EXECUTIVE COMMITTEE DISCUSSION AND ACTIONS
JUNE 13, 2008

Chair Mary Sessom (East County) called the Executive Committee meeting to order at 8:02 a.m. The attendance sheet for the meeting is attached.

1. APPROVAL OF MINUTES

Upon a motion by Council President Pro Tem Jim Madaffer (City of San Diego) and a second by Supervisor Greg Cox (County of San Diego), the minutes of the May 9, 2008, Executive Committee meeting were unanimously approved.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBERS COMMENTS

There were no public comments, communications, or member comments.

REPORTS (3 through 8)

3. PROPOSED MEMORANDUM OF UNDERSTANDING WITH THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS FOR PHASE III OF THE INTERSTATE 15 INTERREGIONAL PARTNERSHIP (APPROVE)

Jane Clough-Riquelme, SANDAG Project Manager, reported that the purpose of this Memorandum of Understanding (MOU) is to foster collaborative strategies for economic development and housing to improve the quality of life and to reduce impacts of interregional commuting. Action today would give the SANDAG Executive Director permission to enter into an MOU with the Western Riverside Council of Governments (WRCOG) to share in the tasks and funding for Phase III of the Interstate 15 Interregional Partnership (I-15 IRP) project, in an amount not to exceed $161,500. To date, WRCOG and SANDAG have received several grants from Caltrans for the I-15 IRP. She reviewed the work conducted in Phases I and II. Caltrans has provided two grants for Phase III, one for economic development and housing, and another to improve the vanpool programs and look at possible transit options in the I-15 corridor. The funding and tasks for Phase III have been included in the SANDAG FY 2009 Budget and Overall Work Program. SANDAG and WRCOG will provide their respective local match for the grants.

Council President Pro Tem Madaffer asked about the period of time for these funds. Ms. Clough-Riquelme replied that the money would cover the work through the project period (February 2010). WRCOG is the lead agency.
Council President Pro Tem Madaffer asked about the dates for this project. Julie Wiley, General Counsel, referred to item 12 on page 5 of the agenda report, which references a February 28, 2010, MOU termination date.

**Action:** Upon a motion by Council President Pro Tem Madaffer, and a second by Second Vice Chair Jerome Stocks (North County Coastal), the Executive Committee voted to authorize the Executive Director to enter into an MOU with WRCOG on behalf of SANDAG for Phase III of the I-15 IRP, in substantially the same form as attached to the agenda report. Under the MOU, SANDAG would receive a maximum of $161,500.

4. ANNUAL REVIEW OF COMMITTEES AND WORKING GROUPS (APPROVE)

Victoria Stackwick, Associate Legislative Analyst, reported that SANDAG Board Policy No. 001 sets forth responsibilities for the Board and Policy Advisory Committees (PACs). In accordance with this policy, the Executive Committee is responsible for annually reviewing the list of all of SANDAG’s lower-level of committees and working groups to determine the need to maintain the committee or working group and/or to approve any revisions in functions or membership. In late 2007 and early 2008, the Board leadership and PAC Chairs reviewed the status of each committee/working group. She reviewed recommended changes including the consolidation of the Social Services Transportation Advisory Council (SSTAC) and the Transit Access Advisory Committee (TAAC), which would result in a revised charter; restructuring the Regional Energy Working Group, which would result in a revised charter; and the removal of the Regional Transit Fare Structure Task Force from the annual listing of committees/working groups. Board policy also requires annual reports to the Board on the status of SANDAG committees and working groups. The next report to the Board is scheduled to occur at the June 27, 2008, Board meeting.

**Action:** Upon a motion by First Vice Chair Lori Holt Pfeiler (North County Inland) and a second by Council President Pro Tem Madaffer, the Executive Committee voted to approve: (1) changes to the Social Services Transportation Advisory Council, Transit Access Advisory Committee, and Regional Energy Working Group; and (2) the continuation of the committees and working groups as described in the report.

5. PROPOSED RESOLUTION FIXING THE CONTRIBUTION UNDER THE PUBLIC EMPLOYEES’ MEDICAL AND HOSPITAL CARE ACT (DISCUSSION/POSSIBLE ACTION)

Laura Coté, Human Resources Manager, reported that Assembly Bill (AB) 2544 became effective in 2007 and was required to be implemented by the California Public Employees Retirement System (CalPERS) in 2008. This bill requires certain agencies to increase their contributions toward retiree benefits or to redesign their benefit program in order to equalize employer contributions for retiree and active employee health costs. In order to mitigate the increased retiree health costs associated with this bill, SANDAG staff is recommending that SANDAG change the design of its health benefits to that of a cafeteria-style program. In this scenario, both retirees and active employees would receive the same fixed base amount to apply towards the medical plan of their choice. This satisfies the intent of the provisions under AB 2544. Active employees would then receive additional cafeteria plan dollars toward all benefits for which they are eligible, such as medical, dental, and
vision. She noted that our retirees are only eligible for the CalPERS medical benefit. They are not eligible for dental and vision benefits.

Ms. Coté reviewed the goals established for this program: to minimize employee and retiree impact; to mitigate agency costs, to keep things simple with an easy transition, and to provide additional education to staff in order for them to make informed decisions on health care for themselves and their families.

She went over the benefits and cost savings of the redesigned program, as proposed. Employees who choose a less expensive medical plan may receive cash back. If an employee opts out of the SANDAG cafeteria plan entirely, that employee would receive a waive incentive. She reviewed the estimated 2009 health insurance premium costs. This information was taken from an actuarial study conducted last year. She presented the estimated comparison of costs to SANDAG with and without the proposed agency benefit plan changes. She said that the redesigned benefits plan meets the requirements of the law and provides a cost savings to the agency.

Chair Sessom noted several language changes for consistency purposes and suggested that the resolution be acted on with those changes.

Council President Pro Tem Madaffer commented that the City of San Diego recently made some major changes to its employee benefits package. He asked about the maximum amount that an employee at SANDAG would receive if he/she decided to opt out of SANDAG’s health benefits plan. Ms. Coté replied that it would be $1,800 per year (for non-grandfathered Level 2 employees with 3 or more years of service).

Supervisor Cox asked whether this was a cash-out proposal, or whether funds would be able to be used to contribute toward other employee health and dependent care benefits. He noted that at the County of San Diego, if an employee opts out, he/she can put the funding into a flexible spending account for reimbursement of out-of-pocket medical and dependent care expenses. Mr. Gallegos noted that we have that same type of flexible spending account available to SANDAG employees.

Council President Pro Tem Madaffer mentioned that the City of San Diego also has a similar option for its employees. Leslie Campbell, SANDAG Director of Administration, stated that the waive incentive proposals would save SANDAG approximately $250-$350 a month if an employee opts out of the health plan.

Action: Upon a motion by First Vice Chair Pfeiler, and a second by Council President Pro Tem Madaffer, the Executive Committee voted to recommend that the Board of Directors approve Resolution No. 2008-29 setting SANDAG’s health care contribution under the Public Employees’ Medical and Hospital Care Act, thereby approving the redesign of the SANDAG health benefit plan to a cafeteria-style program.
6. STATE LEGISLATIVE STATUS REPORT (DISCUSSION/POSSIBLE ACTION)

Genevieve Morelos, Senior Legislative Analyst, reported that on May 14, 2008, the Governor released his May Budget Revise proposal, which indicates a $17.2 billion budget shortfall for FY 2009. She reviewed the key features of the May Revise at it relates to Public Transportation Account (PTA) and State Transit Assistance (STA) revenue and funding levels (including spillover revenue), Proposition 42 funds, and Propotions 1B and 1C funds. The Governor has proposed to divert PTA and STA funding from public transit to other transportation programs. The budget subcommittees of the State Senate and Assembly have recommended higher funding levels for public transit than proposed by the Governor in the May Revise. This item will be subject to discussion by Budget Conference Committee, which includes State Senator Denise Ducheny.

Ms. Morelos reviewed the status of various bills having an effect on SANDAG, including SANDAG-sponsored bills Senate Bill (SB) 1486 (Ducheny) and SB 1685 (Kehoe). She also reviewed the status of SB 375 (Steinberg) as well as SB 303 (Ducheny), which is sponsored by the building industry and is proposed as an alternative to SB 375.

Second Vice Chair Stocks noted that the San Diego County Taxpayers Association is opposed to SB 1685.

Ms. Morelos reviewed the provisions of another bill, SB 1507 (Oropeza) and noted for the Executive Committee that staff had developed supplemental handouts showing proposed SANDAG transportation projects that could be affected by the bill.

Mayor Cheryl Cox (South County) said she couldn’t see why SB 1507 would gain any support as it is hard enough to site a school.

Council President Pro Tem Madaffer noted that SB 1507 passed out of the state senate.

Mr. Gallegos drew the Committee’s attention to the map handout that indicated the challenges we would have with the restrictions proposed by this bill.

Chair Sessom stated that the only bill for the Committee to take a position on is SB 1507.

Council President Pro Tem Madaffer stated that this bill should be vigorously opposed in Sacramento.

Ms. Morelos added that the California Council of Governments (CALCOG) is currently coordinating opposition to this bill.

Second Vice Chair Stocks suggested that we share this map with our local legislative delegation.

Council President Pro Tem Madaffer thought we should consider sending a letter to the local delegation.
Mr. Gallegos agreed that staff would draft a letter to our state legislative delegation sharing our concern and noting our opposition to this bill. The letter would be signed by Chair Sessom and would include the map.

Supervisor Cox noted that there were two “no” votes for SB 1486, and asked who voted in opposition. Staff replied that the two “no” votes were from Senators Mark Wyland and Tom McClintock.

Action: Upon a motion by Mayor Cox, and a second by Council President Pro Tem Madaffer, the Executive Committee voted to take an oppose position on SB 1507.

7. FEDERAL LEGISLATIVE STATUS REPORT (INFORMATION)

Ms. Stackwick reviewed the status of proposed federal legislation affecting SANDAG, including climate change legislation (S. 2191, America’s Climate Security Act of 2007), goods movement legislation (HR 5102, the ON TIME Act), and Amtrak reauthorization. Since this report was written, the SAFEATEA-LU Technical corrections bill was signed into law. The law includes several provisions including: MAGLEV, which allows for the feasibility study and cost benefit analysis of alternatives along the North South Corridor, defines the LOSSAN Rail Corridor as Los Angeles – San Diego – San Luis Obispo, and expands the H Street project in Chula Vista to include a study to examine multimodal improvements to the I-5 corridor between the Main Street interchange and State Route 94.

She noted that the House and Senate reached agreement on an FY 2009 budget resolution. The nonbinding agreement calls for a 2009 discretionary spending cap that is higher than the President’s proposed spending levels. The numbers in the budget will serve as the starting point for the various FY 2009 appropriations bills.

Action: This item was presented for information only.

8. REVIEW OF JUNE 27, 2008, DRAFT BOARD AGENDA (APPROVE)

Diane Eidam, Chief Deputy Executive Director, reviewed the draft agenda for the June 27 Board meeting. There is no Chair’s Report at this point. She noted that the agenda is large so we will be proposing changes to it. She reviewed the proposed reports, and suggested that Agenda Item Nos. 16 (Technical Update to the Smart Growth Concept Map) and 18 (Update on the State Route 11/Otay Mesa East Port of Entry Project) could be delayed until July.

First Vice Chair Pfeiler suggested that we add an item under Chair’s Report related to the appointment of an ad hoc subcommittee for the “quality of life” measure.

After discussion, it was decided that Agenda Item Nos. 11 (Amended City of Del Mar Maintenance of Effort Level Report for the TransNet Extension Program) and 12 (Transit Capital Project Budget Transfer) could be moved to the Consent calendar.

The Committee discussed whether to keep Agenda Item Nos. 16 and 18 at the end of the June 27 agenda, and continue them to the July 25 meeting if needed. Julie Wiley, General Counsel, pointed out that there may be some public speakers on Item No. 16, so she felt it
would be best to delay it to allow time for that testimony. The Committee agreed to delay Item No. 16, but to keep Item No. 18 at the end of the June agenda.

**Action:** Upon a motion by Supervisor Cox, and a second by Council President Pro Tem Madaffer, the Executive Committee voted to approve the agenda for the June 27, 2008, Board meeting, as amended.

9. **UPCOMING MEETINGS**

The next meeting of the Executive Committee is scheduled for Friday, July 11, 2008, at 9 a.m.

Mayor Cox asked about the meetings in August. Mr. Gallegos replied that we are typically “dark” all of August. Chair Sessom said that there will probably be Transportation and Regional Planning Committee meetings on August 1, but all other Board and Policy Advisory Committee meetings in August would most likely be cancelled.

10. **ADJOURNMENT**

Chair Sessom adjourned the meeting at 8:45 a.m.

Attachment: Attendance Sheet
## CONFIRMED ATTENDANCE
### SANDAG EXECUTIVE COMMITTEE MEETING
#### JUNE 13, 2008

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<th>GEOGRAPHICAL AREA</th>
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<th>NAME</th>
<th>MEMBER/ALTERNATE</th>
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<td>Cheryl Cox</td>
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<td>Dianne Jacob</td>
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