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**BOARD OF DIRECTORS DISCUSSION AND ACTIONS  
DECEMBER 15, 2006**

Chairman Mickey Cafagna (Poway) called the meeting of the SANDAG Board of Directors to order at 9:05 a.m. The attendance sheet for the meeting is attached.

Chair Cafagna acknowledged a couple of new faces: Lesa Heebner, Mayor of Solana Beach, Encinitas Deputy Mayor Jerome Stocks, Oceanside Mayor Jim Woods, CAPT Rob Fetter from the Department of the Navy, and distinguished guest, Hon. Eugenio Elorduy, Governor of Baja California, Mexico.

1. APPROVAL OF MINUTES

Action: Upon a motion by Councilmember Jim Madaffer (City of San Diego) and a second by Mayor Crystal Crawford (Del Mar), the SANDAG Board of Directors approved the minutes from the November 17, 2006, meeting.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBERS COMMENTS

Chuck Lungerhausen, a member of the public, wished all the very best for the holidays. He also wished outgoing Chair Cafagna all the best in his future endeavors, and thanked him for his very positive example of good public service. He further expressed his appreciation to the Board for assisting him with the Multiple Sclerosis (MS) Walk fundraiser this year.

Mayor Art Madrid (La Mesa) acknowledged Escondido Mayor Lori Holt Pfeiler for her heroic stand against the Escondido rental ordinance. He thought that everyone should look to Lori Holt Pfeiler as an example of integrity, credibility, and respect. He asked for a round of applause to honor Mayor Pfeiler.

3. ACTIONS FOR POLICY ADVISORY COMMITTEES (APPROVE)

This item summarizes the actions taken by the Executive Committee on December 1, 2006, and the Transportation Committee on December 8, 2006.

Action: Upon a motion by Councilmember Patricia McCoy (Imperial Beach) and a second by Councilmember Madaffer, the SANDAG Board approved Agenda Item No. 3, Actions from Policy Advisory Committees. Yes – 17 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – Chula Vista and San Marcos.

## CHAIR'S REPORTS (4 through 5)

### 4. INTRODUCTION OF HONORABLE EUGENIO ELORDUY, GOVERNOR OF THE STATE OF BAJA CALIFORNIA, MEXICO (INFORMATION)

Chair Cafagna introduced Eugenio Elorduy, Governor of the State of Baja California, Mexico, and said that Governor Elorduy was elected as the 12<sup>th</sup> governor of Baja. During the last five years, SANDAG has strengthened its ties with Baja California. We are currently working on binational projects in the areas of transportation, the economy, and environmental management. We welcomed Governor Elorduy and asked the Governor to say a few words.

Governor Elorduy added his praise and congratulations to Mayor Pfeiler. He said it was a pleasure to meet the SANDAG Board members, and from his family wished everyone the best for Christmas and a Happy New Year.

Governor Elorduy agreed with statements made by California Governor Arnold Schwarzenegger regarding the importance of having California and Baja California work together to identify regional solutions for our mutual challenges. The economic prosperity and the region's security depend on continued coordination between our states, and everyone has a role to play. Our border region represents areas of great prosperity for both countries. That is why it is a priority to create economic development policies that benefit both parties, and set up the necessary trust and cooperation among the private and public sectors to have a safe and secure border region. One of the challenges we face is to improve the infrastructure of our border crossings. This great challenge has a direct impact on our daily life as well as economic losses.

Governor Elorduy said that the delays at the commercial ports of entry make investors think twice before investing in our region. The average wait time varies from 1-4 hours for passenger vehicles and could be up to 8 or 9 hours for commercial vehicles. Substantial regional changes will need to take place in order to realize a new port of entry by 2014, and future crossing improvements. It is urgent for us to implement short-term measures that allow us to decrease the border wait times.

Governor Elorduy stated that together we can find solutions to improve our infrastructure, whether it's our border crossings, roads, water, energy, or even the digital infrastructure that already connects our binational region. We also must increase our collaborative planning, and create new mechanisms to finance this infrastructure. Further, we must find better ways to protect our shared environment and to integrate our environmental planning efforts. In the beginning of 2007, both Governors will send a letter to Presidents Bush and Calderon in which we will propose specific solutions to the border crossing challenges in the region. It is very important that we come together as one force so that the federal governments of both countries hear us. Our experience has shown that officials in Washington, D.C., do not know what is happening here. We must get ourselves together and put this as a high priority. We can solve this if we can get both federal governments to understand what is happening here. There is a great lack of will, and we are suffering the consequences.

Councilmember Madaffer stated that he would pass along Governor Elorduy's comments and the spirit of cooperation to Mayor Sanders. The Governor's words spoke strongly of regional cooperation, and we need to continue to collaborate to address our regions' mutual problems.

5. **RECOGNITION OF OUTGOING SANDAG DIRECTORS (INFORMATION)**

Chair Cafagna recognized outgoing Board member Shari Mackin (Oceanside) who has left elected office. He presented Ms. Mackin with a plaque honoring her service.

Ms. Mackin thanked the Board members for all of their help and for what they do for our region.

Chair Cafagna recognized the SANDAG Director of Technical Services, Jeff Tayman, who is retiring at the end of the month after 25 years with SANDAG. He said that Dr. Tayman has been the primary force to lead his staff in providing numerous research products to help us make informed decisions and sound public policy. In recognition of this work, Dr. Tayman has had dozens of academic articles published in prestigious journals, is the two-time winner of the annual "Walt Terrie Award" for the best paper in applied demography, and is recognized for his work on a national level. In his retirement, Dr. Tayman will be teaching a forecasting course for the Department of Economics at the University of California at San Diego (UCSD.)

Dr. Tayman thanked Chair Cafagna for the kind remarks and congratulated the Chair for his outstanding term as SANDAG Chair. He also thanked the Board and his SANDAG colleagues for the professional and personal opportunities provided to him. He said that it has given him great pride to see SANDAG and the Technical Services Department mature and prosper, and the last three years as the Department Director were both the most challenging and rewarding of his career. He said that while he has had the good fortune to work with folks at top universities, think tanks, and regional and local agencies, the Technical Services Department staff is without peer. While he looked forward to retirement, he will miss the many people he met during the course of business. Dr. Tayman said that it has been his honor and privilege to work with such a dedicated, passionate group. He thanked them for the support they gave him and for their outstanding service to SANDAG and the region.

Chair Cafagna said that it is people like Jeff and his department that help us accomplish our goals.

**CONSENT ITEMS (6 through 7)**

6. **LEASE AMENDMENT AT 401 B STREET (APPROVE)**

SANDAG has an option to expand its office space at the 401 B Street facility under the terms of its current lease. SANDAG has been presented with notification of this option by the landlord for a 5,205 square foot space on the third floor. The deadline for accepting this option is February 1, 2007. The Executive Committee recommends that the Board of Directors delegate authority to the Executive Director to sign a lease amendment.

7. REPORT SUMMARIZING DELEGATED ACTIONS TAKEN BY EXECUTIVE DIRECTOR (INFORMATION)

In accordance with SANDAG Board Policy Nos. 003 (Investment Policy) and 017 (Delegation of Authority), this report summarizes certain delegated actions taken by the Executive Director during October 2006.

Action: Upon a motion by Mayor Pfeiler and second by Mayor Ron Morrison (National City), the SANDAG Board of Directors voted to approve Consent Item Nos. 6 through 7. Yes – 17. No – 0. Abstain – 0. Absent – Chula Vista and San Marcos.

**REPORTS (8 through 9)**

8. PUBLIC HEARING: SECOND READING OF ORDINANCE CO-06-1 AMENDING ORDINANCE CO-04-01 (SAN DIEGO TRANSPORTATION IMPROVEMENT PROGRAM ORDINANCE AND EXPENDITURE PLAN) REVISING THE EXPENDITURE PLAN TO INCLUDE COMPLETION OF THE SPRINTER (APPROVE; requires two-thirds vote of entire Board)

At 9:37 a.m., Chair Cafagna opened the public hearing on the second reading of an amendment to the *TransNet* Ordinance. General Counsel Julie Wiley read the Ordinance amendment into the record.

Craig Scott, *TransNet* Project Manager, reported that this item reflects the last step in the process to approve the financial plan for the SPRINTER project to cover a \$98.6 million cost increase. This is the high end of the cost estimate and it is hoped that the final amount will come in lower than that amount. This amendment will make the project eligible for *TransNet* Extension funds. The Independent Taxpayers Oversight Committee (ITOC) supported this action. A two-thirds vote of the Board is required to approve this action.

Deputy Mayor Stocks stated that the Federal Transit Administration (FTA) recently announced that it has approved the North County Transit District (NCTD) Amended Recovery Plan as set forth by NCTD and SANDAG. He said that without the tireless efforts of Gary Gallegos, Jim Linthicum, and NCTD staff, we would not have gotten to this point. The FTA also released another \$23 million, so funds are flowing to the project. All of our hard work has paid off.

Mayor Jim Wood (Oceanside) thanked Shari Mackin for her representation of Oceanside on the SANDAG Board. He was happy to hear the good news about the SPRINTER, but said that cities affected by this project would like the Board to consider in the future some of the betterments for the cities along the SPRINTER line.

Chair Cafagna closed the public hearing at 9:42 a.m.

Action: Upon a motion by Deputy Mayor Stocks and a second by Councilmember Madaffer, the SANDAG Board of Directors, acting as the San Diego County Regional Transportation Commission, adopted Ordinance CO-06-1, amending Section 2(A)(1)(b)(10) of the San Diego Transportation Improvement Program Ordinance and Expenditure Plan (CO -0401) and the

corresponding Table 11 of the *TransNet* Extension Expenditure Plan Analysis attached to the Ordinance, to include the completion of the SPRINTER project. This action also constitutes the approval of the SPRINTER Financial Plan described in the agenda report. Yes – 17 (weighted vote, 91%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – Chula Vista and San Marcos.

9. PROPOSED REVISIONS TO *TransNet* EARLY ACTION PROGRAM AND PLAN OF FINANCE (APPROVE)

Mr. Scott said that this item is directly related to the action just taken and deals with amending the Early Action Program (EAP) to include the SPRINTER and other projects. Included is \$24 million to complete the SPRINTER, \$330 million for an expanded Environmental Mitigation Program (EMP), and \$340 million for near-term capital improvements to the trolley. The money for the EMP will include full mitigation and will put the Interstates 5 and 805 projects in a better place to compete for the new statewide bond infrastructure funds. Staff has developed a financial analysis and indicated that these projects can be accommodated without impacting the remaining EAP projects. Over the next several months, we will be going through some financial refinements, and any significant changes will come back to the Board. The ITOC supports this recommendation, and the Metropolitan Transit System (MTS) Board took action to support the recommendation for the additional funding for trolley projects.

Paul Jablonski, MTS Chief Executive Officer, urged the Board to approve this item to include in the EAP the *TransNet* Blue and Orange line improvements, and reported that the MTS Board heard this and unanimously approved it. This action demonstrates the region's commitment to transit, will protect the region's transit investment, and will help with leveraging *TransNet* money for the bond funds. He thanked Gary Gallegos, Chair Cafagna, Jack Boda, John Haggerty, and Diane Eidam for their collaborative efforts. While this funding doesn't solve all of the problems associated with the aging Trolley system, it really makes a big dent in our capital needs.

Chair Cafagna noted that there were several requests to speak on this item.

Michael Beck, representing the Endangered Habitats League, wanted to clarify actions being recommended. The *TransNet* Plan of Finance is an ongoing, iterative process. He wanted to confirm that no action taken today will preclude obtaining environmental permits, and on the conservation side, the proposed funding will provide financing for mitigation efforts.

Therese O'Rourke, representing the U.S. Fish and Wildlife Service, said that they are committed to continuing to work with SANDAG staff regarding the EMP, and noted the significant process that has been made between the two staffs. This action today is an interim measure, and we will continue to work with SANDAG to address environmental funding needs.

Mayor Heebner asked if the money for EMP mitigation costs is for a study or for actual mitigation. Mr. Scott replied that it is for actual mitigation costs.

Action: Upon a motion by Deputy Mayor Stocks and a second by Mayor Heebner, the SANDAG Board approved revisions to the *TransNet* EAP and the related Plan of Finance to include the completion of the SPRINTER, additional EMP expenditures, and near-term capital improvements to the Trolley Blue and Orange Lines. Yes – 16 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – Chula Vista, National City, and San Marcos.

Chair Cafagna noted that he would be taking a few agenda items out of order. He stated that Item Nos. 11 and 16 would be heard next, and that Item No. 12 would be moved to the end of the agenda.

#### CHAIR'S REPORT (10 through 12)

##### 11. PROPOSAL FOR TRIBAL GOVERNMENT REPRESENTATION ON SANDAG (APPROVE)

Chair Cafagna stated that addressing the issue of tribal representation at SANDAG came out of discussions at our Regional Tribal Summit held at Pala earlier this year. During the past several months, he, along with our two Vice Chairs and our Borders Committee Chair, has been in discussions with the leadership of the Southern California Tribal Chairmen's Association (SCTCA) on possible ways to involve tribal governments at SANDAG. On December 1, the Executive Committee discussed the proposal to add the SCTCA as an advisory member to the Board of Directors and the Transportation, Regional Planning, and the Public Safety Committees; the SCTCA is already an advisory member of the Borders Committee. The Executive Committee recommended approval of this action.

Councilmember McCoy expressed her extreme pleasure at how far we have come on this issue. She said it is important that we share information and look for ways to support one another. This vote will begin a new era of government-to-government cooperation.

Councilmember Jack Dale (Santee) asked if this representation would be an advisory member or a voting member. Chair Cafagna responded that it would be an advisory membership, not a voting one.

Action: Upon a motion by Councilmember McCoy and a second by Mayor Crawford, the SANDAG Board approved the proposed Memorandum of Understanding (MOU) between SANDAG and the SCTCA, pending execution of the MOU by the SCTCA. Yes – 16 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – Chula Vista, National City, and San Marcos.

##### 16. PRELIMINARY FINDINGS OF THE STATE ROUTE 11 AND EAST OTAY MESA PORT OF ENTRY FINANCIAL FEASIBILITY STUDY (INFORMATION)

Pedro Orso-Delgado, Caltrans District 11 Director, said that Governor Elorduy mentioned some of the concerns with the border crossings. We all know it is affecting our economy. One of the things we are doing with State Route (SR) 11 and the new proposal for the East Otay Mesa Port of Entry (POE) is determining how we can make it work. In order to determine this, we needed to conduct a financial feasibility study.

Elisa Arias, Principal Planner, said the primary objectives of this study were to determine the financial feasibility of SR 11 and the East Otay Mesa POE as toll or fee-based facilities. She showed the study area. Several models were developed, including ones for border crossing demand, port of entry and toll road diversion, toll revenue, and financial. She mentioned the agencies involved in the expert review panel. She also reviewed the baseline assumptions related to alternative ports of entry, port of entry capacity, vehicle processing, facility, and wait times. She showed the projected average toll rate in 2015 for both passenger vehicles and trucks. The projected cost assumptions include SR 11 capital costs, SR 11 annual operating and maintenance (O&M) expenses, port of entry capital costs, and port of entry annual O&M. The total is \$519.1 million for capital costs, and \$27.6 million for O&M costs.

Ms. Arias indicated that there were three financial feasibility scenarios studied besides the baseline. A risk analysis of debt service coverage also was conducted. Preliminary conclusions were that the SR 11 toll road and East Otay Mesa POE are potentially a good investment provided there are sufficient external resources for POE capital and O&M costs. SR 11 is not feasible without the East Otay Mesa POE. With traditional debt finance, there are minor default risks in the early years, and there is a need for an initial grant or financing mechanism.

Ms. Arias reviewed the next steps, which included conducting a similar toll evaluation for the Otay II POE in Tijuana and connecting roads, assessing the economic benefit and social equity, exploring potential nontoll revenues to make up revenue shortfalls, pursuing funding for SR 11 from the Trade Corridors Improvement Fund (Proposition 1B), exploring dedication of right-of-way for SR 11 and the East Otay Mesa POE, working with congressional and state delegations to obtain the necessary approvals to toll and/or fee the new facilities, completing the environmental clearances, conducting a feasibility study to confirm the functionality of the East Otay Mesa POE, and obtaining a Presidential Permit from the federal government for the new POE.

Governor Elorduy congratulated SANDAG on this important study. He said it is very motivating to be able to see that we can get this thing going. We should continue to work together on this and present this information to the federal governments of both countries and get them moving along much more expeditiously.

Gary Gallegos, Executive Director, said that in terms of the next steps, this study represents the feasibility on the United States side. Over the next couple of months, our goal is to work with our Mexican counterparts to refine their costs and go through the same analysis. The consultants believe this project will be even more feasible in Mexico, especially in Tijuana and Tecate. We are working with our counterparts at the state, federal, and local levels to refine our figures. Hopefully we will be able to come back over the next few months with the results of the binational analysis.

Governor Elorduy said he would like to add a couple of important items. We need to begin pursuing new U.S. legislation to enable the use of private funding for such a crossing. We were surprised to find out at the General Services Administration (GSA) that currently there are no provisions for this in the United States. On the Mexican side, we have the land available and have the possibility of Mexican funding. The new Mexican Transportation Secretary supports this project and considers it a high priority.

Councilmember Madaffer stated that it seems that Mexico is poised and ready to go, and the problem appears to be on this side of the border. We need to do what we can to expedite this project.

Governor Elorduy noted that there is a new four-lane highway to Rosarito that would connect with this new POE.

Mr. Gallegos commented that Governor Elorduy raises a good point in that we will need legislative fixes at both the state and federal levels. This is included as part of the SANDAG 2007 Legislative Program, which is on today's agenda for approval.

Councilmember Madaffer said that this should be one of our priorities for meetings with federal legislators in March 2007.

Councilmember Monroe commented there was one thing that is missing at this point, and that is a plan of action and milestones so the Board will know what the steps are and who the project manager is.

Governor Elorduy suggested that we set up a "SWAT team" about this with specific directions.

Mr. Orso-Delgado echoed Mr. Gallegos' remarks. We already have a project team that is working on this project. This study and financing strategy was one of the suggestions from that project team. We are working very closely with all of the federal agencies, and they are open to this idea. We need to get this finalized so we can present this information to them. We will need to set up meetings in Washington, D.C., and help broker this idea because of the legislation that will be necessary for implementation. We will finalize a tiered environmental document by the end of 2007, which is needed in order to obtain the Presidential Permit.

Mayor Madrid asked what kind of obstacles the proposed border fence would present to this project, and if we need to consider that aspect in the studies. Mr. Gallegos said the key here is that we have a schedule, and what the project lacks is money. The study concluded that if you fee the project, you can generate enough money. The project would work with or without a border fence. We have met with several banks, and they expressed a willingness to put a deal together; however, we need the appropriate federal and state authority to proceed with this project.

Mayor Madrid said that the federal government should agree so long as we assure it that this new port of entry will have a process to prohibit terrorists and illegal aliens from coming into the area. Mr. Gallegos commented that our discussions with staff at the federal level have included the argument that we can use the latest technology to make it more efficient and secure.

Mayor Jerry Sanders (City of San Diego) thanked Governor Elorduy for attending this Board meeting. He said that it has been interesting talking with federal government officials in Washington, D.C. about this project. They are looking for a way to make this work, and this is a great way to do it. We have an excellent new opportunity with Ruben Barrales coming to work for the San Diego Regional Chamber of Commerce. He has been instrumental in

getting us in to talk with federal officials about this project. Having Mr. Barrales at the Chamber will help us advance this project quicker.

Action: This report was presented for information only.

#### 10. 2007 LEGISLATIVE PROGRAM (APPROVE)

Kim Kawada, Executive Program Manager, stated that each year SANDAG approves a legislative program for the next calendar year. The Executive Committee reviewed the 2006 program and updated it for 2007. Ms. Kawada shared some legislative highlights from calendar year 2006. The Governor signed Senate Bill (SB) 1296 (Kehoe) which authorizes the County of San Diego to gain a second seat on the SANDAG Board of Directors starting in January 2007. The Governor also signed SB 1282 (Ducheny), which will direct federal funding for important border projects such as SR 905. Passage of SB 463 (Ducheny) extended the franchise authority for the SR 125 toll road. Assembly Bill 372 (Nation) provides SANDAG and transit agencies throughout the state the ability to utilize design-build to deliver major transit projects.

Ms. Kawada indicated that the 2007 Legislative Program is organized into three sections, which generally relate to the level of effort needed to support corresponding legislative activities: sponsored, support/oppose, or monitor. Sponsored items include efforts where SANDAG will be actively involved in sponsoring specific legislation, requests for funding, and/or policy change. Ms. Kawada summarized the sponsored goals in the 2007 program, which includes pursuing funding from the statewide infrastructure bond measures, pursuing policy and/or legislative changes to enable SANDAG to better implement its adopted plans and programs, and support for the use of interim freeway transit lanes. Other continuing priorities include the pursuit of federal appropriation requests, clean-up legislation for SAFETEA-LU, resources to improve public safety voice and data communications and interoperability, and Homeland Security funding for the region.

Governor Elorduy thanked the SANDAG Board for the opportunity to be here. He said that he is enthusiastic about continuing to work together.

Chair Cafagna welcomed new Chula Vista Mayor Cheryl Cox to the meeting.

Councilmember Madaffer said that this legislative program is by far the most important thing that SANDAG does as a regional body. This list is our guide. He complimented staff on this outstanding work.

Action: Upon a motion by Councilmember Madaffer and a second by Mayor Pfeiler, the SANDAG Board approved the 2007 Legislative Program. Yes – 18 (weighted vote, 100%). No – 0 weighted vote, 0%). Abstain – 0 (0%). Absent – San Marcos.

#### 13. TRANSPORTATION INFRASTRUCTURE BOND PROPOSAL (APPROVE)

Jack Boda, Director of Mobility Management and Project Implementation, introduced Charles Muggs Stoll, Caltrans Corridor Manager, to assist with this report. He mentioned that included within the \$19.9 billion Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 is the \$4.5 billion Corridor Mobility Improvement Account

(CMIA) for performance improvements on the state highway system or major access routes to the highway system. The California Transportation Commission (CTC) is scheduled to adopt an initial CMIA program of projects by March 1, 2007. All proposed projects for this initial program must be submitted to the CTC by January 16, 2007, and will be selected by the CTC on a statewide competitive basis.

The CMIA is a discretionary program with no specific county share formula. The only geographic requirement is the traditional 60 percent south/40 percent north split, making Los Angeles, Orange County, and Inland Empire our main competitors. This means that while no single region is likely to receive a significantly disproportionate share, the San Diego region may receive a larger share if we are able to develop candidate projects that meet all of the criteria established for the CMIA program. This congestion relief program has the following project requirements: each project must be on the state highway system or on a major access route to the state highway system; the project either (1) reduces travel time or delay, (2) improves connectivity of the state highway system between rural, suburban, and urban areas, or (3) improves the operation or safety of a highway or road segment; the project improves access to jobs, housing, markets, and commerce; the project must commence construction no later than December 31, 2012; and the project should add capacity with new lanes, provide ramp metering, and/or include traffic detection equipment.

He said that we have a Corridor Management Plan, and believes the I-15, I-5, and I-805 capacity enhancements are competitive projects along the interstate system. Each project will add capacity and reduce travel time, has a regional funding commitment to help leverage bond funds, and will meet the commitment to commence construction on or before the 2012 deadline.

Mr. Stoll reviewed the proposed improvements in each corridor: I-15 Managed Lanes Project, South Segment from SR 163 to SR 56 (\$400 million); I-5/I-805 North Coast Project from SR 52 to Cannon Road (high occupancy vehicle [HOV]/operational improvements) (\$900 million) (broken into nine separate projects); and I-805 HOV Lanes from Palomar Street to SR 94 (\$350 million).

Mr. Boda said that these projects are highly competitive among the projects proposed by our Southern California partners. Each meets the state requirements. *TransNet* has a 50 percent match. The most important part is that SANDAG and the Caltrans District 11 work closely together. One issue that is faced in some other regions is that they are not in agreement with what projects should move forward. In this case, we are on the same page. He noted that we will be able to make adjustments to projects depending upon the level of funding received.

Deputy Mayor Stocks thanked Mr. Boda and Mr. Stoll for the excellent report.

Mayor Sanders expressed his appreciation for what SANDAG and Caltrans have done to coordinate these corridor projects. We are excited about joining in with that program and leveraging the money on several of the projects. We will be aligning our priorities to fit those of SANDAG and Caltrans. This is a great opportunity for the City of San Diego.

Mr. Orso-Delgado commented that we wouldn't be here if it wasn't for the great teamwork we have established.

Mr. Gallegos said with regard to the three proposed corridor projects, our combined requests total \$1.4 billion out of the \$4.5 billion available. We are not going to get it all. The advantage is that we can be flexible, and will have projects that are ready to go.

Councilmember Madaffer asked about the estimate of what other regions may submit. Mr. Gallegos said that the Bay Area is submitting projects totaling \$1.8 billion. All the regions are moving forward with proposals. Riverside is submitting projects that total about \$900 million. The last we heard, there is \$10 billion-\$12 billion in projects being submitted for the \$4.5 billion available.

Mr. Boda reiterated that we have projects that are ready to go. Some other jurisdictions are still struggling to decide their priorities. We are going to be very competitive.

Councilmember Madaffer said the question is what can we do next? This decision is made by the CTC. Besides our own local member, CTC Commissioner John Chalker, he asked what else we need to do as SANDAG so the CTC knows our priorities.

Chair Cafagna stated that there is a tremendous amount of respect towards us from the CTC, and the CTC is extremely impressed with what we are doing here. The relationships that Mr. Gallegos and Ms. Eidam have with the CTC will serve us well. The fact that we are ready with so many projects will force the CTC to look at us first. It is important to have these projects ready to go and continue the good relationships.

Mr. Gallegos indicated that it was staff's thought to first get the list and project applications to the CTC. Once that has been done, we will pull together a coalition of elected leaders, and members of the business community, labor, and environmental groups. However, the Legislature also will have some oversight for the program as part of its budget process, and Senator Kehoe should be a key element with that. We will need a broad coalition of people to be available for when we need them. With a consolidated effort, we will send a louder voice to Sacramento and to the CTC.

Councilmember Madaffer asked that the motion include that as direction to staff. For the January Board meeting, he asked that staff provide a report on what's happened since this meeting. Deputy Mayor Stocks agreed to accept that amendment to his motion.

Action: Upon a motion by Deputy Mayor Stocks and a second by Councilmember Madaffer, the SANDAG Board approved the prioritized list of proposals for the CMIA program. Upon Board action, proposals for the I-15, I-5, and I-805 corridor projects will be submitted to the CTC by the January 16, 2007, CMIA program application date. Staff also was directed to project a status report back in January 2007. Yes – 16 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – Del Mar, National City, and San Marcos.

## REPORTS (13 THROUGH 16)

### 14. *TransNet* REGIONAL HABITAT CONSERVATION FUND PROGRAM: FY 2007 FUNDING RECOMMENDATIONS AND FIVE-YEAR FUNDING STRATEGY (APPROVE)

Mayor Pfeiler stated that the *TransNet* Regional Habitat Conservation Fund Program is a very important part of our Regional Comprehensive Plan (RCP). Councilmember Carrie Downey (Coronado) chairs our EMP Working Group, which develops recommendations for the Regional Planning Committee and Board concerning our efforts. This item presents a plan for those environmental funding efforts.

Keith Greer, Senior Environmental Planner, reported that the EMP was established through the *TransNet* Ordinance Extension, and sets up two funds: the Transportation Project Mitigation Fund for mitigation of projects outlined in the 2030 Regional Transportation Plan (MOBILITY 2030) and the Regional Habitat Conservation Fund (RHCF) for habitat acquisition, biological monitoring, and land management. The RHCF is based on the economic benefit of achieving specified assurances with state and federal regulatory agencies through the environmental review and approval process for transportation projects.

Mr. Greer said that the *TransNet* EMP Guidelines include the following targets for funding regional management and monitoring of habitat preserve programs: \$1 million in FY 2006, \$2 million in FY 2007, \$4 million in FY 2008, and \$5 million in each year thereafter. On September 24, 2006, the SANDAG Board adopted implementation guidelines for these funds. The funds are tied to milestones in the proposed Master Agreement that will lock in the provision of the *TransNet* Extension. SANDAG is still targeting late March 2007 for completion date of this agreement.

The EMP Working Group has identified four different gaps: (1) the lack of a regional coordinating entity for management and monitoring; (2) the lack of a strategic plan for removal and control of exotic species at the watershed level; (3) the lack of a structure and standards for regional monitoring activities, data storage, and analysis and distribution of information to the policymakers and the public; and (4) specific regional monitoring efforts to track the populations of the region's flagship species, the California Gnatcatcher and the resilience of plant and animal species after the catastrophic wildfires in 2003.

Mr. Greer reviewed the recommendations for FY 2007 activities in three program areas: regional coordination, regional management, and regional monitoring. It is recommended that \$700,000 be released for time-sensitive field monitoring activities. If these activities are not completed during these times, a year would be lost for these critical monitoring activities. Execution of contracts for the remaining \$1.3 million would occur only pursuant to the conditions in an executed Master Agreement or if outside funding is available to cover the costs. He reviewed a five-year funding strategy. He thanked the EMP Working Group for its efforts.

Supervisor Horn (County of San Diego) expressed concern about spending a significant amount of money without assurances that these lands once purchased will be managed properly. We should take a serious look at the financial condition of whoever is selected for

this responsibility. The County has had to take back conservation properties that have not been managed properly.

Chair Cafagna noted that part of these program monies have been set aside for monitoring purposes. He said there were requests to speak on this item.

Michael Beck, Endangered Habitats Leagues, agreed with Supervisor Horn's comments. He said there is a huge world of reputable nonprofits that are involved with managing the conservation lands, but they also bring in volunteers and others to support the conservation efforts. This funding will help to achieve those objectives. He was in support of the recommended action. He asked for clarification about what "additional assurances need to be provided" means. There are some time-sensitive issues. If we have to obtain outside funding to meet certain requirements, he wondered if it would be considered a loan that could be paid back. We would have the possibility of getting a bridge loan to cover some of these time-sensitive issues, if needed.

Therese O'Rourke, US Fish and Wildlife Services, said that the development of EMP has been a tremendous effort. She supported Supervisor Horn's desire for better managing and monitoring. She stated that she supports the expenditure of \$700,000 and her agency has sent letters of support so the mitigation on SR 76 can move forward. She hoped the allocation of the remaining \$1.3 million in FY 2007 funding also can move forward as soon as possible.

Councilmember McCoy expressed her belief that there are reputable nonprofits that have been in existence and have a stellar record, but understood the Supervisor's concerns that some are underfunded, badly managed, and/or go out of business. On the monitoring side, she would like to make sure that the Multiple Species Conservation Program (MSCP) is actually working, would like to see some measurables, and hoped that staff is mindful of this. We should make sure that we are actually succeeding at what we set out to do. We also should look for parallel funding. We have more endangered species here than any other place in the world, so the funding is not enough.

Councilmember McCoy noted that Imperial Beach Mayor Jim Janney will be the primary representative from Imperial Beach, and she will be his alternate beginning next year.

Mayor Madrid suggested a consolidation of the reputable agencies that handle these responsibilities, or require that milestones be reached on the commitments we agreed to beforehand in order to receive the proposed FY 2007 funding.

Ms. Wiley stated that we will make sure the contractual deliverables are taken care of.

Mayor Mark Lewis (El Cajon) asked if SANDAG will be the lead agency on this, and if we are only looking at nonprofits to handle these efforts.

Mr. Greer replied that these funds will support ongoing monitoring programs, which are being conducted by federal agencies. This action would continue the funding of ongoing monitoring efforts for the upcoming year.

Mr. Gallegos indicated that staff has had conversations with the City of San Diego and County of San Diego about coordinating our efforts so that they are done in concert. He

recognized Jim Waring at the City of San Diego and Chandra Wallar at the County of San Diego for their efforts in this behalf.

Mayor Crawford added that some of the concerns could be addressed by adding criteria to the Program Developer position. We want to make sure that the public funds are invested with the best agencies available to do this work.

Supervisor Horn said that with the millions of dollars spent on environmental mitigation, someone should drive around and check on the sites and reports back periodically. There should be follow-up actions that occur.

Action: Upon a motion by Mayor Crawford and a second by Councilmember McCoy, the SANDAG Board: (1) approved the proposed activities and budget for the FY 2007 EMP Regional Habitat Conservation Fund; (2) authorized the use of up to \$700,000 for time-sensitive field monitoring activities subject to receipt of further written assurances from the wildlife agencies regarding economic benefit from the SR 76 project, and authorized \$1.3 million for additional activities to be released when funds become available pursuant to the conditions in an executed Master Agreement; (3) approved the conceptual five-year funding strategy for management and monitoring; and (4) authorized the Executive Director to solicit proposals and develop contracts for activities pursuant to the recommended approach in Table 1 of the agenda report, when funds become available. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – San Marcos.

15. PROPOSED AMENDMENTS TO BOARD POLICIES (APPROVE)

There was no discussion of this item.

Action: Upon a motion by Councilmember Madaffer and a second by Deputy Mayor Stocks the SANDAG Board approved the proposed amendments to Board policies. Yes – (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – San Marcos.

12. ELECTION OF 2007 SANDAG BOARD OFFICERS (APPROVE)

Councilmember Madaffer stated that the Nominating Committee voted to recommend Mayor Mary Teresa Sessom as the Chair, Mayor Lori Holt Pfeiler as the First Vice Chair, and Joe Kellejian as the Second Vice Chair for 2007. Since Councilmember Kellejian is no longer a Board member, he suggested the action be bifurcated and moved that SANDAG confirm the appointments for Mayor Sessom and Mayor Pfeiler.

Action: Upon a motion by Councilmember Madaffer and a second by Deputy Mayor Stocks, the SANDAG Board approved the appointment of Mayor Mary Teresa Sessom as Chair and Mayor Lori Holt Pfeiler as First Vice Chair for calendar year 2007. Yes – 16 (weighted vote, 94%). No – 0 (weighted vote, 0%). Abstain – Escondido and Lemon Grove (6%). Absent – San Marcos.

Councilmember Madaffer entertained nominations from the floor pursuant to Board policy for the position of Second Vice Chair.

### Motion Made

Councilmember Dale nominated Jerome Stocks for the position of Second Vice Chair. Supervisor Horn seconded the nomination.

### Substitute Motion

Mayor Crawford offered a substitute motion that we authorize the incoming Chair to appoint a new nominating committee to take applications for this position. This would be consistent with the process followed, and would allow us to have a thoughtful consideration by the nominating committee of those who are willing to serve and put in the time. She noted that Del Mar Councilmember Dave Druker also is interested in serving as Second Vice Chair. Councilmember McCoy seconded this motion.

Councilmember Monroe noted that since there is only one candidate on the floor before us, he saw no reason to continue with another nominating committee process. Unless there are more nominations, we should proceed with the election today.

Councilmember Madaffer agreed with Councilmember Monroe. The issue before us is unprecedented. There is no reason to prolong making the election today. He noted that Councilmember Druker is not a primary member of the Board.

Mayor Crawford clarified the Councilmember Druker is an alternate.

Councilmember Madaffer said that it was his understanding that you have to be a primary member to be eligible for a leadership position. He noted that this issue will be something that could be considered by next year's nominating committee. He urged a "no" vote on the substitute motion.

Mayor Jim Wood (Oceanside) said that the suggestion to come back is agreeable to him. He stated that it was tough having limited time to consider the recommendations. If there are no more nominations we should move forward.

Chair Cafagna said that we may have to take another look at the timing of the nominating and election process to avoid this kind of situation in the future.

Councilmember McCoy didn't see any reason to rush. We can have a new nominating committee in January 2007 and go from there. We may have other people interested in serving.

Action on Substitute Motion: On the substitute motion by Mayor Crawford and a second by Councilmember McCoy to refer this matter to the new Chair to appoint a new Nominating Committee in January 2007 to come back with a recommendation for the Second Vice Chair position in the first quarter of 2007, the motion failed to receive majority vote. Yes – 7 (weighted vote, 41%). No – 11 (weighted vote, 59%). Abstain – 0 (0%). Absent – San Marcos.

Mayor Crawford nominated Councilmember Druker for the Second Vice Chair position. Ms. Wiley said it is her opinion is that the person who is nominated needs to be the primary

representative at the time they are nominated. Unless he is the primary member he is not eligible to be nominated.

Mayor Crawford stated that the Del Mar City Council has not taken action on the SANDAG appointments for 2007. She is currently the primary and Dave Druker is the first alternate.

Chair Cafagna commented that this is another reason to have the election of officers at a different time.

Chair Cafagna called for vote on the motion on the floor to elect Deputy Mayor Stocks as the Second Vice Chair.

Action: Upon a motion by Councilmember Madaffer and a second by Supervisor Horn, the SANDAG Board elected Mayor Stocks as the Second Vice Chair for calendar year 2007. Yes – 15 (weighted vote, 95%). No – 1 (weighted vote, 1%). Abstain – Encinitas and La Mesa (4%). Absent – San Marcos.

#### 17. UPCOMING MEETINGS

The next Policy meeting of the Board of Directors is scheduled at 10 a.m. Friday, January 12, 2007. The next Board of Directors business meeting is scheduled at 9 a.m. Friday, January 26, 2007.

Chair Cafagna expressed his pride at the accomplishments of this agency over the past year. He said that the way we have cooperated and dealt with tough issues is really commendable to you as a Board. We will continue to work together to deal with the really important issues of this region.

#### 18. ADJOURNMENT

The meeting was adjourned at 11:32 a.m.

DGunn/M/DGU

Meeting Adjourned Time: 11:34 a.m.  
Meeting Start Time: 9:05 a.m.  
Minimum Time for Attendance Eligibility: 10:19 a.m.

**ATTENDANCE**  
**SANDAG BOARD OF DIRECTORS' MEETING**  
**DECEMBER 15, 2006**

JURISDICTION/ ORGANIZATION	NAME	ATTENDING
City of Carlsbad	Matt Hall (Member)	Yes
City of Chula Vista	Cheryl Cox (Member)	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	Jerome Stocks (Alternate)	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	James Wood (Member)	Yes
City of Poway	Mickey Cafagna, Chair (Member)	Yes
City of San Diego - A	Jerry Sanders (Member A)	Yes
City of San Diego - B	Jim Madaffer (Member B)	Yes
City of San Marcos	Hal Martin (1st Alternate)	No
City of Santee	Jack Dale (Member)	Yes
City of Solana Beach	Lesa Heebner (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	Vacant (Member)	No
Imperial County	Victor Carrillo (Member)	No
US Dept. of Defense	CAPT Rob Fetter (Alternate)	Yes
SD Unified Port District	Vacant (Member)	No
SD County Water Authority	Marilyn Dailey (Member)	Yes
Baja California/Mexico	Luis Cabrera Cuaron (Member)	Yes