



**BOARD OF DIRECTORS
OCTOBER 24, 2008**

**AGENDA ITEM NO. 08-10-1B
ACTION REQUESTED - APPROVE**

**BOARD OF DIRECTORS DISCUSSION AND ACTIONS
SEPTEMBER 26, 2008**

Chair Mary Sessom (Lemon Grove) called the meeting of the SANDAG Board of Directors to order at 9:04 a.m. The attendance sheet for the meeting is attached.

1. APPROVAL OF MEETING MINUTES (APPROVE)

Action: Upon a motion by Mayor Ron Morrison (National City), and a second by Mayor Jim Desmond (San Marcos), the SANDAG Board of Directors approved the minutes from the July 11, 2008, Policy and the July 25, 2008, Business meetings.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Pedro Orso-Delgado, Director, Caltrans District 11, suggested that Board members take a tour of the new Interstate 15 (I-15) Express Lanes. We had 11,000 vehicles on opening day. Of those, 20 percent were single occupant vehicles. One interesting scenario was the increased number of people using the reversible lanes segment – we had 3,000 additional vehicles using that portion of the freeway.

Chair Sessom mentioned that at the I-15 opening ceremony, she asked United States Department of Transportation Secretary Mary Peters for additional funding for these kinds of projects.

Chuck Lungerhausen, a member of the public, commented that it is vital for our tourist-based local economy that the public transportation system be funded by some portion of property tax revenue. This is the only way to achieve a consistent level of funding for public transportation.

3. ACTIONS FROM POLICY ADVISORY COMMITTEES (APPROVE)

This item summarizes the actions taken by the Borders Committee on July 25, the Transportation and Regional Planning Committees on August 1, the Executive Committee on September 12, and the Transportation and Public Safety Committees on September 19, 2008.

Action: Upon a motion by First Vice Chair Lori Holt Pfeiler (Escondido) and second by Councilmember Don Higginson (Poway), the SANDAG Board of Directors approved the actions taken by the Policy Advisory Committees at the meetings noted above. Yes – 17 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – Chula Vista and La Mesa.

CONSENT ITEMS (4 through 8)

4. PROPOSED AMENDMENT TO SANDAG BOARD POLICY NO. 031: *TransNet* ORDINANCE AND EXPENDITURE PLAN RULES (APPROVE)

Amendments to Board Policy No. 031 are proposed in order to clarify the annual fiscal audit process for the *TransNet* program to provide for the transfer of *TransNet* audit responsibilities to the Independent Taxpayer Oversight Committee (ITOC). The ITOC reviewed this item at its July 16, 2008, meeting. The Executive Committee recommended that the Board of Directors approve the proposed amendment to Board Policy No. 031 as shown in Attachment 1 to this agenda report.

5. QUARTERLY INVESTMENT REPORT FOR PERIOD ENDING JUNE 30, 2008, AND ANNUAL INTEREST RATE SWAP EVALUATION (INFORMATION)

The SANDAG Investment Policy requires that the Board of Directors be provided a quarterly report of investments held by SANDAG. This report includes all money under the direction or care of SANDAG as of June 30, 2008. The San Diego County Regional Transportation Commission Interest Rate Swap Policy requires an annual report and evaluation of all outstanding interest rate swaps.

6. QUARTERLY PROGRESS REPORT ON TRANSPORTATION PROJECTS--APRIL TO JUNE 2008 (INFORMATION)

This quarterly report summarizes the current status of major highway, transit, arterial, traffic management, and transportation demand management (TDM) projects in SANDAG's five-year Regional Transportation Improvement Program for the period April 1 to June 30, 2008.

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

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

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

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

Action: Upon a motion by First Vice Chair Pfeiler, and a second by Councilmember Judy Ritter (Vista), the SANDAG Board approved Consent Items Nos. 4 through 8. Yes - 17. No - 0. Abstain - 0. Absent - Chula Vista and La Mesa.

CHAIR'S REPORTS (9 through 11)

9. 2009 ANNUAL SANDAG BOARD RETREAT (APPROVE)

Chair Sessom stated that it is time to start planning the annual Board Retreat. The Executive Committee looked at the draft agenda at its last meeting. A survey had been taken at the end of the 2008 Retreat, and there was an interest in changing the venue. As a result, we reached out to several facilities through a competitive process, and determined that Harrah's Rincon would meet our needs. The 2009 Retreat will be held January 28-30, 2009. The Executive Committee asked that we focus on the forecasting of our economy and directed staff to identify experts who can provide both a local and national perspective, as well as insight into the future of transit funding. In addition, staff was directed to identify an expert to provide an overview of the credit crisis and discuss possible positive and negative actions government agencies or local jurisdictions might take. It also was suggested that we invite Ed Barlow, or another futurist, to discuss scenarios, visions, and strategic planning. Further, it is recommended that we invite California Transportation Commission (CTC) Chair John Chalker to provide a transportation update.

Councilmember Lesa Heebner (Solana Beach) asked if Harrah's Rincon is a nonsmoking facility. Colleen Windsor, Communications Director, replied that the conference center and all meeting rooms are nonsmoking and are accessible without going through a smoking area.

Councilmember Matt Hall (Carlsbad) suggested that we have a conversation on how to communicate with the citizens of our county to tell our stories.

Mayor Morrison commented that the location of the facility is to allow attendees to focus on Retreat agenda items and not be interrupted by their jurisdictions.

Deputy Mayor Crystal Crawford (Del Mar) said that some Retreat attendees may not be aware of interregional issues with Riverside County. She suggested that a tour segment on Wednesday regarding these issues would be appropriate.

Councilmember Phil Monroe (Coronado) noted that the Transportation Committee thought there was an issue with the *TransNet* Ordinance and how to spend those funds in relation to the reduction in transit funds. It was suggested that we spend a couple of hours at the Retreat discussing the *TransNet* Ordinance and the commitment of money for the kinds of grants we considered today.

First Vice Chair Pfeiler said it was her understanding that the Transportation Committee asked for 15-30 minutes to discuss this at the Retreat.

Supervisor Dianne Jacobs (County of San Diego) asked which facilities provided bids. Ms. Windsor replied that the Torrey Pines Lodge, La Casa Del Zorro in Borrego Springs, and several others responded, but some did not have availability and/or could not meet our needs.

Supervisor Jacobs asked if Barona Valley Ranch submitted a bid. Ms. Windsor answered negatively.

Action: Upon a motion by First Vice Chair Pfeiler and second by Deputy Mayor Crawford, the SANDAG Board of Directors approved the topics listed under the Discussion section of this report as the basis for developing the Retreat agenda and format for the 2009 SANDAG Board of Directors Retreat, January 28-30, 2009. Yes – 16 (weighted vote, 97%). No – Carlsbad (weighted vote, 3%). Abstain – 0 (weighted vote, %). Absent – Chula Vista and La Mesa.

10. RECOGNITION OF GOVERNMENT FINANCE OFFICERS ASSOCIATION AWARD TO SANDAG (INFORMATION)

Chair Sessom stated that the Certification of Achievement for Excellence in Financial Reporting has been awarded to SANDAG by the Government Finance Officers Association (GFOA) for its FY 2007 comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting. She thanked the Finance department for all of its work to achieve this recognition.

Action: This item was presented for information only.

11. APPOINTMENT OF NOMINATING COMMITTEE FOR SANDAG BOARD OFFICERS (INFORMATION)

Chair Sessom said that our Bylaws call for the SANDAG Chair to appoint a Nominating Committee each September. This committee is responsible for reviewing the applicants for the Board Chair and Vice Chair positions for the coming calendar year, and recommending a slate of nominees to the Board of Directors in November. She announced the committee members: San Diego Council President Pro Tem Jim Madaffer (Nominating Committee Chair), Coronado Councilmember Phil Monroe (South County), El Cajon Mayor Mark Lewis (East County), Oceanside Mayor Jim Wood (North County Coastal), Supervisor Dianne Jacob (County of San Diego), and San Marcos Mayor Jim Desmond (North County Inland). She stated that Nominating Committee Chair Madaffer will be in touch with the committee members regarding this effort.

Action: This item was presented for information only.

REPORTS (12 through 19)

12. *TransNet* ENVIRONMENTAL MITIGATION PROGRAM: IMPLEMENTATION ACTIONS (APPROVE)

Imperial Beach Mayor Jim Janney introduced the item, which consists of three sets of recommendations from the Regional Planning Committee on actions related to implementation of the *TransNet* Environmental Mitigation Program (EMP). These recommendations will help implement the *TransNet* EMP Memorandum of Agreement (MOU) approved by the Board on February 22, 2008. All of the recommendations are

consistent with the *TransNet* Extension Ordinance and the Board-approved *TransNet* Plan of Finance. He expressed appreciation to Coronado Mayor Pro Tem Carrie Downey and the Environmental Mitigation Program Working Group members for their participation in this process. He added that the EMP Working Group, the Regional Planning Committee (RPC), and the Independent Taxpayers Oversight Committee (ITOC) all have reviewed and supported the three sets of recommendations. He introduced Keith Greer, Senior Planner, to provide the staff report.

Chair Sessom announced that we would have three different motions on this item.

Mr. Greer reported that the RPC is asking the Board to consider three sets of recommendations: (1) approval of the FY 2008 Land Management Grants, (2) approval of an Updated Five-Year Funding Strategy and FY 2009 Funding Allocations, and (3) approval of a process and criteria for acquisition of advance mitigation land.

Mr. Greer described the process followed and the results for the Land Management Grants. He stated that staff is recommending 13 projects for funding (see Attachment 1 to the agenda report). Some of the higher-ranked projects were not recommended due to limitations in their proposals. The recommended projects are geographically wide-ranging and from diverse types of organizations. He reiterated that the EMP Working Group, RPC, and the ITOC all reviewed and supported the staff recommendation.

Chair Sessom asked for Board comments on this first recommendation.

Mayor Mark Lewis (El Cajon) asked who will be responsible for cleaning up illegal dumping on these sites. He didn't see where or how much money is set aside for cleanup or trash monitoring.

Mr. Greer responded that the project eligibility criteria did not include trash cleanup unless it has to do with the control of access. Cleanup of trash was not included in this year's criteria; however, we could include it in the criteria for next year.

Mayor Lewis stated that this means trash will build up for another year. Mr. Greer stated that trash cleanup is a basic stewardship task that land managers are to provide. He added that some of the access control projects will lead to less dumping on the land.

Ed Pert, Regional Manager for the California Department of Fish and Game, stated that the wildlife agencies have been engaged in this process and support all three actions.

Councilmember Hall asked if the Department of Fish and Game is the manager of the Buena Vista Lagoon and/or did it apply for these funds. Mr. Pert responded that they did not apply for funds for that project in this process.

Supervisor Jacobs noted that Mayor Lewis brought up a good point. It is those agencies that have ownership of these properties that have the ultimate responsibility for managing and cleanup of these lands.

Councilmember Jack Dale (Santee) added that people drive through fences and dump all kinds of materials. We should add this as a criterion and then review this in the future.

Mr. Greer stated that staff would present a status report in February 2009.

Councilmember Ed Gallo (North County Transit District [NCTD]) asked about the status of using incarcerated inmates for trash cleanup.

Supervisor Jacob stated that the County is using 70-100 probationers to help cleanup an area next to the Spring Valley Swap Meet. The Sheriff's Department has been reluctant for inmates to participate in these kinds of projects. There also are people from State Corrections in East County that do brush clearing and cleanup. We have more cleanup crews today than 5-10 years ago.

Supervisor Greg Cox (County of San Diego) noted that over the last five years we had a crew from Donovan prison working in the Otay Valley Regional Park to clean out areas. You have to pay the annual cost of a security guard (\$100,000). However, there have been no problems at all with this program, and inmates receive benefits from participating.

Chair Sessom asked Mayor Lewis to discuss this issue with the Public Safety Committee.

Councilmember Hall brought attention to another issue--a master plan for the Buena Vista Lagoon. He stated that Carlsbad has been working on this for ten years. He hoped that all of us, as partners, can work to get that master plan completed in time to be eligible to apply for funds next year.

Mr. Orso-Delgado mentioned that the California Highway Patrol also is doing some trash monitoring along the highways.

Councilmember Gallo asked about the Cactus Wren issue in the county. Mr. Greer responded that the Cactus Wren is a sensitive species on all of the plants. There has been a severe reduction in this species due to the recent wildfires. It is one of the next species to be listed as endangered unless its population increases.

Chair Sessom suggested that that issue be sent back to the Regional Planning Committee.

Action: Upon a motion by Councilmember Heebner and a second by Second Vice Chair Jerome Stocks (Encinitas), the SANDAG Board of Directors approved the prioritized list of land management grant projects and funding allotments, and authorized staff to enter into contracts for the selected grant agreements in the proposed allocations totaling \$2.9 million. Yes – 17 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – Chula Vista and La Mesa.

Mr. Greer reported that on December 15, 2006, the Board approved a Five-Year Conceptual Funding Strategy for management and monitoring activities under the *TransNet* EMP. Specific funding allocations were envisioned to be made by the Board for specific activities consistent with the funding strategy on an annual basis. An update is recommended to address changes from the 2007 wildfires. Staff recommends that the same process used for the land management grants be used to allocate this funding in FY 2009. However, there are two amendments: (1) all grant applications be limited to no more than ten pages, and (2) the first page of the application contain an executive summary of the project. If this

recommendation is approved by the Board, a “call for projects” could be issued in late October or early November.

Chair Sessom asked for Board comments on this second set of recommended actions.

Councilmember Monroe asked if the definition of land management includes trash removal. Mr. Greer replied that it could.

Councilmember Monroe commented that land owners should maintain the land not just monitor it.

Deputy Mayor Crawford asked about the Gnatcatcher.

Mr. Greer said that there is a new line item related to enforcement, allocating \$25,000 in FY 2009 for enforcement related to illegal activities in open space areas.

Mr. Greer explained that on Table 1 on page 3 of the agenda item, the “N/A” related to the Gnatcatcher is that there will be monitoring every other year rather than every year.

Chair Sessom asked if we can strengthen the evaluation criteria to respond to the concerns expressed. Mr. Greer said that you could add special clean-up as an eligibility criteria item.

Deputy Mayor Crawford asked if this is the appropriate time to make modifications to the criteria. Mr. Greer replied affirmatively, and said that you also can include that change for the land management grants for the next fiscal year.

Action: Upon a motion by Second Vice Chair Stocks and a second by Councilmember Monroe, the SANDAG Board of Directors approved the updated Five-Year Conceptual Funding Strategic Plan; the proposed management, monitoring activities, and budget for FY 2009 totaling \$4 million; authorized staff to solicit proposals and enter into contracts accordingly; and adopt the same process and evaluation criteria for FY 2009 used for FY 2008 land management grants, with a modification to add trash removal as an eligibility criterion. Yes – 16 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – Chula Vista, La Mesa, and San Marcos.

Mr. Greer reviewed the various components of the MOA with wildlife agencies and the process for the *TransNet* Advance Mitigation including approval of guidelines to implement conservation and the mitigation strategy, work on project-specific assurances and acquisitions, and report back on the status of the implementation. The following criteria are included in the guidelines: property must satisfy Regional Transportation Plan (RTP) mitigation, be consistent with a local jurisdiction’s plans, have a willing seller (no condemnation), have an appraisal at fair market value, promotes regional conservation planning, have an identified owner/manager, and costs are within the estimated budget. This will help us to advance project delivery at a lesser cost.

Chair Sessom asked for Board comments on the third set of recommended actions.

Mr. Orso-Delgado asked what happens when the land is available but potentially the property owner thinks the value is higher. Mr. Greer answered that in that instance, the matter would be brought to the SANDAG Board for a discussion of that property.

Deputy Mayor Crawford asked how we are going to assess a nonprofit for its track record with regard to property management. Mr. Greer indicated that the Executive Director's preference is that the first owner be a public entity. Where we get into trouble is with the nonprofits. However, money is given to them on an annual cycle and if they are not performing, the land reverts back to SANDAG.

Julie Wiley, General Counsel, added that we plan to put strict requirements of performance measures and reversionary rights to SANDAG in any property agreements. She crafted language in the recent Senate Bill 1685 (Kehoe) for future ballot measures for mitigation properties that will not allow any liens against mitigation property. Property owners also would not be able to assign the property to anyone else; there will be performance monitoring and measuring reports, and they will be subject to an audit.

Councilmember Monroe questioned the property appraised cost. Mr. Greer said that fair market value is one of the criteria. He agreed that the appraisal and cost criteria have to be met.

First Vice Chair Pfeiler commented that condemnation is one tool in the toolbox used during property negotiations.

Mr. Orso-Delgado noted that Caltrans tried to condemn land for mitigation purposes and the courts denied that action.

Mayor Lewis asked if nonprofits are required to have a performance bond or security that will ensure they perform these duties so if they go out of business we will be notified 30 days ahead of time. Ms. Wiley replied that we will be requiring insurance and monitoring on a normal basis, and property owners will be subject to audit requirements. One of the problems with nonprofits is that they use the land as assets for loans. We will forbid them to use the land as an asset for lien purposes.

Mayor Lewis asked if caretakers are prohibited from living on the land. Ms. Wiley answered that we haven't planned to include that prohibition, but could.

Councilmember Hall said that public agencies should be held to standards as much as nonprofits. Ms. Wiley stated that all land mitigation property owners will have the same performance monitoring and auditing requirements.

Deputy Mayor Crawford expressed concern about the idea of taking action on the issue related to caretakers living on the land without further discussion. It is common practice to have outposts for someone to reside in when they are on shift. We may want to have foresters or rangers have the ability to have structures. We don't want to give direction without hearing the pros and cons of an issue.

Chair Sessom asked staff if this issue has been discussed. Mr. Greer replied that this particular issue has not come up. He suggested that legal counsel be allowed to determine the viability of this idea and the pros and cons, and devise appropriate language related to this issue.

Second Vice Chair Stocks agreed there are pros and cons to allowing caretakers to reside on property. Encinitas has had a successful program where someone has been sited on city parks to reduce the incidence of vandalism.

Action: Upon a motion by Mayor Wood and second by First Vice Chair Pfeiler, the SANDAG Board of Directors approved the proposed Guidelines for Implementation of the *TransNet* EMP Conservation and Mitigation Strategy, and directed the Executive Director to utilize these Guidelines in the acquisition and restoration of property for advanced mitigation under the *TransNet* EMP, including authorization for the Executive Director or designee to execute all documents necessary to acquire and transfer mitigation property meeting the criteria in the Guidelines. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – La Mesa.

13. FUNDING RECOMMENDATION FOR NEW FREEDOM AND *TransNet* SENIOR MINI-GRANT PROJECTS (APPROVE)

Councilmember Dale stated that the Transportation Committee discussed this issue and provided a list of projects for approval. There was quite a bit of discussion at that meeting about eligibility for the future.

Danielle Kochman, Assistant Regional Planner, reported that SANDAG is required to conduct a competitive process to award monies for Senior Mini-Grant projects. She provided background information and reviewed the process, evaluation committee, and responses. The 14 highest ranked projects would be funded through the Senior Mini-Grant program. Staff is recommending that we fully fund the top three New Freedom Program projects and partially fund the next three top-ranked projects.

Ms. Kochman reviewed the interpretation of Policy No. 033 that indicates it is internally inconsistent with regard to the Senior Mini-Grant program. She noted that these inconsistencies will be addressed during reviews of this policy by the RPC, Executive Committee, and the Board later in the year. Staff is recommending that the Board apply Section 2.24 of Policy No. 033 to the Senior Mini-Grant program.

She stated that staff met with representatives of the agencies having the three most expensive New Freedom projects and negotiated budget reductions. Staff worked with the Full Access & Coordinated Transportation (FACT) Board to address the evaluation committee's concerns. ITOC also recommended approval of the project list in the report. She noted that all of these allocations will be subject to federal appropriations. The Regional Transportation Improvement Program (RTIP) will be revised to include these programs.

Chair Sessom asked for Board comments on this item.

Mayor Wood commented that this program will benefit many seniors in the area.

Port Commissioner Laurie Black (San Diego Unified Port District) asked if there has been any integration between federal, state, and local programs for lower-income seniors.

Supervisor Cox stated that the County has a department called the Area Agency for Aging and Independent Services, and this department works closely with various agencies and funding streams.

Supervisor Jacob agreed that there is not enough money for all of these programs and the County contracts with various agencies. We should make sure there is coordination with Pam Smith, Director of the Area Agency on Aging and Independent Services, to maximize these monies so we are not duplicating services but integrating them into a comprehensive program.

Ms. Kochman responded that we have a Social Services Transportation Advisory Committee (SSTAC), and it oversees the programs. There is one person from the County's Area Agency on Aging and Independent Services on that committee. We have the Coordinated Human Services and Transportation Plan that looks at all funding streams throughout the County and helps integrate those services and revenue sources.

Deputy Mayor Crawford asked when agencies would be able to apply for these funds. Ms. Kochman replied that it is expected that there would be a competition every year in the spring for the Senior Mini-Grants. About \$1.2 million will be allocated in FY 2009, and \$2.4 million each in FY 2010 and FY 2011.

Councilmember Dale noted that the Metropolitan Transit System (MTS) has bus routes that carry seniors, but they were deemed ineligible for these funds because the services are not restricted to only seniors.

Councilmember Monroe thought the criteria should be reviewed as the MTS services serve a large number of seniors.

Councilmember Jerry Rindone (Chula Vista) noted that the Transportation Committee agreed to include in the criteria for the next cycle the number of seniors served by each service.

Councilmember Judy Ritter (Vista) noted that NCTD also carries seniors on its routes, and asked if it would be eligible for these funds as well.

Chair Sessom clarified that we are not changing the criteria for this year.

Ms. Wiley clarified that changing the criteria would not qualify MTS and NCTD services. The *TransNet* Ordinance requires specialized services for seniors to be eligible for these funds. The Board would have to change the Ordinance in order for regular MTS and NCTD public transit services to be eligible.

Chair Sessom said she received one request to speak on this item.

Lydia Callas, former manager of FACT, stated that the intent of the Mini-Grant program is to enhance the Area Agency on Aging and Independent Services as a lot of seniors/disabled persons require door-to-door services.

Metropolitan Transit System Chair Harry Mathis expressed concern about the rigidity of the criteria for services to senior citizens. He asked how you define a senior citizen. Ms. Kochman answered that the senior age is 60 years and over.

MTS Chair Mathis clarified that handicapped services cannot apply for these funds if its patrons are not 60 years of age. Ms. Kochman responded that is correct. However, we would not exclude a disabled person's assistant if the assistant was under that age. Each program is different with regard to allowing assistants for disabled patrons.

MTS Chair Mathis commented that we have to be careful when defining services as we are struggling to find ways to fund transit service.

Action: Upon a motion by Mayor Wood and second by Councilmember Monroe, the SANDAG Board of Directors: (1) approved the application of Section 2.2.4 of Board Policy No. 033 to the Senior Mini-Grant program for the FY 2009 cycle; (2) approved funding for the list of Senior Mini-Grant and New Freedom Projects as outlined in the report; and (3) directed staff to conduct a reassessment of the evaluation criteria for the *TransNet* Senior Mini-Grant program and include a provision in the grant agreements that stipulates any funding beyond the first year may be subject to changes in the program criteria resulting from the reassessment. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – La Mesa.

14. AGREEMENT WITH CALTRANS FOR PRELIMINARY ENGINEERING ON THE INTERSTATE 5/STATE ROUTE 56 INTERCHANGE IMPROVEMENT PROJECT (APPROVE)

Councilmember Dale stated that Caltrans has requested \$1 million of SANDAG on-call engineering capacity for Preliminary Engineering to advance the Interstate 5/State Route (SR) 56 Interchange improvement project. All costs would be reimbursed by Caltrans. This item was heard by both the Transportation Committee and the ITOC, and they recommended approval. The ITOC also recommended that similar future agreements be contingent upon full reimbursement of this agreement.

Action: Upon a motion by First Vice Chair Pfeiler and second by Mayor Morrison, the SANDAG Board of Directors authorized the Executive Director to sign an agreement with Caltrans for preliminary engineering for the Interstate 5/State Route 56 Interchange improvement project. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain - 0 (weighted vote, 0%). Absent – La Mesa.

15. ADVISORY MEMBERSHIP ON THE SANDAG BOARD OF DIRECTORS (APPROVE)

Mayor Morrison stated that last year the Executive Committee formed an ad hoc committee to review the current Board policy on adding new advisory members to SANDAG. Following this review, the ad hoc committee and the Executive Committee are recommending changes to our current Board policy. These amendments would add new provisions for allowing regular and temporary advisory members. To add regular advisory members, the Board

would first look at our existing Board and Policy Advisory Committee (PAC) membership structure. Before adding a new advisory member to SANDAG, the Board would need to find that the additional advisory member would provide beneficial information and advice, and that such information and advice cannot be provided from the current Board and PACs.

Second, the recommendation would allow the Board or PAC to add advisory members on a temporary basis, when there are pertinent agenda items. We've had an informal practice in the past for temporary advisory members. The proposed amendments would codify this informal practice by allowing the Board or PAC chair to grant a request for a temporary advisory seat. Any new advisory member, whether regular or temporary, would still need to meet our existing criteria for membership: have land use and/or eminent domain authority; have regional authorities/responsibilities important to the SANDAG mission; would enhance SANDAG regional decision-making; desires representation, submits a written request, and commits to participation; and is able to agree on the form of representation.

Councilmember Tony Young (City of San Diego) asked about the difference between someone who sits as an ad hoc advisory committee member and presenting expert testimony. Mayor Morrison replied that the temporary advisory member would sit at the table for a pertinent issue on a specific discussion.

Mayor Wood thanked the ad hoc committee for its work. He mentioned the previously submitted request by the United States Marine Corps (USMC).

Chair Sessom stated that she will contact both the USMC and the Airport Authority representatives to determine their continued interest in this matter.

Mayor Desmond said that he wasn't sure if the San Diego County Regional Airport Authority (Authority) is still interested in becoming a SANDAG ad hoc advisory member since another ad hoc committee regarding the airport has been established with the Authority as a member. That ad hoc committee has been working well.

Marilyn Dailey, San Diego County Regional Water Board, noted that the list of Borders Committee members omitted a member from the Water Authority. Chair Sessom suggested that she discuss that with staff.

Action: Upon a motion by Councilmember Rindone and second by Second Vice Chair Stocks, the SANDAG Board of Directors approved the proposed amendments to the advisory membership provisions of Board Policy No. 004. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – La Mesa.

16. STATE LEGISLATIVE WRAP-UP (APPROVE)

Genevieve Morelos, Senior Legislative Analyst, reported that on Tuesday, September 23, the Governor signed the FY 2008-2009 State Budget, 85 days after the fiscal year began. The budget fully funds Proposition 98 education funds, and fully funds both local government and transportation funds. The budget also establishes a "Rainy Day fund" and proposes a ballot measure to securitize the California state lottery.

The Transportation components include:

- Fully funds (\$1.42 billion) Proposition 42 to be allocated according to the following formula:
 - ✓ Diverts approximately \$1.7 billion from “spillover” and other fund sources from transit to the General Fund.
 - ✓ Provides \$306 million to the State Transit Assistance (STA) program for transit operations.
 - ✓ Allocates \$122 million for intercity passenger rail services.
 - ✓ Provides \$3.6 billion in Proposition 1B bond funding, including, as part of an economic stimulus package, \$250 million in Proposition 1B funding for local streets and roads; of this amount, \$187 million is directed to cities and \$63 million is directed to counties.

This year’s budget process also has affected pending legislation. There are currently 873 bills awaiting the Governor’s signature. With the budget signed, the Governor should begin the process of signing bills. He has until Tuesday, September 30, to sign or veto bills. Bills that remain on the Governor’s desk, meaning they are neither signed nor vetoed, automatically become law.

This year, SANDAG sponsored two legislative measures. The first, Senate Bill (SB) 1685 (Kehoe): Regional Comprehensive Plan, San Diego County, was signed into law on July 8, 2008. SB 1685 provides SANDAG with the flexibility to expand the uses of sales tax revenues beyond transportation-related projects for future ballot measures that could include habitat conservation, water quality, and shoreline preservation.

The second, SB 1486 (Ducheny): Otay Mesa East Toll Facility Act, is currently sitting on the Governor’s desk awaiting his signature. SB 1486 would provide SANDAG with the authority to implement a public toll project to move people and goods along the State Route (SR) 11 corridor and the Otay Mesa East Port of Entry (POE).

Ms. Morelos said that SB 375, Transportation Planning: Travel Demand Models: Sustainable Community Strategy: Environmental Review, was introduced last year by Senator Darrell Steinberg (D-Sacramento) and is co-sponsored by the California League of Conservation Voters and the Natural Resources Defense Council. The full Board discussed SB 375 in July of last year. Since that time, significant amendments have been made to the bill, and it now is supported by the following organizations: the League of California Cities, California State Association of Counties (CSAC), builders, environmental organizations, California Association of Councils of Governments (CALCOG), and the other three major Metropolitan Planning Organizations (MPOs) in the state – Metropolitan Transportation Commission (MTC), Sacramento Area Council of Governments (SACOG), and the Southern California Association of Governments (SCAG).

During the September 12 Executive Committee meeting, members discussed the importance of continuing to work with the bill’s author on technical clean-up legislation next year to address SANDAG’s concerns with the bill. At that meeting, the Executive Committee voted

to recommend that the Board of Directors change the SANDAG position on SB 375 from “oppose unless amended” to “support.” The Board of Directors is asked to consider a support position on this comprehensive legislation.

Ms. Morelos noted that Attachment 1 to the agenda report summarizes the main provisions of SB 375 according to the agreement that was made between the author, sponsors, and various stakeholders.

The current enrolled version of SB 375 includes the following provisions: use the RTP process to help achieve AB 32 goals, use California Environmental Quality Act (CEQA) streamlining as an incentive to encourage residential projects which help to achieve AB 32 goals to reduce greenhouse gas (GHG) emissions, and coordinate the Regional Housing Needs Assessment (RHNA) process with the RTP process.

The amendments made to the bill during August address the majority of staff’s initial concerns with the original bill, such as its potential impacts on existing habitat conservation plans, implementation of the *TransNet* measure and other regional transportation projects, and the possible effects on the RTP and federal funding process. A support position will allow staff to continue to work on outstanding concerns with the bill. It is likely that the Governor will sign SB 375, and it is important for us to be in a position to get our concerns addressed next year.

Ms. Morelos stated that our concerns include, but are not limited to the following funding issues: new regional planning requirements required for the RTP and RHNA processes; Senator Steinberg has committed to work during the next legislative session with the League, CSAC, and MPOs to identify possible funding for the new RTP planning efforts required under SB 375. This year, SB 732, which includes Proposition 84 dollars for planning, also sitting on the Governor’s desk. That bill identifies \$90 million in one-time monies for regional planning.

Another concern is related to timing. SB 375 is intended to align the RHNA and RTP processes, but in our region the two cycles do not align due to the timing of the release of the GHG emission targets by the California Air Resources Board (CARB). These targets are to be released after SANDAG has started its forecasts for the region. As a result, SB 375 requires that the cities and counties in the San Diego region complete two Housing Element cycles three years apart from one another.

Ms. Morelos reiterated that SANDAG support for SB 375 will strategically place us in a position to address the concerns outlined above and to negotiate language in a technical cleanup bill next year.

Mayor Morrison said that a number of us still have had concerns about SB 375. However, it’s a situation where this is going to go ahead with or without us. It is important for us to proceed with a support position, but we should express our continued reservations to the author.

Councilmember Heebner agreed that we should be at the table to work on amendments. She would like to suggest that we approve a qualified support position and list our concerns so that we can be part of the solution. She said that one size does not fit all with regard to

this legislation. She expressed her concerns with regard to the CEQA exemptions. She noted that smaller cities like having CEQA review to apply to zoning. There also are concerns with regard to traffic analysis between residential and commercial areas. Plus, there is no funding for any of the transportation or schools in higher density areas.

Chair Sessom agreed that there is still a number of concerns with this legislation. She said that the RPC will review next steps if this legislation is passed.

Ms. Morelos noted that the important thing is that this is coming back again next year. Because we were at the table, we were able to negotiate amendments that addressed some of our concerns. However, now only those in support of this bill will be at the table to continue negotiations.

Chair Sessom stated that we are the only region in the state that still has an oppose position. She received a call from Senator Steinberg's office wanting to know if the SANDAG Board was going to change its position. Anything less than support will not get us at the table. The bill's author is willing to talk with us about our concerns. We are hurting ourselves if we are not at the table to negotiate for our concerns. She very strongly supported the motion to change SANDAG's position to support.

Deputy Mayor Crawford commented that some of us expressed concerns at the outset about taking an oppose position for that very reason, that we would not be at the table. She wonders if in the letter of support we can include language that will state for the record the discussions we have had, and that it is our understanding there will be further amendments to clarify our expectations.

Mr. Orso-Delgado stated that SB 1486 is on the Governor's desk. Mr. Gallegos and San Diego City Council President Pro Tem Jim Madaffer have been working on this. He hoped it will be signed soon.

Councilmember Ritter asked if the League of California Cities is now in support of SB 375. Chair Sessom replied affirmatively.

Councilmember Monroe stated his support for Chair Sessom's leadership on this issue. He asked how she will convey the Board's concerns. Chair Sessom said that in the letter to Senator Steinberg informing him of our changed position she also will note our continued concerns.

Councilmember Dale said that he didn't get the sense that Senator Steinberg is interested in our concerns.

Chair Sessom said she talked with Senator Steinberg and he is interested in our concerns, but he has to look at the whole state.

Diane Eidam, Chief Deputy Executive Director, reiterated that this bill will require cleanup legislation. The opportunity to influence will be in the cleanup legislation. You have a lot of room to maneuver if you have a position at the table.

Mayor Wood expressed his concerns, but reluctantly agreed to support the motion.

Action: Upon a motion by Councilmember Monroe and second by Mayor Desmond, the SANDAG Board of Directors took action to support SB 375 (Steinberg). Yes – 11 (weighted vote, 70%). No – 6 (weighted vote, 14%). Abstain – County of San Diego (weighted vote, 16%). Absent – La Mesa.

17. ANNUAL RIDESHARE WEEK (APPROVE)

Tom Bruccoleri, RideLink Program Manager, reviewed the various TDM programs. Vanpool use has increased significantly. If this trend continues to increase, we may have to come back to the Board for additional monies. As a result of the vanpool program, about 4,500 vehicles have been removed from the road. The RideLink Web pages have been redefined to assist commuters and employers with transportation needs. He reviewed the improvements including redefining the 511 Web site, the Cost of Commute Webpage, ICommute (a self-service ride-matching service), and a starter kit to integrate TDM measures into employer benefit plans. He mentioned telework and flexible work hours, the Guaranteed Ride Home program, First and Last Mile transit connections (carsharing, short-distance vanpools, and bicycles), the Regional Bicycle program, the Freeway Service Patrol, and the current 511 system. He noted that the 511 system received the 1 millionth caller in July 2008. TDM comprises strategies for educating commuters, developing partnerships, and improving services.

CAPT. Robert Fahey (Department of Defense) expressed thanks for working with the military on various TDM efforts. Those efforts will reduce the load on infrastructure and improve the quality of life for our personnel.

Mayor Wood thanked staff for all they have done on these projects. They have made a difference.

Deputy Mayor Crawford said that a 2001-2002 poll of drivers who used I-15 showed 5,000 commuters in this corridor. Another survey was conducted to update those numbers. The results of that more recent poll showed 34,000 commuters in the I-15 corridor. We also have seen a significant rise in vanpools for employers and for the Department of Defense.

Action: Upon a motion by Supervisor Cox and second by Supervisor Jacob, the SANDAG Board of Directors approved Resolution No. 2009-05, proclaiming the week of October 6–10, 2008, as Rideshare Week, and encouraging member agencies to approve similar proclamations. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – La Mesa.

18. THE PORT OF SAN DIEGO MARINE FREIGHT PRESERVATION AND BAYFRONT REDEVELOPMENT INITIATIVE (APPROVE)

Elisa Arias, Principal Planner, provided an overview of Proposition B, the Port of San Diego Marine Freight Preservation & Bayfront Redevelopment Initiative. This measure would amend the Port of San Diego master plan by allowing commercial uses at the Tenth Avenue Marine Terminal; currently, only freight and maritime uses are permitted. She reviewed the inconsistencies of Proposition B with SANDAG's plans and policies. She noted that the Executive Committee reviewed the measure and recommended an oppose position. This

position was based on freight policies in the Regional Economic Prosperity Strategy, the 2030 RTP, the Regional Comprehensive Plan, the Goods Movement Action Plan, and the Trade Corridors Improvement Fund (TCIF). SANDAG and the Port of San Diego have successfully secured more than \$82 million from the TCIF program for access improvements to the Tenth Avenue Marine Terminal. Passage of this Initiative could impact the future of these TCIF funds for the access improvement projects.

Chair Sessom noted that the Port of San Diego requested time to provide a presentation.

Dirk Mathiasen, Port District, stated that the primary question is whether this proposition will preserve and protect maritime activities and jobs. This Initiative would bypass CEQA requirements, and would require that an Exclusive Negotiating Agreement be executed with a developer within 60 days of passage. He reviewed information related to maritime activity, the history of the Tidelands Trust, the purpose of the Trust, the impact of the proposition on the Tenth Avenue Marine Terminal, and the Regional Economic Prosperity Strategy. He mentioned salary compensation rates from maritime activities. He also talked about the regional impact of the proposition on the industry and trade sectors.

He said the Port District has worked with SANDAG to put together a comprehensive goods movement strategy with projects to enhance this issue. The RTP assumes continued operations of the Marine Terminal and the growth of it. It does not assume elimination of those activities. The Initiative seeks to amend the Port's master plan and states that master plan amendments would be sent directly to the California Coastal Commission without evaluating the impacts. He reviewed the likely consequences of the Initiative, including increased air pollution from trucks, increased vehicle congestion on I-5 and I-15, loss of family-sustaining jobs, and loss of West Coast marine terminal capacity. He listed the number of organizations that are in opposition to this measure.

Councilmember Rindone stated that the Chula Vista City Council voted unanimously to oppose this Initiative.

Supervisor Cox asked if the Proposition's proponents were invited to this meeting. Chair Sessom said they were but she received a phone call from Frank Gallagher indicating that he would not be attending. She urged him to send someone else to speak but she has not received a speaker slip.

Supervisor Cox agreed that this is not a good proposal. It would circumvent the public review process and the CEQA process.

Mayor Morrison stated that the City Council of National City invited the Initiative's proponents, and they attended a City Council meeting. The City is a provider and has a lot of materials that come in through the Marine Terminal. He noted that the Port is now buying property outside of the Tidelands. While his Council has not taken an official position, he is in opposition to this proposition.

MTS Chair Mathis indicated that this is a classic example of the problem with the signature collecting process.

Chair Sessom met with the Secretary of the Navy and he mentioned an impact to the

strategic port designation.

CAPT. Fahey explained that the Department of Defense can make such a determination, which affects troop movements.

Chair Sessom stated that this Initiative would impair the military's ability to move troops.

Action: Upon a motion by Supervisor Cox and second by Councilmember Rindone, the SANDAG Board of Directors approved an "oppose" position on the Port of San Diego Marine Freight Preservation and Bayfront Redevelopment Initiative, Proposition B on the November 4, 2008, ballot. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – La Mesa.

Chair Sessom noted that an invitation to the Baja California Governor's state-of-the-state address was distributed to Board members. If members are interested in attending this event, they should let staff know.

Chair Sessom also mentioned that Trolley Dances start this weekend. Information on where these dances will be located can be found on the MTS Web site.

19. CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION Pursuant to California Government Code Section 54956.9(a)

Paver Décor Masonry v. Stacy & Witbeck, et al. (San Diego Superior Court Case No. GIC867144)

Chair Sessom convened the meeting into a closed session at 11:38 a.m. She reconvened the meeting into open session at 12:05 p.m.

Deputy General Counsel John Kirk reported the following information out of closed session: the SANDAG Board of Directors met in closed session, and there was nothing to report.

20. UPCOMING MEETINGS

The next Policy meeting is scheduled for Friday, October 10, 2008, at 10 a.m. The next Business meeting is scheduled for Friday, October 24, 2008, at 9 a.m.

21. ADJOURNMENT

The meeting was adjourned at 12:10 p.m.

DGunn/M/DGU

ATTENDANCE

SANDAG BOARD OF DIRECTORS' MEETING SEPTEMBER 26, 2008

JURISDICTION/ ORGANIZATION	NAME	ATTENDING
City of Carlsbad	Matt Hall (Member)	Yes
City of Chula Vista	Jerry Rindone (Alternate)	Yes
City of Coronado	Phil Monroe (Member)	Yes
City of Del Mar	Crystal Crawford (Member)	Yes
City of El Cajon	Mark Lewis (Member)	Yes
City of Encinitas	Jerome Stocks, 2nd Vice Chair (Member)	Yes
City of Escondido	Lori Holt Pfeiler, 1st Vice Chair (Member)	Yes
City of Imperial Beach	Jim Janney (Member)	Yes
City of La Mesa	Dave Allan (1st Alternate)	No
City of Lemon Grove	Mary Sessom, Chair (Member)	Yes
City of National City	Ron Morrison (Member)	Yes
City of Oceanside	James Wood (Member)	Yes
City of Poway	Don Higginson (2nd Alternate)	Yes
City of San Diego – A	Jerry Sanders (Member A)	Yes
City of San Diego - B	Tony Young (1st Alt.)	Yes
City of San Marcos	Jim Desmond (Member)	Yes
City of Santee	Jack Dale (Member)	Yes
City of Solana Beach	Lesa Heebner (Member)	Yes
City of Vista	Judy Ritter (Member)	Yes
County of San Diego - A	Greg Cox (Member A)	Yes
County of San Diego - B	Dianne Jacob (Member B)	Yes
Caltrans	Pedro Orso-Delgado (Alternate)	Yes
MTS	Harry Mathis (Member)	Yes
NCTD	Ed Gallo (Member)	Yes
Imperial County	Victor Carrillo (Member)	No
US Dept. of Defense	CAPT Robert Fahey (Alternate)	Yes
SD Unified Port District	Laurie Black (Member)	Yes
SD County Water Authority	Marilyn Dailey (Member)	Yes
Baja California/Mexico	Remedios Gómez-Arnau (Member)	No
Southern California Tribal Chairmen's Association	Robert H. Smith (Member)	No