



**BOARD OF DIRECTORS
JULY 27, 2007**

**AGENDA ITEM NO. 07-07-1B
ACTION REQUESTED - APPROVE**

**BOARD OF DIRECTORS DISCUSSION AND ACTIONS
JUNE 22, 2007**

Chair Mary Sessom (Lemon Grove) called the meeting of the SANDAG Board of Directors to order at 9:06 a.m. The attendance sheet for the meeting is attached.

1. APPROVAL OF MINUTES

Action: Upon a motion by First Vice Chair Lori Holt Pfeiler (Escondido) and a second by Councilmember Phil Monroe (Coronado), the SANDAG Board of Directors approved the minutes from the May 11 Board Policy and May 25, 2007, Business meetings.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBERS COMMENTS

Chuck Lungerhausen, a member of the public, expressed concern about hearing that there are only two commercial transportation cabs or shuttles that have Americans with Disabilities Act (ADA)-qualified vehicles serving the airport. He said the ADA was passed in 1991. He hoped this was not the case, and asked that someone look into this. He said that there are 18 operators to the airport and they should all be ADA-qualified.

Chair Sessom recognized Councilmember Teresa Barth (Encinitas), Councilmember Bob Emery (Poway), and CAPT. Jack Washington (filling in as Department of Defense representative).

3. ACTIONS FOR POLICY ADVISORY COMMITTEES (APPROVE)

This item summarizes the actions taken by the Borders Committee on May 25, the Transportation and Regional Planning Committees on June 1, the Executive Committee on June 8, and the Transportation and Public Safety Committees on June 15, 2007.

Action: Upon a motion by First Vice Chair Pfeiler and a second by Councilmember Emery, 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 - National City and Vista.

CONSENT ITEMS (4 through 6)

4. REGIONAL BEACH REPLENISHMENT RESOLUTION OF SUPPORT (APPROVE)

In order to compete for state funds for regional beach replenishment, SANDAG staff is preparing a feasibility study to submit to the state in July. The feasibility study must include a resolution of fiscal support from the local agency's governing body. The Regional Planning Committee recommends that the Board of Directors approve Resolution No. 2007-33 in support of identifying funding to implement a regional beach sand project.

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

In accordance with SANDAG Board Policy Nos. 003 (Investment Policy), 017 (Delegation of Authority), and 024 (Procurement and Contracting-Construction), this report summarizes certain delegated actions taken by the Executive Director since the last Board meeting.

6. REPORTS ON MEETINGS AND EVENTS ATTENDED ON BEHALF OF SANDAG (INFORMATION)

Board members will provide brief reports orally or in writing on external meetings and events attended on behalf of SANDAG since the last Board of Directors meeting.

Action: Upon a motion by First Vice Chair Pfeiler and second by Councilmember Crystal Crawford (Del Mar), the SANDAG Board voted to approve Consent Item Nos. 4 through 6, including Resolution No. 2007-33. Yes – 17. No – 0. Abstain – 0. Absent – National City and Vista.

CHAIR'S REPORTS (7 through 9)

7. RECOGNITION OF OUTGOING *TransNet* INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE MEMBERS

Chair Sessom said that last month we announced that the local chapter of the American Planning Association (APA) had awarded SANDAG for its work on the Regional Comprehensive Plan (RCP). The awards included: the "Distinguished Leadership Award" for implementation of the RCP, a "Best Practices Award" for the development of the Smart Growth Concept Map, and the "Social Change and Diversity Award" for our emerging regional government-to-government framework with our local Tribal nations. These awards were in addition to the previous awards that we received from the APA for the development of the RCP and for First Vice Chair Pfeiler as a visionary leader.

Chair Sessom mentioned that we also received word that SANDAG has won a Smart Growth Award from the San Diego/Tijuana Chapter of the Urban Land Institute (ULI) for the Smart Growth Concept Map.

Chair Sessom congratulated Board and staff involved in this work.

Chair Sessom said that when the voters approved Proposition A in November 2004 extending the *TransNet* program, a key requirement was the creation of an Independent Taxpayers Oversight Committee (ITOC). ITOC serves as a watchdog providing oversight for all expenditures of local *TransNet* sales tax dollars. SANDAG is recognizing the efforts of two of the original ITOC members who have completed their two-year terms, and both have carried out their duties with diligence and great attention to detail.

Jim Callaghan served as Vice Chair and as the senior level decision maker from the private sector. His background in construction management provided a keen perspective on the delivery of major *TransNet* projects. Doug Gibson served in the position reserved for a biologist or environmental scientist, and provided an important environmental perspective as we moved forward with the implementation of the Early Action Program (EAP). Through contributions of both of these individuals, ITOC has been providing the Board, Transportation Committee, and SANDAG staff with valuable input on issues related to the ongoing implementation of the *TransNet* program. Chair Sessom presented Mr. Callaghan and Mr. Gibson with plaques recognizing their efforts.

Mr. Callaghan said the Board should keep three things in mind: regional mobility, quality of life, and the cost efficiency and performance measures of our transportation system as we move forward. He thanked the Board for the opportunity to participate on ITOC.

Mr. Gibson said that it has been quite an experience to serve on ITOC. The creation of ITOC shows the importance of having an environmental position with regard to transportation. He noted that he has learned a great deal about traffic engineering and traffic studies. This is a very important committee as we move into the next phase of *TransNet*.

Action: This item was presented for information only.

8. RECOGNITION OF FRED LUEDTKE, RETIRING ESCONDIDO DEPUTY DIRECTOR OF PUBLIC WORKS

Chair Sessom recognized Fred Luedtke, retiring Escondido Deputy Director of Public Works. She noted that Mr. Luedtke served as Mayor Pfeiler's advisor for SANDAG matters. She further added that Mr. Luedtke served on the Cities/County Transportation Advisory Committee (CTAC) and was chair of that committee between 2003 and 2005. Two projects he would like to see completed are the SPRINTER commuter rail and the I-15 Managed Lanes projects. She thanked Mr. Luedtke and presented him with a plaque for this dedication and productive years of service, and his contributions to bolster infrastructure in Escondido and around the San Diego region.

Chair Pfeiler added that Mr. Luedtke gives the best advice so that we can make good decisions for the county. If we didn't have that advice we wouldn't have such a great quality of life here. He will be missed at SANDAG and at the City of Escondido.

Mr. Luedtke said that it has been a pleasure working with the quality of staff at SANDAG.

Action: This item was presented for information only.

9. RECOGNITION OF REAR ADMIRAL (SELECT) GARRY BONELLI, RETIRING SANDAG COMMUNICATIONS DIRECTOR

Chair Sessom stated that this SANDAG retirement is different in that Garry Bonelli is the first SANDAG employee to retire to become an Admiral, he's our first and only SEAL, our first and only employee to room with Jesse "The Body" Ventura, and the first to wear shorts at a public meeting. Along with these fond memories, we also will remember the commitment and dedication that Garry brought to his position. During Garry's tenure as Communications Director, we have seen the public awareness of SANDAG go from less than 20 percent in the 1980s to around 70 percent today. She reviewed a number of Garry's accomplishments.

Mr. Bonelli expressed his appreciation for each person in the Board Room and said that it has been great working with you. He thanked the three Executive Directors: Dick Huff, Ken Sulzer, and Gary Gallegos. He said he couldn't have done his job without his professional colleagues at SANDAG, especially those he worked with the longest: Pam Albers in Creative Services; Anne Steinberger, Communications Manager; Kim Kawada, Policy/Legislative Affairs Program Manager; Joy DeKorte, Public Information Officer; Marney Cox, Chief Economist; Craig Scott, *TransNet* Program Manager; and Karen Lamphere, Research Department. Mr. Bonelli provided some history about the agency over his 31 years. He has been lucky to be part of three great teams: Navy SEALs, the San Diego Chamber of Commerce, and SANDAG.

Mayor Art Madrid (La Mesa) stated that as the longest serving Board member (almost 21 years) he has observed that this is an organization that is recognized for its assets (people). He said that all other like Councils of Governments (COGs) nationally benchmark against SANDAG and a lot of that has to do with Garry's efforts.

Councilmember Monroe mentioned an NBC Today show that had a segment on value pricing. Most people said they would be happy to pay to save 20 minutes on their trip. He suggested that staff obtain a copy of that video and show it to the Board.

Chair Sessom said that speaking of value pricing, SANDAG is one of nine candidates in the federal Urban Partnership Agreement (UPA) process. A team from San Diego including Will Kempton, Caltrans Director, San Diego Mayor Jerry Sanders, the transit agencies, and the business community, is heading to Washington, D.C., on Tuesday, June 26, for an interview with U.S. Department of Transportation Secretary Mary Peters, followed by an hour-long meeting with technical staff. This process will whittle down the candidates to four or five. We will let you know when we hear more about this process.

Pedro Orso-Delgado, Caltrans District 11 Director, said that folks from the Bay Area are not taking the same team of agencies that we are.

Action: This item was presented for information only.

REPORTS (10 through 18)

10. FINAL DRAFT FY 2008 BUDGET (APPROVE)

Chair Sessom indicated that the Executive Committee has reviewed the draft FY 2008 Budget four times and discussed the details, including SANDAG's strategic goals and priorities, work program components, proposed new positions and reclassification recommendations, and the contingency reserve balance. The FY 2008 Budget and Overall Work Program (OWP) was reviewed by the Board in March. The Executive Committee recommends adoption of Resolution No. 2007-26 approving the FY 2008 Budget. Chair Sessom introduced Tim Watson, Budget Program Manager, to provide a report.

Mr. Watson commented on the changes since the last Board review related to revised revenue and expense estimates. The challenge has been to maintain a balanced budget while absorbing cost increases and revenue reductions. We have received information on new grants and more accurate spending projections on projects. The net result will be a deposit of \$250,000 to the contingency reserve, resulting in a balance that is almost double that required by Board policy.

Mr. Watson described three components to the staff compensation recommendation: a merit pool of 3 percent, a 2 percent general salary increase, and an interim adjustment of 5 percent to the salary range table. This last increase does not raise salaries, only the salary structure. All of the member agencies follow a usual practice of increasing the salary range structure when these cost-of-living increases occur. We will conduct a classification and comprehension study in FY 2008. He recapped the proposed new positions: one new position, conversion of two limited-term positions and the conversion of a contracted staff position to a regular position. In addition, staff is recommending the conversion of one more limited-term position to regular position under ARJIS (Automated Regional Justice Information System).

Councilmember Jerry Rindone (Metropolitan Transit System [MTS]) expressed a concern about the impact on decreased sales tax funds due from the state. The transit operators look to SANDAG for funding under Senate Bill (SB) 1703. He asked about the Executive Committee discussion and options to provide assistance to the transit operators. Renee Wasmund, Director of Finance, responded that in the short-term, SANDAG has employed a sales tax consultant to look at trends. We will include staff from the transit operators in those meetings to help us better predict the short-term fluctuations in funding. The challenge in using the sales tax information from the state Department of Equalization is that it lags by three months. We don't know until three months after the quarter about the actual figures. We are working with the Technical Services Department to develop a model to better predict what is going on with the economy. We also are waiting to see what is happening with the state budget. That could impact money from the State Transit Assistance (STA) program. When we hear back, we will strategize with the transit operators on a long-term strategy.

Councilmember Rindone said that the MTS Finance Committee looked at the projections of TDA funds. It appears that we may receive \$19 million less for the coming year. This is a very substantial funding decrease. We will need to take a look at providing a possible mid-year

gap funding for transit operators. We should begin those discussions as there may be multiple options.

Action: Upon a motion by First Vice Chair Pfeiler and a second by Mayor Ron Morrison (National City), the SANDAG Board approved Resolution No. 2007-26, adopting the FY 2008 Budget, including the Overall Work Program. Yes – 19 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – None.

11. DRAFT 2007 REGIONAL TRANSPORTATION PLAN (ACCEPT FOR DISTRIBUTION)

Santee Councilmember Jack Dale, Vice Chair, Transportation Committee, stated that the Draft 2007 Regional Transportation Plan (RTP) has been worked on for several years. In July, we will hold five different meetings throughout the region to present this information to interested parties. Action would accept this for draft plan for distribution, leading to a public hearing in September and adoption in November.

Mike Hix, Principal Planner, stated that this information has been presented several times to the Board. After the plan is adopted we will work with the Board on funding. The Board selected a \$58 billion dollar Reasonably Expected Revenue scenario. Following Board direction, staff developed the plan that supports previous goals and components of MOBILITY 2030, includes a commitment to the *TransNet* Early Action Program (EAP) and the high-occupancy vehicle/managed lanes (HOV/ML) system, and includes transportation project evaluation criteria to prioritize improvements. He reviewed the RTP mobility components: the land use – transportation connection (growing smarter), systems development (capacity and choices), systems management (efficiency), and demand management (reduce peak demand). He described the major capital investments in the Reasonably Expected highway and transit networks. He showed some performance results of implementing the plan from home-to-work trips. He highlighted examples in three corridors noting the improvements that will occur if plan improvements are implemented and the impacts if they are not (Oceanside to downtown San Diego, Chula Vista to Sorrento Valley, and El Cajon to Sorrento Valley). He also reviewed the RTP Environmental Impact Report (EIR) schedule and next steps.

Chair Sessom noted that there were several public speakers on this item.

Jay Powell, City Heights Community Development Corporation, noted that the RTP is going out with an internal conflict. He had hoped to address that conflict as a part of the process. There is still time to do that. He noted that the highway map shows eight general purpose lanes and 2 HOV lanes on Interstate 15 (I-15) through the Mid-City San Diego area. The agreement with staff shows bus rapid transit (BRT) in the median of I-15 through Mid-City. He asked that the EIR address those as part of the alternatives. This plan should have a transit emphasis. He further asked that the issue of goods management be addressed. There is a proposal to run more freight in this corridor, which the community feels is a serious issue. There was a promise to the Mid-City community that trucks would be diverted from I-15 to I-805. There are no public hearings scheduled in Mid-City, and he offered to assist SANDAG in holding a workshop in their area.

Jeffrey Tong, San Diego Councilmember Toni Atkins' office, stated that Councilmember Atkins asked that the following be included in the record: The Draft Plan and apparently

the Draft EIR will be issued with internal conflicts in the Mid-City segment with the highway map showing eight general purpose and two HOV lanes while the transit map will show the BRT running through Mid-City and the two Mid-City stations. The EIR will need to come to grips with this conflict and evaluate the matter. Councilmember Atkins also wanted to express her appreciation to Gary Gallegos of SANDAG, Pedro Orso-Delgado of Caltrans, and Paul Jablonski of MTS for working with us on this issue.

Sandor Shapery, Vice Chair of the Regional Planning Stakeholders Working Group (RPSWG) and a private citizen, stated that the RPSWG has spent the last several years providing input to this RTP. They are impressed with the outcome and supported moving forward. What is not in the RTP is that the Transportation Committee had tabled for further study a comprehensive plan to look at traffic and other challenges related to Lindbergh Field. The Transportation Committee sent a message to the San Diego County Regional Airport Authority to look at solutions to integrate our airport with other constrained airports, such as connecting I-5 directly into the airport and studying a high-speed rail connection to other airports. He thought this was a viable solution.

Mr. Orso-Delgado said that the plan is not in conflict as this is a global plan to look at all of the alternatives. Then when we come to the development of individual projects we will look at specific choices.

Councilmember Monroe had a question about the level of service figures related to the RTP and the Congestion Management Program (CMP). Mr. Hix clarified that the difference in Chapter 1 is that those figures come out of the forecasting model, but the CMP reflects actual levels of service.

Councilmember Monroe was not happy that levels of service in those two figures are not presented consistently. Mr. Hix agreed to evaluate how to present that information more consistently.

Councilmember Monroe expressed concern about the way the information was presented for the El Cajon to Sorrento Valley segment in the Reasonably Expected Revenue scenario. We are providing people with an opportunity to choose modes. He thought there was a disconnect between this information and how we characterized anticipated traffic congestion improvements in *TransNet*.

Councilmember Crystal Crawford (Del Mar) asked what is happening on I-8. There can be several problems that cause travel time increases.

Mr. Hix responded that we looked in previous iterations of the RTP at what would happen if we solely put in general purpose lanes on our major corridors. We can bring that information back to you to show you how that doesn't work. As far as I-8 is concerned, it is difficult to put in major widening improvements in the urban areas. We will be conducting studies this coming year to determine future improvements in certain corridors.

Chair Sessom agreed that this is an overall plan and we need to remind the voters of that fact.

Action: Upon a motion by Mayor Jim Wood (Oceanside) and a second by Mayor Morrison, the SANDAG Board: (1) accepted the Draft 2007 RTP for distribution; (2) authorized staff to distribute the Draft EIR prepared for the 2007 RTP as soon as it is available; and (3) scheduled a public hearing on the Draft 2007 RTP and Draft EIR for the September 14, 2007, Board Policy meeting and set September 17, 2007, as the closing date for public comments. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – City of San Diego.

Supervisor Ron Roberts (County of San Diego) agreed with Councilmember Monroe that we should present the RTP travel time information to the public in a clearer way.

12. CAPITAL IMPROVEMENT PROGRAM BUDGET TRANSFERS (APPROVE)

Councilmember Dale stated that this item is a request from the Transportation Committee to approve a Memorandum of Understanding (MOU) with MTS for improvements on the trolley system, and transfers funds among several capital project budgets. This item was approved by the MTS Board on June 14, 2007.

John Haggerty, Design Engineer, reported that approval of the MOU will transfer funds from an MTS Capital Improvement Program (CIP) project to a SANDAG project to fund installation of a crossover on C Street for a total cumulative amount of \$250,000. The second action would approve a transfer of funds from the SANDAG Catenary Contact Wire Project to fully fund the L Street and West Park Crossing Rehabilitation Project construction for \$200,000, for a total cumulative amount of \$550,000. He reviewed the project transfer summary and status.

Mr. Haggerty announced that the Smart Corner station will be moved back to its improved location and opened on June 27.

Action: Upon a motion by Mayor Morrison and a second by Councilmember Emery, the SANDAG Board: (1) approved a Memorandum of Understanding with MTS for fund transfers in an amount not to exceed \$250,000; and (2) approved a budget increase in same amount for the City College Station Realignment Project for installation of a crossover in C Street, and approved a budget transfer of \$200,000 from the Catenary Wire Project into the L Street and West Park Crossing Rehabilitation Project to fund the full cost of construction. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – City of San Diego.

13. INTERSTATE 15 MANAGED LANES CORRIDOR UPDATE (APPROVE)

Councilmember Dale reported that this item is related to a \$37.7 million budget increase due to construction cost escalation increases between State Route (SR) 163 and SR 78.

Gustavo Dallarda, I-15 Corridor Director, said that this project includes the construction of four Managed Lanes, operational improvements, implementation of the region's first BRT service, and expansion of the existing FastTrak® system. He described the EAP improvements in the I-15 corridor, including the BRT and park-and-ride stations. There will be two additional stations, at Mission Valley and Kearny Mesa, not included in the EAP. There are three segments to this corridor. He reviewed the proposed improvements in each

segment noting the progress to date and anticipated progress over the next six months, including direct access ramps, bridges, and BRT stations.

Chair Sessom noted that there was one request to speak on this item.

Jay Powell, City Heights Community Development Corporation, said that his concern is with the I-15 centerline stations through Mid-City and some of the related issues have not yet been addressed. At the Transportation Committee meeting he had asked that terminology be clarified, and he thanked staff for modifying the report to clarify the names of the various Managed Lanes and BRT segments.

Action: Upon a motion by Councilmember Emery and a second by Mayor Morrison, the SANDAG Board approved a \$37.7 million increase to the I-15 ML/BRT project budget, from \$1.25 billion to \$1.29 billion. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – City of San Diego.

14. STATE ROUTE 125 GAP AND CONNECTOR PROJECT RIGHT-OF-WAY BUDGET AUGMENTATION (APPROVE)

Councilmember Dale stated that the SR 125 Gap and Connector projects are publicly funded highway projects and connect to the north end of the privately funded SR 125 toll road, which will open later this year. These projects have been experiencing cost increases for right-of-way acquisition during their development, and this item proposes a funding plan to address those increases. At its May 18 meeting, the Transportation Committee recommended approval of the proposed action. He introduced SANDAG Principal Engineer Muggs Stoll to provide additional information.

Mr. Stoll stated that there is a unique partnership on this project. Agreements for these projects include California Transportation Ventures (CVT), also known as the South Bay Expressway, SANDAG, and Caltrans. There are actually three projects; two publicly funded and one privately financed. He described each of these projects, and noted that the Gap and Connector projects were included in the original *TransNet* program. It was decided to add the Gap and Connector construction to the Toll Road construction contract. Economies of scale were gained in doing so. The financing vehicle used to add this project was an existing franchise agreement between Caltrans and CTV. He provided a brief overview of the projects.

Mr. Stoll highlighted a portion of the agreement that indicated:

“SANDAG was under no obligation to provide or authorize funding in excess of the maximum amount of \$138.58 million for the Additional Segments, or as such amount may be increased from time to time by resolution of SANDAG. This amount includes a contingency of \$5.9 million. Developer accepts responsibility for cost increases over \$5.9 million except for (1) increases in Right-of-Way costs...”

Mr. Stoll reviewed the current budget summary. In 2004, a change order on an adjacent project provided rock for this contract. Right-of-way acquisition costs have increased by \$21.1 million. He described the factors contributing to this increase. He noted that staff has

looked at opportunities to revise the scope to reduce this amount. The net proposed budget increase request is a \$15 million budget amendment. Next steps include opening the toll road to traffic in late summer. Negotiations on the franchise agreement extension will not conclude until after the project is complete in order to evaluate actual revenues.

Mayor Cheryl Cox (Chula Vista) supported this project and moved approval. She said that this expressway is vital to the South Bay.

Action: Upon a motion by Mayor Cox and a second by Supervisor Bill Horn (County of San Diego), the SANDAG Board approved the transfer of \$15.0 million from unallocated prior-year Regional Surface Transportation Program funds to the SR 125 Gap and Connector projects in order to fund right-of-way costs in excess of the current project budget. This action would increase the project budget from \$144.3 million to \$159.3 million. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – City of San Diego.

15. FY 2008 TRANSPORTATION DEVELOPMENT ACT ALLOCATIONS AND PRODUCTIVITY IMPROVEMENT GOALS (APPROVE)

Chair Sessom noted that a revised agenda sheet for this item had been distributed to Board members.

Councilmember Dale stated that SANDAG as the Regional Transportation Planning Agency administers the Transportation Development Act (TDA) program. TDA comes from the one-quarter percent sales tax assessed by the state and provides operating and capital support for the public transportation system and nonmotorized transportation projects. He said that we will receive more money this year than in the past, but \$9 million short of what was projected. Both transit agencies also will experience shortfalls in TDA revenues. The transit operators need approval for authorization to use TDA funds. Each year the transit operators have goals to improve productivity. Staff has reviewed productivity efforts of the transit operators over the past year, and has developed new goals for FY 2008. The Transportation Committee recommended approval of this item.

Sookyung Kim, Financial Programming Manager, reported that SANDAG is responsible for the annual allocation of TDA funds. The County Auditor on annual basis develops the TDA revenue estimate. The sales tax revenues are growing at a slower rate than originally anticipated and the revenue estimate has been revised downward. Many articles within TDA provide different types of services. MTS has revised its claim based on a reduced apportionment and filled the funding gap by other funding sources. NCTD did not revise its claim and will wait until the state budget is approved.

Ms. Kim reviewed the transit operator productivity improvement programs. She said that goals are set on an annual basis, and transit operators must make reasonable efforts to achieve the various goals related to productivity. Transit operators met 52 out of 68 goals. She reviewed the challenges and the actions to resolve those challenges. Based on ongoing efforts, staff has determined that the transit operators have made reasonable efforts to meet the goals. She also reviewed ongoing issues including fuel prices, traffic congestion impacts, and economy impacts. In the future, there will be revised productivity

improvement program enhancements, including possible changes to the transit performance measures.

Councilmember Rindone stated that MTS supports the staff recommendation and was pleased with the revised agenda item incorporating a significant number of corrections to more accurately reflect actions taken.

Councilmember Rindone asked staff to look at page 3, under the second paragraph related to the MTS service for the area. The last sentence indicated a 7 percent decrease in revenue miles for the previous year. The numbers that MTS staff provided indicate that the number should reflect an increase of 108,000 miles or a .3 percent increase rather than a decrease. He asked that the motion include a correction to that last goal.

Diane Eidam, Chief Deputy Executive Director, clarified that we based our analysis on the claim that was submitted, but will work with MTS on the differences.

Action: Upon a motion by Councilmember Emery and a second by Supervisor Horn, the SANDAG Board adopt Resolution Nos. 2007-27 through 2007-32 approving the FY 2008 TDA allocations and the FY 2008 Productivity Improvement Goals, with direction to staff to work with MTS on revised figures. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – City of San Diego.

16. ANNUAL REVIEW OF BOARD POLICY NO. 033: IMPLEMENTATION GUIDELINES FOR SANDAG REGIONAL HOUSING NEEDS ASSESSMENT MEMORANDUM (INFORMATION)

First Vice Chair Pfeiler reported that this policy was developed by former Chula Vista Mayor Steve Padilla, San Diego Councilmember Jim Madaffer, and herself as a way to resolve the conflict over how the Regional Housing Needs Assessment (RHNA) numbers were allocated for the 2005-2010 housing element cycle. In exchange for being assigned higher allocations of lower income RHNA numbers, cities such as Chula Vista, San Diego, and Escondido prepared a proposal that would reward jurisdictions that were addressing their lower income housing needs through production and housing element compliance. This policy is consistent with the direction being taken for allocation of the Proposition 1C funds, and it helps the region achieve its goals to provide more affordable housing for its low and very low income residents. This policy should be retained; however, revisions to the policy should be considered during the development of the *TransNet* Smart Growth Incentive Program, scheduled for next year.

Susan Baldwin, Senior Planner, said that this policy is reviewed annually, and sets forth guidelines for SANDAG discretionary funds based on affordable housing efforts. Eligibility for these funds require jurisdictions to have housing elements in compliance with state law, actual production of housing in all four income categories, and to make progress in housing zones (which is required by the local housing element). Because the FY 2008 TDA/*TransNet* bicycle/pedestrian program work was just getting underway and the *TransNet* Smart Growth Incentive Program is yet to be developed, it is recommended that no changes be made to the policy, and hold another review next year as required. The Executive Committee agreed with this recommendation.

Action: This item was presented for information only.

17. CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL PURSUANT TO GOVERNMENT CODE SECTION 54956.9 SUBDIVISION (c): INITIATION OF LITIGATION – ONE POTENTIAL CASE

Julie Wiley, General Counsel, disclosed the subject matter of the closed sessions.

Chair Sessom adjourned the meeting into a closed session at 10:55 a.m.

18. CLOSED SESSION – CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8

Property: Assessor Parcel Nos. 678-251-06, 07, and 08, located in the City of San Diego

Negotiators: Julie Wiley, Frank Owsiany, Tim Allison, Jane Wiggans, and Mickey Zeichick (for SANDAG); TA Associates Realty and Sentre Partners on behalf of TA/Western LLC (for property owner)

Under Negotiation: Value of subject property

Chair Sessom reconvened the meeting into open session at 11:38 a.m.

Ms. Wiley reported the following information out of the closed sessions: on item No. 17, the Board directed staff to attempt to reach a settlement with the undisclosed party and delegated authority to the Executive Director to do so. On item No. 18, the Board directed staff to proceed with setting a Hearing of Necessity and to concurrently continue to attempt to reach agreement on a value for the subject property.

19. UPCOMING MEETINGS

The next Policy meeting of the Board of Directors is scheduled at 10 a.m. for Friday, July 13, 2007. The next Business meeting of the Board of Directors is scheduled at 9 a.m. for Friday, July 27, 2007.

20. ADJOURNMENT

The meeting was adjourned at 11:39 a.m.

DGunn/M/DGU

ATTENDANCE SANDAG BOARD OF DIRECTORS' MEETING JUNE 22, 2007

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	Teresa Barth (Alternate)	Yes
City of Escondido	Lori Holt Pfeiler, 1st Vice Chair (Member)	Yes
City of Imperial Beach	Jim Janney (Member)	Yes
City of La Mesa	Art Madrid (Member)	Yes
City of Lemon Grove	Mary Sessom, Chair (Member)	Yes
City of National City	Ron Morrison (Member)	Yes
City of Oceanside	James Wood (Member)	Yes
City of Poway	Bob Emery (2nd Alternate)	Yes
City of San Diego - A	Jerry Sanders (Member A)	No
City of San Diego - B	Toni Atkins (Member B)	Yes
City of San Marcos	Jim Desmond (Member)	Yes
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 - A	Ron Roberts (Member A)	Yes
County of San Diego - B	Bill Horn (Member B)	Yes
Caltrans	Pedro Orso-Delgado (Alternate)	Yes
MTS	Jerry Rindone (1st Alternate)	Yes
NCTD	Ed Gallo (Member)	Yes
Imperial County	Victor Carrillo (Member)	No
US Dept. of Defense	CAPT Jake Washington	Yes
SD Unified Port District	Sylvia Rios (Member)	Yes
SD County Water Authority	Marilyn Dailey (Member)	Yes
Baja California/Mexico	Ricardo Pineda (Alternate)	Yes
Southern California Tribal Chairmen's Association	Robert H. Smith (Member)	Yes