state and federal requirements (mandates, budgetary constraints, and eligibility criteria). Then projects are programmed into the Regional Transportation Improvement Program (RTIP) and other annual programs. At this point, we have to obtain necessary approvals from state and federal governments and our federal funding partners, FTA and FHWA.

Ms. Brown read the answers for the crossword puzzle and the clues for the blue and red jumbles.

Mayor Art Madrid (La Mesa) noted that the Safety for Schools program has helped his community. He asked where that money comes from. Ms. Brown said that there is both state and federal funding for that program. She referred to page 8 in the Alphabet Soup report.

Mayor Madrid asked how much money the region will receive of these funds. Ms. Brown replied that there is only \$13 million available statewide in that program.

Councilmember Phil Monroe (Coronado) asked if the performance measures are “real world” measures, and what the specific measures are. Ms. Brown answered that there is a large number of performance measures that address those questions. We do go back and review our performance. The State requires that evaluation. There is one committee that will be set up for the infrastructure bonds; it is a performance measure committee and Jack Boda, SANDAG’s Director of Multimodal and Project Implementation, will sit on that committee.

Mr. Gallegos referred Councilmember Monroe to page 15 of the Alphabet Soup. for the Highway Corridor evaluation; there are two quantitative criteria: (1) the cost to complete/person miles traveled, and (2) the cost to complete/travel time savings. We used these criteria to judge which projects rank the best. Other qualitative criteria include: is this project a critical freeway link, does it address high accident rate, is there high truck usage, etc. These are SANDAG Board-adopted criteria. We are going to update the RTP through the Transportation Committee and will be looking at these and deciding if they are still the right ones or change them to fit real world situations.

Councilmember Monroe said that we are looking out for a long period of time. Sometimes things are costing more than expected in the near-term. In the first few years, projects will be funded. He wanted to know what would be dropped off at the other end. If a project is dropped, which project is it, and how would we know that. Mr. Gallegos said that there are a lot of assumptions that look at existing revenue and new revenue that we expect to generate. It also depends on how well the economy will do. We track sales tax events. We hope to bring back to the Board a “dashboard” that we have been working on with the California Department of Transportation (Caltrans) so that the public can check on the status of these projects at any time on different levels (project-by-project, corridor-by-corridor, and the whole program).

Ms. Brown added that staff will come back with periodic updates to the Plan of Finance over the 40 years of the *TransNet* program.

Councilmember Joe Kellejian (Solana Beach) said that part of the reasoning behind the Early Action Projects was to bring those projects forward. Local cities and the County found the same situation of rising costs happening on their projects.

Mr. Gallegos said that when we worked on the *TransNet* Extension, we didn't know there would be these state infrastructure bonds this year. Staff is working with our transit partners (the transit operators) to develop an expanded list of projects to consider if these bonds are approved and additional funding is forthcoming. If we do not have to borrow as much as expected, we can add more projects to the list. We will be monitoring this situation over time.

Councilmember Kellejian stated that we must keep in mind that we have to dedicate dollars now and in for the future for operating purposes.

Mayor Mark Lewis (El Cajon) asked if there are funds in these plans for issues like litter control and recycled water for highway beautification. Pedro Orso-Delgado, Caltrans, District 11 Director, said that before the distribution of certain state funds, monies are taken off-the-top statutorily for maintenance and operations of highways, so we have a base budget to cover those kinds of things. The second level is safety-type-related projects in the SHOPP and the STIP programs. If anything gets lopped off during the lean years, it will be projects at the regional level.

Councilmember McCoy commented that residents are interested in how to get from point A to point B. She asked how we are figuring that in as part of the evaluation criteria. Mr. Gallegos replied that one thing this Board has done in the past and will do on August 4 is to adopt the population growth forecast. We iterate back to the growth forecast and the land use decisions you make. These all have to work in sync. This will help drive the analysis of the update of the RTP.

Councilmember Jerome Stocks (NCTD) noted that a few years ago there was no such thing as a "quiet zone" railroad designation. Other communities have adopted these zones. He asked how cities would seek Section 130 funding for grade protection devices. Ms. Brown said that these funds are generally used for major grade crossing improvements, and the California Public Utilities Commission (CPUC) is the entity that determines project priority. There are about 60 major grade crossing projects on an existing list, and the CPUC funds only about three of them a year.

Councilmember Kellejian added that we have representation on the Los Angeles-San Luis Obispo-San Diego (LOSSAN) Board. That Board looks at the grade crossing needs of the entire corridor and makes recommendations to the CPUC for those kinds of projects. Ms. Brown added that LOSSAN has input on intercity rail program projects as well. The STIP has both interregional funds and regional funds. The interregional funds are statewide or beyond regional borders.

Councilmember Kellejian said that the San Diego County representatives on the LOSSAN Board include himself representing the North County Transit District (NCTD), Councilmember Jerry Rindone representing SANDAG, and Julianne Nygaard representing North County.

Action: This item was presented for information only.

3. UPCOMING MEETINGS

First Vice Chair Sessom asked Ms. Eidam to review upcoming meetings. Ms. Eidam explained that to avoid conflict with the League of California Cities meeting, the regularly scheduled Business meeting of the SANDAG Board of Directors on July 28, 2006, has been rescheduled for 8:00 a.m. on Friday, August 4, 2006. The Board meeting will be from 8:00-10:00 a.m., a Transportation Committee meeting will occur from 10:00-11:00 a.m., there will be a joint Transportation / Regional Planning Committee meeting from 11:00 a.m.-12:00 p.m., and a Regional Planning Committee meeting from 12:00-1:00 p.m. She emphasized that the Board meeting will start at 8:00 a.m. on August 4, 2006.

The regularly scheduled Policy and Business meetings of the SANDAG Board of Directors on August 11, 2006, and August 25, 2006, respectively, have been cancelled. The next scheduled Policy meeting of the SANDAG Board of Directors is scheduled at 10:00 a.m. for Friday, September 8, 2006. The next scheduled Business meeting of the SANDAG Board of Directors is scheduled at 9:00 a.m. for Friday, September 22, 2006.

4. ADJOURNMENT

The meeting was adjourned at 10:58 a.m.

DGunn/M/DGU

Meeting Adjourned Time: 10:58 a.m.
Meeting Start Time: 10:04 a.m.
Total Meeting Length/Minimum Time for Attendance Eligibility: 54 min/27 min.

ATTENDANCE SANDAG BOARD OF DIRECTORS' MEETING JULY 14, 2006

JURISDICTION/ ORGANIZATION	NAME	ATTENDING
City of Carlsbad	Matt Hall (Member)	Yes
City of Chula Vista	Jerry Rindone (Alternate)	Yes
City of Coronado	Phil Monroe (Member)	Yes
City of Del Mar	Crystal Crawford (Member)	Yes
City of El Cajon	Mark Lewis (Member)	Yes
City of Encinitas	Christy Guerin (Member)	Yes
City of Escondido	Lori Holt Pfeiler (Member)	Yes
City of Imperial Beach	Patricia McCoy (Member)	Yes
City of La Mesa	Art Madrid (Member)	Yes
City of Lemon Grove	Mary Sessom, Vice Chair (Member)	Yes
City of National City	Ron Morrison (Member)	Yes
City of Oceanside	Shari Mackin (Member)	Yes
City of Poway	Mickey Cafagna, Chair (Member)	No
City of San Diego - A	Jerry Sanders (Member A)	Yes
City of San Diego - B	Scott Peters (Alternate)	Yes
City of San Marcos	Pia Harris-Ebert (Member)	No
City of Santee	Jack Dale (Member)	Yes
City of Solana Beach	Joe Kellejian (Member)	Yes
City of Vista	Judy Ritter (Member)	Yes
County of San Diego	Bill Horn (Member)	Yes
Caltrans	Pedro Orso-Delgado (Alternate)	Yes
MTS	Harry Mathis (Member)	Yes
NCTD	Jerome Stocks (Member)	Yes
Imperial County	Victor Carrillo (Member)	No
US Dept. of Defense	CAPT Michael Giorgione (Member)	No
SD Unified Port District	William Hall (Member)	No
SD County Water Authority	Marilyn Dailey (Member)	Yes
Baja California/Mexico	Luis Cabrera Cuaron (Member)	No