MEETING NOTICE AND AGENDA

TRANSNET INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE (ITOC)

The ITOC may take action on any item appearing on this agenda.

Wednesday, May 16, 2007
⇒ 9:30 a.m. to 3:30 p.m. ⇐

⇒ Mitchell Room ⇐
Escondido City Hall, 201 N. Broadway
Escondido, California

NOTE - DIRECTIONS TO ESCONDIDO CITY HALL ARE INCLUDED

Staff Contact: Craig Scott
(619) 699-1926
csc@sandag.org

AGENDA HIGHLIGHTS

- QUARTERLY REPORT ON TRANSNET MAJOR CORRIDOR PROJECTS
- DETAILED UPDATE ON THE I-15 CORRIDOR
- SPRINTER PROJECT STATUS REPORT

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Welcome to SANDAG. Members of the public may speak to the TransNet Independent Taxpayer Oversight Committee (ITOC) members on any item at the time the ITOC is considering the item. Also, members of the public are invited to address the ITOC on any issue under the agenda item entitled Public Comments/Communications/Member Comments. Speakers are limited to three minutes. The ITOC may take action on any item appearing on the agenda.

This agenda and related staff reports can be accessed at www.sandag.org under Meetings on SANDAG’s Web site. Public comments regarding the agenda can be forwarded to SANDAG via the e-mail comment form also available on the Web site. E-mail comments should be received no later than noon, two working days prior to the ITOC meeting.

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ESCONDIDO CITY HALL - 201 NORTH BROADWAY
ITEM #: INTRODUCTION OF NEW ITOC MEMBERS AND ELECTION OF VICE-CHAIR (Maryam Babaki)

On April 27, 2007, the ITOC Selection Committee met to make the final selection of ITOC members. Hamid Bahadori was re-appointed for a second term. Valerie Harrison and Kevin Cummins were appointed to serve in the private sector employer and biologist/environmental scientist categories, respectively. With this action, the election of a new vice chair to fill out the remainder of the fiscal year is required.

+2. MEETING SUMMARY FOR THE APRIL 18, 2007 ITOC MEETING

A summary of the April 18, 2007 ITOC meeting has been prepared for the Committee’s review and approval.

3. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Members of the public will have the opportunity to address the ITOC on any issue within the jurisdiction of the ITOC. Speakers will be limited to three minutes each. Committee members also may provide information and announcements under this agenda item.

+4. FY 2006 TransNet FISCAL AUDIT STATUS AND PROPOSED CHANGE TO THE SANDAG POLICY ON FISCAL AUDITS (Renee Wasmund)

As a follow-up to the discussion at the last meeting, comments are being sought from the ITOC on a proposed change to the approved SANDAG audit policy for TransNet funds. As reflected in the attached agenda report, revisions have been made to the proposed policy change based on the discussion last month. The ITOC will be taking over the annual fiscal audit process effective with the audits for the 2008-2009 fiscal year.

+5. AGREEMENT WITH REGIONAL WATER QUALITY CONTROL BOARD CONCERNING IMPLEMENTATION OF THE TransNet EARLY ACTION PROGRAM (Richard Chavez)

Staff will update the ITOC on efforts to provide staff assistance for the Regional Water Quality Control Board to participate in the project development process for the TransNet Early Action Program. The attached agenda report provides additional detail on this arrangement.
+6. QUARTERLY REPORT ON TransNet EARLY ACTION PROGRAM
(Richard Chavez)

Staff will provide an overview of the TransNet Major Corridor projects in terms of cost control and schedule adherence. Updates and refinements to the Dashboard reporting system also will be discussed. This item relates to the required quarterly reporting process specified under Paragraph 10 of the Ordinance. The ITOC is to review the information provided by staff and accept the quarterly report or make additional comments and recommendations.

Estimated Start Time: 10:30 a.m.

+7. PROCESS FOR UPDATING THE PLAN OF FINANCE FOR THE
TransNet EARLY ACTION PROGRAM (Craig Scott/Richard Chavez)

Staff will review the plans for updating the TransNet Plan of Finance to reflect both the most recent cost estimates for the Early Action Program projects and updated revenue estimates, including sales tax revenue forecasts and additional matching funds from Proposition 1B and other sources. The ITOC’s input on the proposed process will be used to refine the approach.

Estimated Start Time: 11:00 a.m.

+8. INTERSTATE 15 MANAGED Lanes CORRIDOR UPDATE
(Gustavo Dallarda)

The Caltrans Corridor Director will update the ITOC on the status of the I-15 Major Corridor project. This review will include a status report on the ongoing construction work on the I-15 Middle Segment, as well as updated cost estimates and schedules for the completion of North and South segments as contained in the TransNet Early Action Program. The ITOC is requested to make a recommendation to the SANDAG Transportation Committee regarding proposed budget changes.

Estimated Start Time: 11:30 a.m.

+9. SPRINTER PROJECT STATUS REPORT AND SANDAG INDEPENDENT ASSESSMENT (Jim Linthicum)

This item provides a monthly status report on the SPRINTER rail project, including discussion of implementation and effectiveness of project cost control measures and the SANDAG independent assessment of the project.

Estimated Start Time: 1:00 p.m. or after the lunch break, whichever is earlier.

10. FUTURE MEETING SCHEDULE

The dates shown below have been suggested as potential meeting dates. The meetings are proposed to be scheduled from 9:30 a.m. to 3:30 p.m. The next meeting date and time will be confirmed at the end of each meeting. The ITOC may wish to suggest specific agenda topics for the next meeting. Potential topics for the next meeting include: ongoing discussions of major corridor projects, an overview of lessons learned from the pilot Smart Growth Incentive Program, and a report on the implementation status of the Environmental Mitigation Program (EMP).

Estimated Start Time: 1:50 p.m.
10. FUTURE MEETING SCHEDULE (CONT’D)

Scheduled Future Meeting Dates:

- June 20, 2007
- July 18, 2007
- August 15, 2007 (if needed)
- September 19, 2007
- October 17, 2007
- November 21, 2007
- December 19, 2007 (if needed)

11. ADJOURNMENT – TO BE FOLLOWED BY SPRINTER TOUR

Following the conclusion of the regular agenda items, the ITOC will end the meeting at the Escondido City Hall, and members will travel to the North County Transit District SPRINTER maintenance facility at 1021 West Washington in Escondido for a tour of the facility and a ride on the new SPRINTER train.

Space for the tour is limited. Members of the public or news media interested in participating in the tour should contact Craig Scott, SANDAG Staff, at (619) 699-1026; csc@sandag.org no later than 5 p.m. Tuesday, May 15, 2007

+ next to an agenda item indicates an attachment
MEETING SUMMARY FOR THE APRIL 18, 2007
INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE (ITOCC) MEETING

April 18, 2007 Meeting Summary

Attendance:
Committee Members:
- Maryam Babaki
- Hamid Bahadori
- James Callaghan
- Ron Gerow
- Doug Gibson
- John Meyer
- Jim Ryan

Ex-Officio Members:
- Roger Carlin, Caltrans, District 11
- Chris Cate, San Diego County Taxpayers Association
- Michele Clock, San Diego Union-Tribune
- Nadine Danjou, Caltrans, District 11
- Brenda Estrada, San Diego County Taxpayers Association
- Mohamad Fakhriddine, County of San Diego
- Lupe Jenkins, Caltrans, District 11
- Joel Haven, Caltrans, District 11
- Allan Kosup, Caltrans, District 11
- Dan Martin, Caltrans, District 11
- Minjie Mei, City of Santee
- Frank Rivera, City of Chula Vista
- Leslie Blanda
- Jack Boda
- Susan Brown
- Linda Culp
- Jim Hecht
- Mike Hix
- Sookyung Kim
- Jim Linthicum
- Joe Nuncio
- Christine Rychel
- Craig Scott
- Muggs Stoll
- Stephan Vance
- Renee Wasmund
- Kim York

The following summarizes the major actions and key discussion points under each agenda item from the April 18, 2007 meeting.

**Item 1 - Meeting Summary for the March 21, 2007 ITOC Meeting**

The meeting summary of the March 21, 2007 regular ITOC meeting was approved as written.
Item 2 - Public Comments/Communications/Member Comments

Frank Rivera from the City of Chula Vista informed the ITOC of the City of Chula Vista’s support for the auxiliary lane improvements from the Interstate 805 (I-805)/State Route 54 (SR 54) interchange to E Street in Chula Vista, as described in agenda item #8. He indicated that he was going to have to leave the meeting early before that item was considered and wanted to state the City of Chula Vista’s position in support of that item.

John Meyer commented on the recent workshop that was held regarding the TransNet $2,000 per dwelling unit impact fee. He was surprised at how much work was going to be involved from ITOC’s perspective related to that program. Maryam Babaki also attended the workshop and had similar concerns. It was requested that the other ITOC members be briefed on the process in more detail. Craig Scott mentioned that as a result of comments and issues raised at the workshop, the consultants were doing some additional work on the program. Once that work was completed, a briefing would be scheduled for the ITOC members.

John Meyer and Maryam Babaki raised the issue of holding the ITOC meetings at different locations from time to time. The intent of holding meetings at different locations around the region was to make the ITOC available to the public since not everyone is able to attend meetings in downtown San Diego. Members felt the location should be driven by the agenda. Since the SPRINTER project and the I-15 Managed Lanes were likely topics for the next agenda, North County was suggested as a good location. Maryam Babaki indicated that she would work with staff to try to find a location in North County for the May meeting.

Item 3 - 2007 Regional Transportation Plan (RTP) Draft Revenue Constrained and Reasonably Expected Revenue Scenarios

Mike Hix summarized the materials provided in the agenda package regarding the status of the draft 2007 RTP development process. He reviewed the various funding scenarios to be considered in the RTP, which include a revenue constrained scenario, a reasonably expected revenue scenario, and a financially unconstrained scenario. He explained how the project rankings had been updated based on new accident data and other factors. These rankings were then used to develop the other revenue-based scenarios. He reviewed the basic assumptions used in developing the $40 billion revenue constrained scenario. Based on direction from the Transportation Committee and the Board, the reasonably expected scenario is being built around an investment-level concept rather than being tied to revenue levels from specific new revenue sources that could be established. Starting with the 2006 revenue constrained plan as a base, Mike covered changes being considered in the draft 2007 plan. Because of the substantial cost increases on many of the major projects, some projects are being reduced in scope or moved from the revenue constrained plan to the reasonably expected revenue scenario. Linda Culp reviewed proposed changes on the transit side. The transit plans continue to be focused on TransNet Early Action Program (EAP) projects and are consistent with the 2006 RTP update. She reviewed recent input received from Metropolitan Transit System (MTS) and North County Transit District (NCTD) and how the scenarios had been modified as a result.

Mike Hix reviewed the series of options to be presented to the Transportation Committee and the Board regarding the different levels of investment and the inclusion of additional “revenue-neutral” facilities, such as toll-funded projects or goods movement facilities to be funded by user
fees. In terms of next steps, Mike explained that the schedule then calls for a draft RTP to be approved for public distribution purposes in June, with final action on the 2007 RTP scheduled for November.

ITOC members raised numerous questions about the project costs in terms of how they were developed and whether or not escalation was included. Mike and Craig Scott explained how the costs were developed. The cost and revenue estimates for the RTP are done in constant (today’s) dollars. This methodology is different than the process used in the Plan of Finance, which escalates the costs and revenues to the year of expenditure. Maryam Babaki raised the concern that if the RTP costs are not escalated, the projects may not be built as planned if cost escalation exceeds the growth in revenues. Jim Callaghan asked how often the costs are updated. Staff responded that the RTP is updated every four years, but the TransNet EAP projects are updated annually as part of the capital improvement program budget process. Jim was concerned about the impact of the project increases on the Plan of Finance for the EAP projects. Craig Scott explained how the ITOC would be involved in the Plan of Finance update process scheduled over the next several months.

**Item 4 - Regional Arterial System**

Mike Hix reviewed the materials provided in the agenda package related to the update of the Regional Arterial System (RAS), which is being conducted as part of the 2007 RTP update. The ITOC had reviewed the revised criteria to be used in evaluating the RAS last year as part of the review of all of the project evaluation criteria to be used in the RTP update process. Mike reviewed the list of proposed additions to the RAS and the difference of opinion between SANDAG staff and the Cities-County Transportation Advisory Committee (CTAC) regarding how many of the proposed road segments should be included on the RAS. The issue relates to the TransNet $2,000 impact fee requirement in that the RAS establishes the list of projects that are eligible to receive funding from the local impact fee programs. SANDAG staff’s concern is that by expanding the RAS, the ability to implement the original RAS system upon which the $2,000 fee requirement was based will be diluted, and the resulting congestion relief could be diminished.

ITOC members did not express any opinions regarding the projects proposed for addition to the RAS, but did have several questions related to how the $2,000 impact fees would be administered and what level of accountability would there be over the expenditure of these funds. Craig Scott described in general how the program would work and how the impact fees would be folded into the ongoing annual fiscal audit process. More details would be provided when the briefing on the overall fee program is provided to the ITOC.

**Item 5 - SR 52 Corridor Update**

Joel Haven reviewed the materials included in the agenda package and provided a PowerPoint presentation (Attachment 1) covering the status of the SR 52 corridor project. He covered the overall long-term plans for the corridor, as well as near-term improvements, including the west-bound auxiliary lanes, which are nearly complete, and the ongoing work on the extension of SR 52 to SR 67. The focus of the presentation was on the significant cost increases on the project. Joel provided a breakdown of the project cost estimate and responded to a number of questions from ITOC members on specific elements of the overall cost estimate. The total increase in the cost estimate for the extension of SR 52 to SR 67 was $129 million from $470 million to $599 million. Joel
reviewed options for reducing the cost of the project to stay within budget, which included eliminating the interchange work at SR 67 and terminating SR 52 at Magnolia Avenue.

Hamid Bahadori commented that this situation has occurred in several other places around the state and, every time a freeway is terminated and traffic drops off into the local street system, major problems have resulted. He advocated that the project move forward as originally planned. Jim Callaghan raised a concern about making incremental decisions like this before the impact of cost increases on the overall program have been assessed. Other members shared this concern, but felt that in the case of SR 52, a project that is ready to go to construction, there was no other realistic option available, and the project should proceed. Craig Scott described the general process to review the updated project budgets with the ITOC over the next few months and to update the Plan of Finance for the EAP to reflect both the impacts of the recent cost increases and the new matching funds available from Proposition 1B. This process will result in an overall update of the financial picture for delivery of the program.

**ACTION (7-0) -** The ITOC supported Option A, which was the completion of SR 52 to SR 67 as originally proposed, with the additional funding required coming from the future SR 52 managed lanes project. The ITOC also raised a major concern about the trend towards significant cost increases on all major projects and urged staff to initiate the Plan of Finance process as soon as possible so that the impacts to the overall program can be assessed.

**Item 6 - SPRINTER Project Status Report and SANDAG Independent Assessment**

Jim Linthicum reviewed the information included in the agenda package and provided a PowerPoint presentation (Attachment 2) summarizing the status of the SPRINTER project. He reported that 20 of 32 miles of track are complete, including all grade crossings, with the exception of Escondido Avenue in Vista which is nearly complete. With the actions that have been taken to accelerate the communications and systems work, the December 2007 completion date is still achievable.

He also reported that the updated cost to complete estimate was now $448.9 million, as compared to the $448.1 million last month. He reviewed the budget line items that contributed to that change. The cost estimate is still well below the $484.2 million approved as part of the Recovery Plan. Jim also reviewed the “banana curve” for the project, comparing percent spent over time against the percent of the work completed. The SPRINTER project is well within historical norms based on this measurement. Jim reiterated remaining concerns related to the lack of “float” in the construction schedule for systems work and a cost increase on the Inland Rail Trail bicycle facility, which is being constructed as part of the overall SPRINTER construction work.

In response to questions from Jim Callaghan and Hamid Bahadori, Jim Linthicum reviewed the basis for the information provided regarding change orders and described the impact that future claims could have on the overall project. John Meyer asked about the recent newspaper articles regarding citations for water quality violations related to the SPRINTER construction. Jim Linthicum clarified the situation and indicated that the actions to date could provide the basis for fines, but that no fines had been levied to date and that corrective actions are underway.
Item 7 – FY 2006 TransNet Fiscal Audit Status and Proposed Change to the SANDAG Policy on Fiscal Audits

Renee Wasmund reported that the FY 2006 fiscal audit process had been completed and that no significant issues were raised. She reviewed the proposed change to SANDAG’s policy regarding the fiscal audit process that the ITOC had reviewed when it was initially developed in late 2005. The staff was recommending elimination of one of the requirements regarding a limitation on the amount of TransNet funds that each jurisdiction was allowed to maintain. Renee maintained that other components of the policy regarding more detailed monitoring of active and inactive projects through the annual process accomplished the same goal in a different way and that the current policy was creating unintended difficulties for the local agencies.

John Meyer asked if there were any management letters or other major findings as part of the FY 2006 audits. Renee responded that no major issues were identified and that the staff and auditors had worked closely over this last audit cycle to more accurately report the status of local projects, including fund balances and interest earnings. Hamid Bahadori questioned the dropping of the requirement as proposed. He felt it might take away an incentive for local jurisdictions to deliver projects and not build up large fund balances. Renee offered to take another look at the language and to try to strengthen the wording regarding inactive projects to try to address that concern. The revised language would be brought back for the ITOC’s review at the next meeting.

Item 8 – Corridor Mobility Improvement Account (CMIA)-Related Amendment to the TransNet Early Action Program

Jose Nuncio summarized the recommended changes to the TransNet EAP, as outlined in the agenda report. He reviewed the recent actions by the California Transportation Commission (CTC) to allocate funding under the CMIA, the largest of the funding programs authorized by the passage of Proposition 1B. The CMIA funds are focused on construction. In order to develop the projects to the point where they are ready to go to construction, additional funding is required. A total of $82 million in CMIA funds was allocated to the I-805/Carroll Canyon Road project. An additional $20 million in project development work is needed, with $11.7 million coming from the City of San Diego and $8.3 million coming from TransNet funds. The other recommended addition to the EAP was an auxiliary lane project on I-805 from the interchange with SR 54 to E Street in Chula Vista. ITOC members expressed strong support for the proposed project additions. The additional state funding also contributes positively toward the overall goal of achieving a 50 percent TransNet – 50 percent State/Federal/Other matching ratio for the major corridor projects.

**ACTION (7-0):** The ITOC voted to support the recommended changes to the TransNet EAP as stated in the agenda report.

Item 9 – Mid-Coast Transit Project Status

Jim Hecht provided a PowerPoint presentation (Attachment 3) summarizing the status of the Mid-Coast transit project. Jim’s presentation covered the history of the program, which dated back to the inclusion of the Mid-Coast light rail extension in the initial TransNet program in 1987. He reviewed the various studies that have been conducted on this project over the years, the project alignment and station locations, cost estimates, and the upcoming work to be done. In response to several questions from ITOC members, Jim explained some of the requirements of the Federal
Transit Administration (FTA) “New Starts” funding program from which 50 percent of the funding for this project is anticipated. Much of the work being done is directly related to meeting the numerous federal requirements associated with the application process for these federal funds. The next steps in the process are related to supplemental environmental analyses that are required since too much time has elapsed since the previous environmental studies were completed. These studies will include evaluation of bus rapid transit options in the corridor, as well as light rail and a no-build alternative. The results of this alternatives analysis will be brought back to the ITOC for review. Jim also reviewed the steps involved in the preliminary engineering phase under the FTA New Starts process.

Jim Callaghan questioned the lack of stations between Balboa Avenue and the University Towne Center area. Jim Hecht reviewed some of the background related to station location decisions to date and indicated that the station location options will be reviewed again as part of the upcoming studies. Hamid Bahadori asked about the accuracy of the cost estimates for the project. He said we should learn lessons from other projects and try to make the estimates as good as possible. Jim reviewed the status of the cost estimate and stated that a total review of the cost estimate will be required as part of the FTA process. John Meyer recollected that in the past there were issues raised by UCSD about allowing the rail alignment in the campus area and asked what the current situation is in that regard. Staff explained how the current proposed alignment directly serves the campus area on both the west and east side of I-5.

Hamid Bahadori described the experience of Orange County and the expense of conducting all of the federally required studies only to fail in attracting significant federal funding contributions. Jim explained how the FTA evaluates and ranks projects at multiple stages in the process, so we should get several assessments of how well the project might compete for federal discretionary funding and would have the opportunity to reassess whether or not to proceed to the next step. Maryam Babaki said that there seems to be some ongoing controversy regarding light rail transit (LRT) vs. bus rapid transit (BRT) in this corridor and that she was glad to see that a specific BRT alternative is going to be analyzed in the upcoming environmental process. Jim provided some additional information on the alternatives envisioned and how the potential coordination with the Super Loop and COASTER commuter rail services will be considered.

**Item 10 - Super Loop Project Status**

Christine Rychel provided an overview of the Super Loop project including a PowerPoint presentation (Attachment 4). She reviewed the proposed routing of the Super Loop, the station locations and design, the priority treatments envisioned for the vehicles, and the characteristics of the new vehicles proposed for the service. She explained that the Super Loop is part of the Early Action Program (EAP) and that an environmental document (negative declaration) has been prepared and is currently being circulated for public review. The staff is currently involved in a public outreach effort, including conducting community workshops and meeting with community planning groups to inform them about the project. Christine stated that the environmental document is scheduled for adoption in June 2007, the project design should be complete by December 2007, and that operations are scheduled to begin in 2008.

John Meyer and Maryam Babaki raised questions about the routing of the Super Loop and how it was going to coordinate with the Mid-Coast line. Christine described how the service would utilize existing bridges over I-5 to avoid additional operating costs and how the Super Loop would serve as
a distributor for trips coming off of the Mid-Coast line to help passengers get to destinations which may not be in walking distance of the Mid-Coast stations.

**Item 11 - Overview of the Urban Partnership Agreement Proposal**

Jack Boda provided a PowerPoint presentation (Attachment 5) and an overview of the materials provided in the agenda package. He reviewed the background of this new federal initiative, which provides a unique opportunity to attract additional federal dollars to implement innovative, new programs in the region, most of which would benefit the TransNet EAP projects. Jack summarized the numerous programs proposed for consideration under the Urban Partnership umbrella, including BRT service using lane-keeping technology, smart-parking measures to provide a reservation system at facilities like major transit centers, value pricing on managed lanes and ramps, smart vehicles incorporating new traveler information and electronic payment mechanisms, enhanced 511 information services, creation of a regional wireless data network to coordinate a wide range of technology improvements, expansion and enhancement of the Compass card to facilitate transit fare payments for all operators, expanded carsharing and vanpooling programs, implementation of incentive programs to promote use of alternative modes, and the development of an integrated performance management tool. Jack also reviewed the various partners that have expressed interest in working with SANDAG on many of these programs. He also reviewed the schedule for getting input and support from the ITOC, the Transportation Committee and the Board on the grant proposal in order to meet the tight federal deadlines for submitting the grants. Grants are expected to be awarded by October. The grant program is competitive. A total of nearly $1 billion is estimated to be available nationwide. The programs for which the San Diego region would be eligible to compete total approximately $700 million.

Susan Brown provided additional background on the process and where the funds are coming from to support this new federal program. She also described the next steps regarding the transit-oriented portions of this program. Specific transit project lists will be presented to the Transportation Committee and Board in May.

ITOC members expressed support for the proposal. Discussion focused on the challenges of implementing the programs in the 21-month period established for the new program.

**ACTION: The ITOC voted to endorse SANDAG’s proposal under the Urban Partnership Program and to support the submittal of the application.**

**Item 12 - Future Meeting Schedule**

The next regular meeting of the ITOC was scheduled for May 16, 2007, from 9:30 a.m. to 3:30 p.m. at SANDAG. Potential agenda items for the meeting included the next quarterly report on the status of the major corridor projects, an update on the I-15 Managed Lanes project, and a status report on the Environmental Mitigation Program.

**Item 13 - Adjournment**

The meeting was adjourned at 3:00 p.m.
SR 52 CORRIDOR Project Update

*TransNet* Independent Taxpayer Oversight Committee Presentation
Agenda Item No. 5
April 18th, 2007

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SR 52 Corridor Status

- Corridor Update
- Cost Increases
- Reasons for Current Increases
- Options for Managing these Increases
SR 52 Corridor

- **Operational Improvements**
- **New Freeway Segment**
- **HOV/Managed Lanes**

**Westbound Only Auxiliary Lane**

Ground Breaking
October 2006

Final Paving
April 2007
Westbound Auxiliary Lane

Operational Project Status:
- Concrete Paving: Complete
- Open to traffic: April 07
- Project Cost: $6.2 M
- Project Budget: $8.1 M

Eastbound and Westbound Auxiliary Lane

Extends the EB third lane from the summit to Mast Blvd.
Eastbound and Westbound Auxiliary Lane

Operational Project Status:
- Environmental Document Approval: April 07
- Construction Starts: October 07
- Open to Traffic: April 09
- Project Budget: $43.2 M

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HOV/Managed Lanes
Segment 1

Project Status:
- Project Study Report Approval: March 07
- PSR Cost: $283 M
- CIP Budget: $191.2 M
- Shortfall: $91.8 M
- Evaluating Alternatives
### Construction Schedule

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- **Ready to Go**

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**MTS Green Line**

California Public Utilities Commission (CPUC) approved At-Grade Crossing, March 15, 2007
SR 52 New Freeway Segment

- Shoulders
- Aux. Lane
- R/W

Cost Increases
- Caltrans Construction Index
- Construction Increases
- Scope Revisions
Caltrans Construction Index

SR 52 New Freeway Segment
Identified Significant Increases

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<td>$24.2</td>
<td>$24.2</td>
<td>$24.2</td>
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<td>Roadway</td>
<td>$93.5</td>
<td>$115.0</td>
<td>$21.5</td>
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<td>Project Support</td>
<td>$92.5</td>
<td>$101.2</td>
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<td>Right of Way Capital</td>
<td>$205.5</td>
<td>$205.5</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>Totals</td>
<td>$470.6</td>
<td>$599.5</td>
<td>$128.9</td>
<td>$85.7</td>
<td>$43.2</td>
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October 2004 Value Analysis Study mitigated rising Right of Way Capital costs.
SR 52 New Freeway Segment
Management of Project’s Cost Increase

- Cost Reduction Strategies

- Project Options
  (Options A and B)

SR 52 New Freeway Segment
Cost Reduction Strategies

- Independent Cost/Risk Studies

- Coordinate with Regional Projects to locate sources of excess dirt for SR 52

- Delete project features
  - Changeable Message Signs
  - Architectural Treatments
  - Fiber Optic elements

- Refine project design elements
SR 52 New Freeway Segment

OPTION A
Cost: $599.5 M

OPTION B
Cost: $496 M
### SR 52 New Freeway Segment Options

<table>
<thead>
<tr>
<th>PROS</th>
<th>CONS</th>
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<tbody>
<tr>
<td>Completes <em>TransNet</em> Tier 1 project</td>
<td>Project Cost Overrun</td>
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<tr>
<td>Removes regional traffic from Santee City Streets</td>
<td>SR 52 Managed Lanes construction deferred</td>
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<tr>
<td>Completes construction by 2010</td>
<td>SR 52/SR67 Interchange deferred (possibly 20 years)</td>
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<tr>
<td>Constructs the project close to the budgeted amount</td>
<td>SR 52 between Cuyamaca and Magnolia delayed 1 to 2 years</td>
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<tr>
<td>Impacts to local traffic patterns</td>
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</table>

**OPTION A**
$599.5 M

**OPTION B**
$496 M

### SR 52 New Freeway Segment Action Requested

Staff recommends Option A.

The *TransNet* Independent Taxpayer Oversight Committee (ITOC) is asked to support the staff recommendation of Option A for implementation of the SR 52 Freeway Extension.
Current Progress

- Track: 20 of 32 miles complete.
- All grade crossings except Escondido Ave. complete this month.
- DMU’s: brake testing successful. DMU workshop next week with FRA, FTA, & CPUC
- Rancho Del Oro landslide: repair work complete this month.
Schedule

- All major civil work (except stations) to be completed late spring
- Systems and start-up work control Revenue Operations Date (ROD)
  - Systems work accelerated: 3 new crews
- Critical path schedule still Jan ’08
- December 2007 ROD still achievable

Percent Complete

<table>
<thead>
<tr>
<th>Contract</th>
<th>Percent Complete</th>
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<tr>
<td>Mainline</td>
<td>73%</td>
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<tr>
<td>Loop</td>
<td>92%</td>
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<tr>
<td>VMF</td>
<td>98%</td>
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<tr>
<td>DMU</td>
<td>92%</td>
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<tr>
<td>Total - Sep 06</td>
<td>58%</td>
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<tr>
<td>Total - Mar 07</td>
<td>80%</td>
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Mainline SPRINTeR Rail Project

Schedule of Remaining Work

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<tr>
<td>Systems Work</td>
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<tr>
<td>Cal State University San Marcos Loop Project</td>
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<tr>
<td>Mainline Civil and Track Work</td>
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<tr>
<td>Vehicle Maintenance Facility Construction - VMF</td>
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<tr>
<td>Vehicle Testing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Startup and Testing</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
Cost

- Estimate at completion - $448.9M compared to $448.1M last month
  - Relocation of switch & sewer @ Hale Ave.

- Change Orders: 8.3% of work compared to 7.4% last month.

- Budget: $484.2M

Net Change Order Percent to Date - March

<table>
<thead>
<tr>
<th>Change Order Value</th>
<th>Total</th>
<th>Industry</th>
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<tr>
<td>M/L w/o reimb.</td>
<td>10.2%</td>
<td>10.0%</td>
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<td>M/L</td>
<td>7.5%</td>
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<tr>
<td>Loop</td>
<td>8.8%</td>
<td></td>
</tr>
<tr>
<td>VMF</td>
<td>3.8%</td>
<td></td>
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<tr>
<td>DMU</td>
<td>4.6%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>8.3%</td>
<td></td>
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</tbody>
</table>

Contract
(Mainline includes Reimbursables)
Inland Rail Trail (IRT)

- 6.5 mile bike trail in Escondido & San Marcos that parallels the SPRINTER tracks
- Work included in SPRINTER Mainline contract
- Current budget: $26.3 million
Inland Rail Trail

- Shortfall estimated at $3.5 million plus IRT’s share of any future Mainline claim settlements.
- NCTD will complete a detailed analysis of final quantities and other charges this month.
- NCTD is working with SANDAG to identify potential funding sources

PROJECT CONCERNS

- Schedule: lack of “float” in contractor’s schedule for systems work
  - Contractor agreed last week to add 3 new crews
- Need project schedule that “fixes” opening ROD and backs in key milestones
PROJECT CONCERNS

• Traffic signals @ grade crossings need close coordination and cooperation with each local agency to avoid delaying full speed testing of DMU vehicles

PROJECT CONCERNS

• Estimate at Completion:
  – Create a core management team responsible to monitor all costs
  – Revisit estimating assumption made last fall
  – Separate IRT costs from Mainline contract
  – Determine final construction quantities of major elements of work
Rancho Del Oro Landslide

Cal State San Marcos Station
New Track on Rancheros Bridge

Mainline – Soldier Pile Wall at Escondido Ave.
Vehicle acceptance testing – ongoing

VMF – DMU’s stored in newly paved area
Mid-Coast Corridor Transit Project

Independent Taxpayer’s Oversight Committee

April 18, 2007

Mid-Coast Status

• Tier 1 TransNet Early Action Project
• Expedited Project Development
• Next Steps: Environmental Documents (SEIS/SEIR) and Preliminary Engineering (PE)
Mid-Coast Background

- 1984 - Long Range Transit Plan (LRTP) included Mid-Coast LRT
- 1986 - SANDAG Board:
  - included LRTP in the Regional Transportation Plan (RTP)
  - identified preferred alignment
- 1987 - TransNet I approved

Mid-Coast Background

- 1989 - FTA approval to begin Alternatives Analysis (AA)
- 1995 -
  - Completed AA, Draft EIS/EIR
  - Completed Final EIR
  - Continue only to Balboa Avenue
- 2001 - Completed Balboa FEIS/PE
Mid-Coast Background

- 2003 - SANDAG Board Approved Revised Alignment
- 2004 - TransNet II approved
- 2005 - SANDAG Board designated Mid-Coast to University City a Tier 1 Early Action Project

Project Description

- Old Town – UTC
- 11 miles
- 7 stations, including UCSD and UTC
- 15 minute headway
Mid-Coast Funding

- $1.2B total project estimate
  - Escalated to year of expenditure
  - Assumes 2014 opening
- 50% FTA “New Starts”
  - Competitive grant program
  - Fixed guideway transit projects
- 50% Local Match
  - Majority is TransNet
  - TCRP and STIP State Funds

Next Steps

- SEIS/SEIR Required
  - More than three years have passed
  - Changed conditions
- FTA “New Starts” Preliminary Engineering
SEIS/SEIR: Update Alternatives

- No Build
- Transportation Systems Management

- Light Rail Transit
  - Optimize cost effectiveness

- Bus Rapid Transit (BRT)
  - No BRT in previous EIR/EIS

Scoping

- Recommended alternatives presented to:
  - ITOC
  - SANDAG Transportation Committee
  - Public Scoping Meetings
SEIS/SEIR Preparation

- Alternatives analyzed, evaluated, and documented through SEIS/SEIR
- Draft circulated for public review
- Certification of SEIR - SANDAG Board
- Record of Decision - FTA

Preliminary Engineering (PE)

- Submit Request to FTA to Enter PE
- Required to be eligible for FTA “New Starts” funding
- Submit request when:
  - New alternative will not emerge
  - Project scope is well defined
  - Cost estimate is firm
- FTA rates project
FTA Basis of Rating

- Cost effectiveness
- Mobility improvements
- Environmental benefits
- Operating efficiencies
- Transit supportive land uses
- Economic impacts
- Local financial commitment

FTA Rating

- Must be “medium” or better
- Project is rated annually and at:
  - Request to Enter PE
  - Request to Enter Final Design
  - Full Funding Grant Agreement
Preliminary Engineering

- Prepare plans
- Coordinate review by stakeholders
- May develop specifications
- Develop detailed cost estimate
- Begin environmental permitting
- Define right-of-way
- Identify utility relocations

Consultant Selection

- March 15 - Advertised RFQ
- April 12 - Received Statements of Qualifications
- April/May – Short-List, Interview, Recommendation
- June – Negotiation, Notice to Proceed
Questions?

Mid-Coast Corridor Transit Project

Independent Taxpayer’s Oversight Committee

April 18, 2007
Super Loop Transit Project

Independent Taxpayer’s Oversight Committee

April 18, 2007

Super Loop Transit Project

- TransNet Early Action Project
- Environmental/Preliminary Engineering Phase
- North University City
- Direct Bus Circulator
  - 8 miles
  - 15 stops
**Super Loop Project**

**Proposed Routing**

- UCSD / V.A. Medical Center
- Scripps Hospital
- Executive / Genese
- Executive Drive / Transit Center
- La Jolla Commons
- Judicial / Golden Haven
- Nobel / Towne Centre
- Nobel Park
- Nobel Drive / Coaster Station (Proposed)

**Project Elements**

- Simple loop routing
- Station Spacing
- Frequent service
- Upgraded station amenities
- Distinctive vehicles
Priority Treatments

- Traffic signal priority
- New traffic signals

Priority Treatments

- Queue jumpers
- New turn lanes
Location of Transit Priority Treatments

Service Plan

- Bi-directional service
- 5 AM to 10 PM daily
- 10 minute peak
Vehicle Requirements

- **Body Design**: Sleek and Attractive
- **Large Windows**: Bright and Safe
- **Low Floor / Multiple Doors**: Easy, Quick Boarding
- **Alternative Fuel / Propulsion System**: Cleaner, Lower Emissions, Quieter
- **35 feet long**: Community Compatible

Example Vehicles

- **Multiple Door, Low Floor Vehicle**: Large Windows
- **Low Floor Boarding**: Low Floor Boarding
**Station Amenities**

- Raised platforms
- Distinct shelters with lighting
- Benches and leaning posts
- Landscaping
- “Next Bus” message signs
- Information kiosks

---

**Station Shelter Concept**
**Public Involvement**

- One-on-one meetings
- Two community workshops
- University Community Planning Group
- Community newsletters/articles
- SANDAG Website: [www.sandag.org](http://www.sandag.org)

**Schedule**

- Released Negative Declaration for Public Review
- SANDAG Website: [www.sandag.org](http://www.sandag.org)
- Comments due May 15, 2007
- Adopt Negative Declaration June 2007
- Complete design 2007
- Begin operations 2008
Super Loop Transit Project
Independent Taxpayer’s Oversight Committee
April 18, 2007

Mid-Coast Corridor Transit Projects

- Light Rail Transit (LRT)
- Super Loop
UPA Proposal

The “Effects 5/21” Program

Urban Partnership Proposal

• ITS, high return on investment
• Fits within Mobility 2030 model
• Proposals accelerate transit investment and reduce congestion.
• USDOT has imposed a short timeline
• Our region is competitive
**Urban Partnership Proposal**

- Invent, improve, connect ITS projects
- Create a regional network
- Experiment with transportation choices
- ITS systems low investment high return
- Submittal due April 30, 2007

**FTA Proposal: Bus/Facilities**

- Proposal focuses on 5309 Bus/Bus Related Facilities Program
- One time grants available for specific bus improvements
- Competition based, working with operating agencies
- Submittal due May 22, 2007
Opportunity – US DOT’s Urban Partnership Agreement

- Comprehensive congestion reduction strategies
- Innovative, bold, & comprehensive approaches
- Partners given priority access to funding
- Large scale deployments and pilots
- Focus is on effects
- $1 billion available

Objectives - The Four “T’s”:

- Tolling
- Transit
- Telecommuting
- Technology and operations
**UPA Funding Programs**

- Urban Partnerships Agreement
  - Intelligent Transportation Systems (ITS-OTMC)
  - Value Pricing Pilot Program (VPPP)
  - Transportation, Community, and System Preservation (TCSP) Program
  - New Starts/Small Starts Program
  - Bus & Bus Facilities Program
  - Alternatives Analysis Program

**UPA Proposal Approach**

- Being performance driven
- Adopting a balanced approach
- Accelerating progress
UPA Proposal Goals

• Effects 5/21
• Demand management measures
• Capacity management measures

Project Elements
SWOOP
(Transit, Technology, Tolling)

Goal: Competitive transit service

- New South Bay BRT route
- Advanced lane-keeping technology
- Small number of selected freight operators
- Value-priced services
- Evaluate sustainable business model

Smart Parking
(Transit, Technology, Tolling)

Goal: Increase transit ridership

- Parking information and reservation system
- Coaster station pilot
- Develop business model for transit parking expansion
Value Pricing on Managed Lanes, Connectors, and Ramps
(Technology, Tolling)

Goal: Reduce ramp queue backup

- FasTrak system expansion to ramps and connectors
- Reduce backup onto city streets
- Continue delivery of choice services
- Evaluation of other pricing technologies

Smart Vehicles
(Technology, Tolling)

Goal: Evaluate technologies

- Establish a 600 vehicle test fleet
- In-vehicle Traveler Information
- Use vehicles as “probe data” sources for all roads
- Evaluate future electronic payment mechanisms
- Explore possible use of technology to support road user fees
Regional Wireless Data Network
(Transit, Technology, Tolling, Telecommuting)

**Goal: Deliver wireless network**

- Support full range of technology projects defined for the region
  - Smart vehicles and smart parking
  - Enhanced data collection
  - Public access to WiFi on transit vehicles
  - Traveler information and electronic payment
- Platform for cities enhance public safety operations
- Evaluate business model for O&M

Enhanced 511 Services
(Technology, Transit)

**Goal: Deliver decision-quality, real time information**

- Enhanced 511 services
- Smart parking
- Explore business models
Universal Transportation Account
(Technology, Tolling, Transit)

Goal: Better customer service

- Single payment account:
  - Transit
  - Parking
  - Tolls
- User management and analysis of transportation expenses
- Build on and enhance current FasTrak and Compass Card initiatives
- Establish a customer relationship management approach to transportation

FLEXIBLE TRANSIT & ALTERNATIVE SERVICES
(Transit)

Goal: Transit service enhancements

- Rented/leased personal electric vehicles
- Expanded car sharing and vanpool program
- First mile/last mile services
CONGESTION AVOIDANCE REWARDS
(Technology, Tolling, Transit, Telecommuting)

Goal: Introduce incentive program for employers and carpoolers

- Promote rush hour peak spreading
- Reward employers for actual telecommuting by employees
- Reward carpoolers
- Evaluate “congestion avoidance rewards” approach to demand management

Integrated Performance Management
(Transit, Tolling, Technology)

Goal: Develop multimodal analysis, forecasting and management tool

- Coordinated network management
- Convert data into decisions
- Support “management of results”
- Relate results to investments
**Partners**

- All 18 cities and County
- USDOT
- MTS / NCTD
- Caltrans / PATH / CCIT
- Motorola
- IBM
- SWOOP / UPS
- ParkingCarma
- Origin Technologies
- University of Iowa

**Legacy of Achievements**

- I-15 FasTrak Managed Lanes 1996
- AHS Demo 1997
- I-15 Dynamic Tolling 2006
- Regional Transit Management System 2006
- Integrated Multimodal Transportation Management System (IMTMS) 2006
- Regional Transit Scheduling System 2006
- Compass Card 2007
- 511 2007
**Summary**

- UPA focused on the "Big Picture"
- Funding accelerates congestion reduction efforts
- SANDAG approach focused on network management
- Innovative projects delivering results
- Region is competitive
- Support is key to our success!

**Next Steps**

- **April 18, 2007** – ITOC Meeting
- **April 20, 2007** – Transportation Committee
- **April 27, 2007** – SANDAG Board meeting
- **April 30, 2007** – Proposal submittal UPA, ITS, VPP, TCSP
- **May 4, 2007** – Bus proposal - Section 5309 Applications with specific projects presentation to Transportation Committee
- **May 11, 2007** – Board of Director Policy Meeting to approve the Section 5309 Applications
- **May 22, 2007** – Proposal submittal Bus & Bus Facilities Program
- **June 8, 2007** – USDOT begins negotiation with Preliminary Urban Partners
- **August 8, 2007** – USDOT announcement of Urban Partnerships
- **October 1, 2007** – Grant award
Recommendation

The Transportation Committee is asked to recommend that the Board of Directors approve the SANDAG submittal of proposals for the Urban Partnership Agreements and other supporting grant opportunities.

Questions?

www.sandag.org
**UPA Proposal**

The “Effects 5/21” Program

**Bus Program Funds**

- Three Federal Transit Administration programs
  - Fixed Guideway Modernization – Formula
  - Fixed Guideway New Starts – Discretionary for full funding grant agreements
  - Bus and Bus-Related Facilities – Discretionary
    - Total appropriation $898 million
    - Total SAFETEA-LU earmarks - $460 million
- $438 M un-earmarked Bus Program available
Bus Program Funds

Two Notices/Calls for Projects:

1. Support for UPA
   - “Significant Portion of Un-earmarked Funds
   - Preference Given to UPA Projects

2. Standard Bus Discretionary Program
   - Targeted at Improved Mobility, Access, System Integration and Efficiency
   - Preference to FTA Priorities

Bus Program Funds

Limited to bus/bus related capital:

- Purchase of buses/vans
- Maintenance/administrative facilities
- Transfer facilities
- Bus malls
- Intermodal terminals
- Park-and-ride stations
- Passenger amenities
- Miscellaneous equipment
May 16, 2007

AGENDA ITEM NO. 4

Action Requested: INFORMATION/REVIEW AND COMMENT

FY 2006 TransNet FISCAL AUDIT STATUS AND PROPOSED CHANGE
TO THE SANDAG POLICY ON FISCAL AUDITS

File Number 1110200

The ITOC previously reviewed and commented on Board Policy No. 31, “TransNet Ordinance and Expenditure Plan Rules” containing a set of TransNet rules, which were subsequently adopted by the SANDAG Board of Directors on November 18, 2005. One of the TransNet rules (No. 17) concerns the required annual TransNet audits of the TransNet recipients (the 18 cities, County of San Diego, Caltrans, North County Transit District, and Metropolitan Transit System). Rule 17 (Attachment 1) provides implementing guidelines for these audits. Beginning with the FY 2009 audits, these audits will fall under the purview of the ITOC.

All the FY 2006 audits have been completed. After completing the first year of audits under the new TransNet rules, we have concluded that Section IV of Rule No. 17 is redundant with Section III. Section IV says that an agency that maintains a balance of more than 30 percent of its annual apportionment must use the remaining balance to fund projects and that SANDAG will defer payment until the unused balances fall below the 30 percent threshold. The purpose of Section IV was to ensure that agencies were not holding funds in completed or inactive projects. We have found that Section III accomplishes this purpose, and are therefore proposing deleting Section IV of rule No. 17. Based on direction from the ITOC at the previous meeting, we have added additional language to Section III to require an action on the part of the recipient if a project has had no activity since the last audit.

The Executive Committee will be considering this proposed change at its May 11 and June 8, 2007 meetings, with final Board approval scheduled for June 22, 2007. Any comments from the ITOC will be presented to the Executive Committee and the Board when the item is considered for action.

Attachment 1: TransNet Ordinance and Expenditure Plan Rule No. 17 as contained in SANDAG Board Policy No. 31
TransNet ORDINANCE AND EXPENDITURE PLAN RULES

The following rules have been adopted and amended by the SANDAG Board of Directors in its role as the San Diego County Regional Transportation Commission (RTC). The purpose of these rules is to implement the provisions of the original TransNet Ordinance (87-1) and the TransNet Extension Ordinance (04-01).

Rule #17: Fiscal and Compliance Audits

Adoption Date: November 18, 2005
Amendment: Amended at May 25, 2007, Board Meeting.

Text: I. Fiscal and Compliance Audit Procedures

The fiscal and compliance audit is an essential tool to determine that TransNet funds are being used for the intended purposes. The Commission has the fiduciary responsibility to ensure that the public funds are used in accordance with the TransNet Ordinance and Expenditure Plan. In order to complete the audits in a timely manner, SANDAG proposes the following:

A. July/August: SANDAG meets with the auditors to review the audits required for the year and provide all necessary documentation/information for the auditors to begin work.

B. September to November: Auditors schedule site visits. Recipient agencies must be ready and available to meet with the auditors and provide requested financial schedules and other information necessary for the completion of the audit.

C. November/December: Auditors issue draft reports to both SANDAG and the agencies. The agencies must be available to review and comment on the draft report in a timely manner. All outstanding issues should be resolved within four weeks.

D. December/January: Auditors issue the final reports. If there are outstanding issues, those should be resolved so that the audit is completed no later than March.

SANDAG Responsibility: SANDAG will provide all information necessary to complete the audit.

Agency Responsibility: All agencies must be ready for the site visit, provide requested information, and review and comment on the draft reports in a timely manner.

If the auditor is unable to complete the audit because an agency was not ready or did not provide the required information or reviews in a timely manner, then the agency will be deemed in noncompliance of the Ordinance.
SANDAG will withhold future TransNet payments (except for required debt service payments) until the audit is completed.

The Ordinance states that the Commission:

[S]hall not allocate any revenues...to any eligible local agency in any fiscal year until that local agency has certified to the Commission that it will include in its budget for that fiscal year an amount of local discretionary funding for street and roads purposes at least equal to the minimum maintenance of effort requirement. An annual independent audit shall be conducted to verify that the Maintenance of Effort requirements were met. Any local agency which does not meet its Maintenance of Effort requirement in any given year shall have its funding reduced in the following year by the amount by which the agency did not meet its required Maintenance of Effort level. Any local street and road revenues not allocated pursuant to the Maintenance of Effort requirement shall be redistributed to the remaining eligible agencies according to the formula described in [the Ordinance].

Although there are no specific MOE requirements for the highway, transit, or other discretionary programs, the verification of fund usage is essential. Therefore, the withholding of TransNet fund payments applies to all agencies that do not have a completed audit.

II. Exceptions

SANDAG acknowledges the existence of unforeseen circumstances which may prevent an audit from completion. Should situations warrant an extension, the agencies must submit a request for an extension to be considered by the SANDAG Transportation Committee, including an explanation of the situation and specific timelines for completion of the audit.

III. Audit Adjustments

Specific Project Funding/Discretionary Programs

This section applies to funding allocated for the specified projects under the Highway and Transit Programs under Ordinance 87-1, including funding allocated for bicycle facility improvements. Under the TransNet Extension (Ordinance 04-01), this section applies to the Major Corridor funding – Section 4(A) and (B) and the four discretionary programs: (1) Transit Senior program – Section 4(C)(2); (2) Local Environmental Mitigation program – Section 4(D)(2); (3) Local Smart Growth Incentive program – Section 4(D)(3); and (4) Bicycle, Pedestrian, and Neighborhood Safety Program – Section 2(E).

After the projects are completed and there are funds remaining, the agency is required to return the money to the program. After the fiscal audit determines that the project has been completed, SANDAG will transmit a letter to the agency to return the funds to SANDAG. The agency must remit the balance within 60 days of the letter. Should an agency fail to respond in a timely
manner, all future TransNet payments (including funds from the other programs) to that agency will be suspended until the funds are returned.

Local Street and Road Formula Program (Section 4(C) of Ordinance 87-1 and Section 4(D)(1) of Ordinance 04-01) and Transit Funding (Section 4(B) of Ordinance 87-1 and Sections 4(C)(1), 4(C)(3), and 4(C)(4) of Ordinance 04-01).

The audit identifies the status of each project funded with TransNet funds — i.e., completed projects, projects that have negative balances, inactive projects, and ongoing projects. The agencies are responsible to work with the auditors to make proper adjustments as follows:

Completed projects: once a project is identified as completed and there are TransNet funds remaining with that project, the agency is required to transfer the balance to another TransNet-eligible project (any project included in the approved Program of Projects). The audit should make note to which project the funds will be transferred. Completed projects should no longer show in the following year’s audit.

Projects with negative balances: an ongoing project or a completed project may have expended all the TransNet funds but the agency decided to augment with other funds. In this case, the project should show zero balance for the amount of TransNet expended rather than showing a negative balance. If the project is completed, then it should no longer show in the following year’s audit. If the project is ongoing and the agency intends to backfill the project with the following year’s TransNet funds, then it should be noted in the audit. However, this practice is discouraged as it will throw off the MOE calculation.

Inactive projects: if a project has had no activity since the last two audits, the agency must either close out the project and transfer any remaining TransNet funds to another TransNet-eligible project or amend the RTIP to reflect the updated project schedule, or note when the project will be completed. These projects should no longer show in the following year’s audit. Any remaining TransNet funds must be transferred to another TransNet-eligible project.

IV. Local Agency Balance Limitations

Based on the audit, an agency that maintains a balance of more than 30 percent of its annual apportionment (after debt service payments) must use the remaining balance to fund projects. SANDAG will defer payment until the unused balances fall below the 30 percent threshold.
INDEPENDENT TAXPAYER
OVERSIGHT COMMITTEE

May 16, 2007

AGENDA ITEM NO. 5

Action Requested: INFORMATION

AGREEMENT WITH REGIONAL WATER QUALITY CONTROL BOARD
File Number 1200100
CONCERNING IMPLEMENTATION OF THE TransNet EARLY ACTION PROGRAM

Staff will update the ITOC on efforts to provide staff assistance for the Regional Water Quality Control Board to participate in the project development process for the TransNet Early Action Program.

Attachment 1: Agenda Item 4 from the May 4, 2007 Transportation Committee meeting
San Diego Association of Governments

TRANSPORTATION COMMITTEE

May 4, 2007

AGENDA ITEM NO.: 4

Action Requested: APPROVE

AGREEMENT WITH REGIONAL WATER QUALITY CONTROL BOARD
CONCERNING IMPLEMENTATION OF TransNet EARLY ACTION PROGRAM File Number 1200100

Introduction

Due to lack of resources, the Regional Water Quality Control Board (Water Board) does not participate in the project development process for TransNet Early Action Program (EAP) projects. Before construction can begin on EAP projects, the Water Board must issue project conformity permits. Staff is proposing to enter into an agreement to provide funding for Water Board staff to participate in the project development process for EAP projects, improving project quality and streamlining the permit process. Funds would be made available through the TransNet Project Office, work element 1200100.

Discussion

The TransNet Early Action Program includes transportation improvements to nine corridors: Interstate 5 (I-5), I-15, I-805, State Route 52 (SR 52), SR 76, Mid-Coast transit, Orange Line Trolley, Blue Line Trolley, and the SPRINTER. Construction on the SPRINTER and some portions of I-15 have already begun. Before construction can begin on the other corridors, the Water Board must issue permits certifying project conformity with regulations that preserve, protect, and enhance water quality. Large transportation improvement projects often require working in, or over bodies of water. This can cause water quality impacts. Project construction techniques can also produce pollutants that are transported to bodies of water from wind or stormwater runoff. These and other transportation project-related water quality impacts must be properly managed and mitigated.

Currently, due to staff resource limitations, the Water Board does not participate in the project development process (environmental studies and engineering design) for transportation projects. Regular meetings are held with other permitting agencies (i.e. U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, California Department of Fish and Game, California Coastal Commission, etc.). This ensures that project features that avoid, minimize, and mitigate environmental impacts are incorporated into the project design early in the project development process. This makes the project development process more efficient by avoiding expensive project redesign and streamlining the project permitting process. Approval of this agreement will allow for Water Board participation in the project development process, similar to other permitting agencies. Caltrans

Recommendation

Staff recommends that the Transportation Committee authorize the Executive Director to sign an agreement with the State Water Resources Control Board that will provide for California Regional Water Quality Control Board, San Diego Region staff participation in the project development process for TransNet Early Action Program projects. The agreement would be in substantially the same form as Attachment 1. The agreement would last through June 2008. Costs would not exceed $150,000.
currently has a similar agreement in place with other permitting agencies allowing for their participation in the project development process. SANDAG and Caltrans staff feel this proactive effort will help deliver EAP projects more effectively and efficiently by creating a working relationship with the staff of the Regional Water Quality Control Board.

The terms of the agreement would be in effect until June 2008. The Water Board would invoice SANDAG for reimbursement for the hours of work actually performed under the terms of this agreement up to $150,000. TransNet funds from the TransNet Project Office budget, work element 1200100, would be used for this expense.

JACK BODA
Director, Mobility Management and Project Implementation

Attachment: 1. Agreement between State Water Resources Control Board and SANDAG

Key Staff Contact: Richard Chavez, (619) 699-6989, rch@sandag.org
AGREEMENT NO. XX-XXX-XX-X
BETWEEN
THE STATE WATER RESOURCES CONTROL BOARD
AND
THE SAN DIEGO ASSOCIATION OF GOVERNMENTS

The State Water Resources Control Board, (State Water Board), on behalf of the California Regional Water Quality Control Board, San Diego Region (Regional Water Board), and the San Diego Association of Governments (SANDAG), enter into this agreement as follows:

I. Scope of Agreement

A. The State Water Board agrees to perform work in accordance with the terms and conditions contained herein.

B. The work performed under the agreement shall be under the direction of the State Water Board. SANDAG shall provide funding only. The State Water Board retains complete discretion to act as provided by law. The only limitation this agreement makes on the State Water Board is the category of projects to which the resources from SANDAG will be dedicated as set forth in paragraph IV of this agreement.

II. Term

The duration of this agreement shall be February 1, 2007, through June 30, 2008, if approved by the State Department of General Services, unless terminated sooner by either party upon thirty (30) days written notice. This agreement may be amended upon mutual written agreement of the parties.

III. Contract Managers

The Contract Manager for the State Water Board shall be Chiara Clemente of the Regional Water Board. The Contract Manager for SANDAG shall be Richard Chavez, Principal Transportation Engineer. A party may change its Contract Manager at any time upon written notice to the other party.

IV. Work to be Performed

Within the TransNet Early Action Program with transportation improvements to the I-5, I-15, I-805, SR 52, SR 76, and Mid-Coast Transit corridors, or other areas approved by SANDAG, the State Water Board agrees to perform the following work pertaining to environmental reviews for transportation projects:

A. Participate in scoping meetings and other inter-agency meetings that occur during the preliminary phases of projects.
B. Identify and assist with the development of project design necessary to ensure protection of water quality and provide input to project planners and engineers.

C. Identify projects that will require environmental mitigation, and the appropriate mitigation measures and mitigation monitoring, and provide input to project planners and engineers.

D. Review project Notice of Exemption, Negative Declaration, Environmental Impact Report and Environmental Impact Statement documents and provide comments on water quality issues to lead agencies.

E. Review project environmental documents and recommend that the Regional Board either support or challenge those documents within the statutory deadlines.

F. Coordinate permitting activities (Clean Water Act Section 401 Certifications or Waste Discharge Requirements) with results from environmental reviews to ensure identified environmental impacts and proposed mitigation measures and mitigation monitoring are addressed in subsequent permits.

V. Meetings and Reports

State Water Board agrees to conduct quarterly meetings with SANDAG staff to review and coordinate ongoing activities performed in accordance with this agreement. In addition, the State Water Board will submit quarterly reports to SANDAG describing the Regional Water Board activities, progress made, and time expended using the agreement resources.

VI. Cost and Payment

A. Upon completion of the foregoing, SANDAG agrees to reimburse the State Water Board for cost of performance. Actual reimbursement shall be based on the hours of work actually performed. In no event shall the total amount paid to the State Water Board under this agreement by the SANDAG exceed one hundred fifty thousand dollars ($150,000.00)

B. SANDAG shall reimburse the State Water Board in arrears, upon receipt of an itemized invoice. Invoices shall be submitted to:

Richard Chavez
SANDAG
401 B Street, Suite 800
San Diego, CA 92101
C. The State Water Board shall pay its employees’ necessary and reasonable travel expenses and per diem allowance incurred during the performance of work under this agreement from funds provided in this agreement at rates not to exceed those amounts paid to the State’s represented employees under collective bargaining agreements currently in effect. Reasonable travel expenses and per diem allowances incurred shall be reimbursable.

D. The State Water Board shall provide written notice to SANDAG thirty (30) days in advance of any proposed rate changes to salaries, wages, benefits, or operating expenses associated with the work to be performed under this agreement.

E. The total contract amount shall not exceed $150,000.00. The total amount is conditionally agreed to by SANDAG contingent upon approval of the pertinent fiscal years’ budget by the SANDAG Board of Directors. In the event that budget appropriations are not approved, this agreement shall terminate when the appropriated funds are depleted or at the beginning of the fiscal year for which such appropriation is not approved, whichever occurs first, unless this agreement is otherwise amended.

VII. Access to Facilities, Premises and Records

At all reasonable times during the term of this agreement and for three (3) years following final settlement, the Bureau of State Audits, SANDAG or any designated representatives shall have access to the records of the State Water Board related to the work performed under this agreement and the State Water Board shall make such records available for inspection, audit, and copying by the Bureau of State Audits, SANDAG or any designated representative.

VIII. Budget

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VIV. Miscellaneous Provisions

A. Each party agrees to defend, indemnify and hold harmless the other party’s, Board of Directors, officers, contract management and staff, agents, and member agencies from any and all liability, claims, damages or injuries to any person or property, including injury to the other party’s employees, arising from or connected with the other party’s performance of or failure to perform its obligations under this agreement.
agreement. The indemnification provisions of this agreement shall survive termination of
the agreement.

B. For purposes of this agreement, the relationship of the parties is that of
independent entities and not as agents of each other or as joint venturers or partners.
The parties shall maintain sole and exclusive control over their personnel, agents,
consultants, and operations.

C. This agreement shall be interpreted in accordance with the laws of the State of
California. If any action is brought to interpret or enforce any term of this agreement, the
action shall be brought in a state or federal court situated in the County of San Diego,
State of California.

D. Nothing in the provisions of this agreement is intended to create duties or
obligations to or rights in third parties to this agreement or affect the legal liability of the
parties to this agreement.

STATE WATER RESOURCES CONTROL BOARD

_________________________________   _______________________
Esteban Almanza, Chief                  Date
Division of Administrative Services

SAN DIEGO ASSOCIATION OF GOVERNMENTS

_________________________________   _______________________
Gary Gallegos, Executive Director       Date

DEPARTMENT OF GENERAL SERVICES
Introduction
This report provides an overview of the TransNet Early Action Program (EAP) in terms of cost control and schedule adherence and the general trends that affect both cost and schedule. This overview fulfills the ITOC requirement defined in the TransNet Ordinance to review the major congestion relief projects for performance in terms of cost control and schedule adherence on a quarterly basis.

Discussion
The TransNet EAP includes improvements to nine transportation corridors: Interstate 5 (I-5), I-15, I-805, State Route 52 (SR 52), SR 76, Mid-Coast transit, Blue Line Trolley, Orange Line Trolley, and the SPRINTER transit corridor. The TransNet Dashboard reporting system is used to track cost control and schedule adherence for TransNet EAP projects. The Dashboard can be accessed at www.KeepSanDiegoMoving.com. The Blue Line Trolley, Orange Line Trolley, and SPRINTER are recent additions to the EAP and have not yet been added to the Dashboard.

Schedule Adherence
Constructed improvements on the I-5, I-15, I-805, SR 52, SR 76, SPRINTER and Mid-Coast corridors remain on schedule. More detailed schedule information can be found in Attachment 1.

Cost Control
Cash flow charts from the Dashboard can be found in Attachment 2. These charts indicate that the actual expenditures are tracking closely against budgeted amounts for the majority of the projects. Projects where expenditures are accruing more slowly than anticipated include the I-15 FasTrak® project and the I-15 bus rapid transit (BRT) projects. The I-15 FasTrak® project has proved challenging and is off to a slow start; however, the project team expects to soon have the system integrator selected with rapid acceleration of expenditures and progress. Approval of the transit operating plan for I-15 BRT should accelerate expenditures and progress. The operating plan has identified the need for parking structures at the Rancho Bernardo and Sabre Springs I-15 BRT stations. A budget increase may be needed to fund these parking structures. Construction cost escalation above normal escalation rates have resulted in a funding shortfall for the I-15 corridor projects. A separate detailed report on I-15 cost increases is included in this agenda.
Projects where expenditures are accruing more rapidly than anticipated include the I-805 North and especially the I-805 South environmental documents. Caltrans is reviewing strategies to contain the costs of developing the documents for these projects. However, a cost increase over the $26 million budgeted amount is expected. Once the review has been completed, a detailed report will be presented to the ITOC.

Progress continues on the SR 76 corridor projects. However, progress on the SR 76 Environmental Enhancement project is slower than anticipated. Caltrans is currently working on the acquisition of three parcels in the San Luis Rey river valley that will partially fulfill project mitigation requirements. Material and labor price increases continue to be problematic. A separate detailed report on SR 76 cost increases will be included in a future ITOC agenda.

**Trends**

Construction costs continue to rise. The Caltrans construction cost index is up 63.8 points (21%) to 363.9 for the first quarter of 2007 compared to the fourth quarter of 2006 when the index was at 300.1. The average number of bidders on Caltrans construction projects over $5 million is up by 1.6 bidders at 5.6 for the first quarter of 2007 compared to the fourth quarter of 2006 when the average number of bidders was 4.0. More bidders mean increased competition, which typically translates to lower bid prices on construction projects. The resale price of single-family homes is a good indicator of right-of-way costs for transportation projects. The average resale price for San Diego County for February 2007 was $544,100, down $19,400 compared to February 2006 when the average resale price was $563,500. See Attachments 3 through 5 for more information.

**Performance of Recently Implemented Projects**

An additional westbound SR 52 lane between Santo Road and the Oak Canyon Bridge was opened to traffic on May 1, 2007. This completed Phase 1 of the three phase SR 52 Operational Improvements project. Phase 2 will extend the westbound lane to I-15, Phase 3 will construct an additional eastbound lane. The highway Performance Monitoring System (PeMS), developed by Caltrans and UC Berkeley with financial assistance provided by SANDAG, allow a comparison of traffic conditions before and after the lane opening. The morning westbound commute on SR 52 is especially problematic. Total delay (in hours) experienced by traffic on westbound SR 52 between SR 125 and I-15 has dramatically improved since the new lane was opened. Attachment 6 shows the total weekday delay in hours on westbound SR 52 between April 23 and May 7, 2007. Note the dramatic decrease in traffic on Wednesday, May 2 (after the lane opening) compared to the previous Wednesday, April 25, 2007. The total delay of vehicles traveling west on SR 52 dropped from over 800 hours per day to less than 100 hours. While the project has not eliminated all of the delay on westbound SR 52, the total delay has been greatly reduced. This project has Traffic conditions on this stretch of SR 52 will continue to be monitored.

PeMS can be accessed at: http://pems.eecs.berkeley.edu/.

**Attachments:**
1. Schedule for TransNet Early Action Program
2. Cash Flow to Date Charts for EAP Projects
3. Caltrans Quarterly Construction Price Index
4. Average Resale Price for a Single Family Home – San Diego County
5. Average Number of Bidders – Caltrans Construction Projects
6. Hours of Delay – Westbound SR 52 between SR 125 and I-15 (4/23/07 to 5/7/07)
SR 76 Middle

Cash Flow To Date

Millions of Dollars

0 1 2 3

Jul 05 Jan 06 Jul 06 Jan 07
Oct 05 Apr 06 Oct 06 Apr 07

Budgeted
Actual

SR 76 East

Cash Flow To Date

Millions of Dollars

0 1 2 3

Jul 05 Jan 06 Jul 06 Jan 07
Oct 05 Apr 06 Oct 06 Apr 07

Budgeted
Actual

I-805 South

Cash Flow To Date

Millions of Dollars

0 1 2

Jul 05 Jan 06 Jul 06 Jan 07
Oct 05 Apr 06 Oct 06 Apr 07

Budgeted
Actual
Average Resale Price for a Single Family Home - San Diego County

$480,000
$490,000
$500,000
$510,000
$520,000
$530,000
$540,000
$550,000
$560,000
$570,000
$580,000

Apr-04
Jun-04
Aug-04
Oct-04
Dec-04
Feb-05
Apr-05
Jun-05
Aug-05
Oct-05
Dec-05
Feb-06
Apr-06
Jun-06
Aug-06
Oct-06
Dec-06
Feb-07
Average Number of Bidders - Caltrans Construction Projects

Projects Over $5 million
All Projects
Hours of Delay
Westbound SR 52 between SR 125 and I-15 (4/23/07 to 5/7/07)

New Westbound Lane
Opened to Traffic
INTRODUCTION

Caltrans and SANDAG are jointly developing the Interstate 15 Managed Lanes/Bus Rapid Transit (I-15 ML/BRT) project included in the TransNet Early Action Program (EAP) authorized by the SANDAG Board of Directors in January 2005. This project includes construction of four managed lanes, operational improvements, implementation of the region’s first BRT service, and expansion of the existing FasTrak® system. This report provides an overview of project progress and an update of the project budget.

RECOMMENDATION

Due to construction price escalation over previously assumed escalation rates, the ITOC is asked to support a $37.7 million increase to the I-15 ML/BRT project budget. This would increase the budget from $1.25 to $1.29 billion.

DISCUSSION

The I-15 ML/BRT project covers a 35-mile corridor that stretches from downtown San Diego to State Route (SR) 78 in Escondido. The project includes BRT service, 20 miles of Managed Lanes, and the expansion of the FasTrak® electronic toll collection system.

I-15 MANAGED LANES

Four Managed Lanes will be constructed in the median of I-15 between SR 163 and SR 78. The Middle Segment stretches from SR 56 to Centre City Parkway, is currently under construction, and is scheduled to be open to traffic by December 2008. The South Segment, from SR 163 to SR 56, and the North Segment, from Centre City Parkway to SR 78, are currently under design and will be constructed between 2008 and 2012. Attachment 1 shows the location of the three Managed Lane segments.

- **ML - Middle Segment**

  The Middle Segment extends from SR 56 to Centre City Parkway in Escondido and is eight miles in length. Four new Managed Lanes will be constructed in the median of I-15 separated by a moveable barrier. The moveable barrier will allow for three lanes in the southbound direction, one lane in the northbound direction, and vice versa, during peak travel conditions. Three new
DAR interchanges will provide direct access to the Managed Lanes. Additional general purpose lanes and auxiliary lanes will also be included. Significant construction progress has been made on this segment since the beginning of construction in December 2003. To date, over $220 million in constructed improvements have been completed, $120 million remain. The project includes extensive reconstruction of the northbound and southbound lanes and existing bridges to accommodate the new Managed Lanes. The necessary widening of the Camino del Norte and Rancho Bernardo bridges has been completed. A new Pomerado/West Bernardo overpass bridge was completed in January 2007. The new Carmel Mountain Road overpass bridge will be completed in June 2007. The SR 56/Ted Williams overpass bridge and Middle Segment sound walls will be completed in August 2007. To date, one-half of the Rancho Bernardo DAR interchange and two-thirds of the Sabre Springs DAR interchange are complete.

By the end of 2007, significant work will be completed on the three new bridges at Bernardo Center Drive, Green Valley Creek, and Lake Hodges. This will allow for the opening of one additional southbound and one additional northbound general purpose lane across Lake Hodges. The will help to relieve one of the region’s most troubling bottlenecks: I-15 at the Lake Hodges bridge.

The last bridge at Bernardo Center Drive and the remaining portions of the Rancho Bernardo and Sabre Springs DAR interchange will be completed by mid-2008. After the completion of the initial FasTrak® system work, the Managed Lanes will be opened to traffic from SR 56 to Rancho Bernardo Road. The remaining work to the north, including bridges at Green Valley and Lake Hodges and the Managed Lanes construction between Via Rancho Parkway, and Centre City Parkway are scheduled for completion by December 2008. After the completion of the final FasTrak® system work, the Managed Lanes will be opened to traffic from SR 56 to Centre City Parkway.

A series of landscaping projects are scheduled to begin in 2009. Cash flow constraints are restricting the ability to accelerate the commencement of these landscaping projects. Caltrans and SANDAG are looking at opportunities to advance funding so the projects can begin in 2008 or sooner.

The Middle Segment budget is $428 million. A series of construction contract change orders have been issued to pay for necessary construction changes. An example includes a $5.4 million change order to cover cost increases of the Lake Hodges bridge construction. It was initially assumed that the construction could be completed under dry conditions; however, record rainfall since the beginning of construction has required construction under wet conditions. The change order covers impacts to the prime contractor, but does not cover impacts to subcontractors. The Middle Segment contingency budget is expected to be depleted by the completion of construction, with no reserve for any construction-related claims that may remain unresolved. Future budget adjustments may be required to cover these potential costs.

**ML - North Segment**

The North Segment includes the construction of four Managed Lanes, two in each direction with a fixed barrier in between. The segment also includes operational improvements and a DAR interchange. The segment stretches four miles between Centre City Parkway and SR 78. The North Segment includes two roadway construction units and two landscaping projects. Unit 1 is from Centre City Parkway to just north of Ninth Avenue, and Unit 2 extends from Ninth
Avenue to SR 78. A storage and maintenance facility will be built on the northwest corner of Del Lago Boulevard and I-15 for the movable barrier transfer machines. The North Segment is being designed by a combination of Caltrans staff and SANDAG consultants. The plans are approximately 60 percent complete and are scheduled to be complete in early 2008. Construction is scheduled to begin in mid 2008, with Managed Lanes open to traffic by the end of 2011.

There are two factors that may affect the schedule for the North Segment. First, the project requires California Public Utility Commission (CPUC) clearance for the widening of the West Washington Avenue bridge over the SPRINTER rail corridor. Caltrans has been working with the North County Transit District (NCTD) to obtain the required approval from the CPUC. Second, the project includes a $19 million contribution from the State Highway Operations and Protection Program (SHOPP) for the addition of general purpose lanes and auxiliary lanes. These funds are currently programmed in FY 2009/10. These improvements are scheduled for construction in FY 2007/08. Caltrans is working with the California Transportation Commission to try to advance these funds to FY 2007/08.

The current approved budget for the Managed Lanes – South Segment is $220.6 million in escalated dollars. The current escalated estimate for the North Segment is $250.6 million, a $30 million increase. Costs are based on current bid prices for construction items (concrete, asphalt concrete, reinforcing steel, earthwork, etc.). An escalation factor of 3.6 percent per year is assumed. Actual annual escalation rates are currently closer to 25 percent. The difference between the actual escalation rate and the assumed escalation rate accounts for the $30 million cost increase. There have been no changes to the scope of the North Segment, and therefore, no cost increases due to scope changes, see Table 1 on page 6.

**ML - South Segment**

The South Segment includes the construction of four managed lanes, two in each direction with moveable barrier in between, on the stretch of I-15 between SR 163 and SR 56. It is comprised of three roadway units and three follow-up landscape projects. Unit 1 is from SR 52 to Carroll Canyon Road, Unit 2 is from Miramar/Pomerado Road to Mira Mesa Boulevard, and Unit 3 is from Mira Mesa Boulevard to SR 56. An additional project, referred to as Unit 5, will build the Mira Mesa/Scripps Ranch Community DAR interchange.

The South Segment is being designed by a combination of Caltrans staff and SANDAG consultants. The plans are approximately 60 percent complete and are on schedule to be complete in early 2008. Construction could begin as early as mid 2008 with the new Managed Lanes open to traffic by the end of 2012.

Environmental studies are being completed for the Mira Mesa/Scripps Ranch Community DAR interchange and are scheduled to be completed in early 2009. The interchange cost and schedule will be revised when the scope is defined in the final environmental document.

The South Segment recently received a $350 million contribution from the California transportation infrastructure bond measure (Proposition 1B), Corridor Mobility Improvement Account (CMIA). These funds will be used for the construction of the Managed Lanes. The I-15 South Segment application was ranked as one of the top applications. This is a major success for the region. The CMIA funds reduces the amount of TransNet funds required for the I-15 ML/BRT project and improve the balance of TransNet to State/Federal funding from a 53/47 split to a
27/73 split, see Table 1 below. The funding goal for the TransNet program of projects is to achieve a 50/50 split between TransNet and State/Federal funding.

I-15 Bus Rapid Transit (BRT)

I-15 BRT implementation is divided into three work segments. The BRT - North Segment is a 20-mile corridor between SR 163 and SR 78 and includes the construction of five BRT stations: Escondido, Del Lago, Rancho Bernardo, Sabre Springs/Peñasquitos, and Mira Mesa. Each station will include park-and-ride facilities and bus staging areas. The BRT - South Segment includes BRT stations at University Avenue and El Cajon Boulevard in the Mid-City community of San Diego and development of downtown San Diego stations that support both I-15 and I-805 BRT operations. The third work segment includes the procurement of BRT vehicles. BRT service is planned for initial operation in 2012. Attachment 2 shows the location of the BRT stations.

- **BRT – North Segment**

At its October 6, 2006 meeting, the Transportation Committee reviewed and approved the I-15 BRT Operations Plan. The I-15 BRT Operations Plan indicated there would be shortfalls in the surface parking capacity originally planned for the BRT - North Segment stations.

An Escondido Transit Center Master Plan is currently being prepared by the City of Escondido and NCTD. This plan includes significant redevelopment of the facility, including commercial and residential development. A public-private partnership, including a parking structure, is being considered. SANDAG may be asked to participate in the funding of this potential future parking structure. A public-private partnership would reduce the public capital cost. In addition, discussions are ongoing with Riverside County officials to determine whether BRT service can be extended into Riverside County to minimize the need for parking at the Escondido Transit Center. The parking shortfalls at the Del Lago station are planned to be accommodated at satellite locations.

The Rancho Bernardo and Sabre Springs/Peñasquitos stations will be constructed in phases. The interim stations will open with surface parking in 2008, concurrent with the opening of the Managed Lanes between SR 56 and Rancho Bernardo Road. Existing commuter express bus service will use these stations until BRT operations begin in 2012. The design plans for the interim stations have been completed. Construction is scheduled to begin in September 2007 and be complete by mid 2008. The final design for the stations includes parking structures. Public-private private partnerships are being investigated in order to help finance the cost of these structures. These parking structures are estimated to cost between $50 and $60 million. These parking structures are scheduled to be finished by 2012.

The Mira Mesa Transit Center includes the development of a two-acre bus transit center within the Miramar College campus. SANDAG, Caltrans, and the San Diego Community College District are working on an agreement to address right-of-way and operational issues. This station is scheduled to be completed by 2011.

The current approved budget for the BRT - North Segment is $48.7 million. The current escalated estimate for the interim station work is $56.4 million, a $7.7 million increase. Costs are based on current bid prices for construction items (concrete, asphalt concrete, reinforcing steel, earthwork, etc.). An escalation factor of 3.6 percent per year is assumed. Actual annual escalation rates are currently closer to 25 percent. The difference between the actual escalation rate and the assumed escalation rate accounts for the $7.7 million cost increase. There have
been no changes to the scope of the BRT - North Segment, and therefore, no cost increases due to scope changes, see Table 1 on page 6.

There are still many details surrounding the final design of the BRT - North Segment stations. The cost of parking structures and satellite parking is not currently included in the budget. These costs may be reduced or even eliminated if public-private partnerships are successfully developed.

- **BRT - South Segment**

  The BRT - South Segment includes the construction of stations at El Cajon Boulevard and University Avenue in the Mid-City community of the City of San Diego. The BRT - South Segment also includes the development of downtown stations that support I-15 and I-805 BRT operations. Design concepts are being developed for the El Cajon Boulevard and University Avenue stations. Space limitations and traffic safety issues are constraining the range of alternatives. SANDAG, Caltrans, and the Metropolitan Transit System (MTS) are currently evaluating the alternatives. A key decision will be whether to have center-platform stations in the median of I-15 or ramp stations at the terminus of the I-15 on and off ramps. High occupancy vehicle system and transit system trade-offs are at issue. Transportation system modeling work is being completed. A detailed assessment of the issues is being prepared.

- **Vehicle Procurement**

  Many exciting BRT vehicle options and models exist. MTS and SANDAG will begin the BRT vehicle selection and procurement process in 2009 with delivery and start-up scheduled for 2012.

- **FasTrak®**

  FasTrak® currently allows solo drivers to pay a fee through electronic toll collection to use the Express Lanes in the median of I-15 between SR 163 and SR 56. To participate, solo drivers must have a pre-paid FasTrak® account and transponder in their windshield when they use the Express Lanes. Carpoolers and public transit riders use the Express Lanes for free. SANDAG has received proposals for the design, installation and maintenance of the new FasTrak® system that will be deployed with the I-15 ML/BRT project. SANDAG is reviewing the proposals and will select a firm to begin developing the new FasTrak® system by July 2007. The new FasTrak® system will be deployed in phases. The initial phase will coincide with the opening of the Managed Lanes between SR 56 and Rancho Bernardo Road. The final system will be deployed with the opening of the Managed Lanes between Rancho Bernardo Road and Centre City Parkway.
Table 1
Proposed Budget Increase for the I-15 ML/BRT Project
(Millions of dollars escalated to year of expenditure - rounded)

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<th>Proposed Budget</th>
<th>Budget Increase</th>
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Funding Plan

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Percent

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Attachments: 1. I-15 Managed Lanes  
2. I-15 BRT Stations
At several meetings last year, the ITOC reviewed the status of the SPRINTER project and the related financial plan for fully funding the project. During those meetings, it was requested that the ITOC and the SANDAG Transportation Committee receive regular updates on the ongoing implementation of the SPRINTER and SANDAG’s independent assessment of the final cost estimates and the schedule for completion of the project. This is the next in that series of status reports.

Attachment for this report:

- Attachment 1 – Transportation Committee report for the May 4, 2007 meeting summarizing the progress on the implementation of the SPRINTER rail project.
SPRINTER PROJECT STATUS REPORT AND SANDAG INDEPENDENT
ASSESSMENT

Introduction

The North County Transit District (NCTD) SPRINTER Rail Project converts an existing 22-mile freight rail corridor into a Diesel Multiple Unit (DMU) transit system connecting Oceanside, Vista, unincorporated County areas, San Marcos, and Escondido. The SPRINTER is a TransNet 1 funded project. In response to requests from NCTD and the Federal Transit Administration (FTA), SANDAG staff is currently providing support and oversight services for the project and has been asked by the SANDAG Board of Directors to report on its progress monthly to the Transportation Committee.

Discussion

Current Progress

SPRINTER project construction continues at a rapid pace. Track construction is ongoing; all grade crossings except Buena Creek and Escondido Avenue are complete, all platforms have been poured, and most platform canopies erected. Communication and signal systems installation continues to be the main focus of the contractor’s efforts with railroad signal devices being erected and grade crossing warning devices being installed.

The communication system is based on a fiber optic network. All conduit is installed throughout the corridor and 85 percent of the fiber optic cable in place. The remainder of the cable is scheduled to be complete this month.

Five station parking lots will be paved this month with the remainder this summer.

Schedule

Overall, the four contracts are 80 percent complete as of the end of March based on billings to date. The California State University, San Marcos (CSUSM) Loop contract is 92 percent complete; the remaining work will not impact the overall project critical path. The Vehicle Maintenance facility at 98 percent is substantially complete and the building was occupied by NCTD and its contract operator staff in late April.

All 12 of DMU vehicles are on the property. Brake testing is complete and exceeded all standards required by contract and the California Public Utilities Commission (CPUC). Six vehicles have received preliminary acceptance with the remaining six expected this month. NCTD hosted a workshop with the CPUC, the Federal Railroad Administration (FRA), and the Federal Transit Administration (FTA) on April 24, 2007, with the goal of identifying any remaining regulatory concerns regarding the DMU vehicles. Test data was reviewed by the group and no concerns were expressed by any party about proceeding to revenue operations.
As reported in previous months, the signal and communication systems work is the critical element in determining the final completion of construction and the start of revenue service. The critical path schedule shows a revenue operations date (ROD) no earlier than January 2008. However, the contractor continues to increase his staff and has committed to NCTD to meet a December 2007 ROD. In order to monitor progress, the contractor and NCTD team have developed a detailed matrix to track milestone dates for signal work at 80 separate locations. We continue to monitor this very closely.

**Cost**

The NCTD estimate at completion (EAC) is $448.9 million compared to $448.1 million last month. The majority of the increase is from relocation of a switch and sewer line at Hale Avenue, grade crossing revisions at Coast Highway, and work to repair damage done by a freight derailment. NCTD is seeking insurance reimbursement for the derailment costs. Note that the “not-to-exceed” budget included in the amended recovery plan for the FTA is $484.2 million.

Each station adjacent to track that services both freight and passenger vehicles requires “gangways” to bring the platform close enough for passenger boarding of the DMUs during the day while providing clearance for freight traffic to pass at night. The gangways need to be modified to meet CPUC requirements. These changes will increase the cost but should not have an impact on schedule.

The work to repair the Rancho Del Oro landslide is complete. The total cost is approximately $2.3 million, all of which is included in the current EAC.

NCTD has received two notices from the Regional Water Quality Control Board (Regional Board) for violations of its stormwater permit. The issues presented by the Regional Board have been addressed by NCTD. Although the notices do not assess penalties, the Regional Board is not precluded from doing so at a later date. Per contract provisions, any penalties would be responsibility of the contractor.

Cumulatively, for all four contracts, approved change orders stand at 8.3 percent of work compared to 7.4 percent last month.

**Inland Rail Trail**

SANDAG previously reported that the Inland Rail Trail (IRT) has a large budget deficit. This is relevant to the SPRINTER Project because the work is part of the Mainline construction contract. In early May 2007, NCTD will complete a detailed analysis of final charges to the IRT including construction quantities, utility charges, and change order work in order to determine the actual deficit. NCTD and SANDAG staffs are investigating funding options.

**Project Concerns**

The Mainline contractor is developing a new baseline schedule that shows all work needed to be complete in order to meet a December 2007 ROD. Although the matrix described above for the signal work is a significant step in the right direction, until this new baseline schedule is received NCTD will not have the best tool to track progress and predict completion.
Last month, staff made a recommendation that NCTD conduct a thorough review of the EAC, including assumptions made during its development last fall. NCTD has committed to conduct this review in early May.

JACK BODA
Director of Mobility Management and Project Implementation

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