The meeting of the Transportation Committee was called to order by Chair Jim Madaffer (City of San Diego) at 9:02 a.m. See the attached attendance sheet for Transportation Committee member attendance.

1. APPROVAL OF MEETING MINUTES

   **Action:** Upon a motion by Chair Pro Tem Bob Emery (Metropolitan Transit System [MTS]) and a second by Councilmember Matt Hall (North County Coastal), the Transportation Committee approved the minutes from the July 18, 2008, meeting.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Don Stillwell, a member of the public submitted written comments and letters regarding MTS bus and trolley connections and service at the Grantville station, specifically bus route #14.

Lorraine Leighton, a member of the public, made comments regarding the homeless population and the debris they leave behind. She commented that during Comic-Con security was not present when a barefoot person walked across the railroad tracks.

Chuck Lungerhausen, a member of the public submitted written comments which he read into the record regarding educating the region’s population on the importance of a one cent sales tax to support transit.

Joy Sunyata, a member of the public commented regarding a statement made by the Chair of the SANDAG Board of Directors at the July 25, 2008, Board meeting. She stated that in response to Mr. Stillwell’s comments the Chair used the term “complex”. Ms. Sunyata requested that SANDAG work toward simplifying language and acronyms to make issues and projects easier for the public to understand.

Councilmember Phil Monroe (South County) stated that he was impressed with the response MTS provided to Mr. Stillwell and that the response was comprehensive and did not just address bus route 14 but how the route interrelates with other routes and the system as a whole.
Charlene Zettel expressed her thanks to SANDAG for leading the recent meetings in Sacramento on AB 3034, the High Speed Rail bond, and for getting regional cooperation for this issue.

Chair Madaffer requested Gary Gallegos, Executive Director provide an update to the Committee members on the status of AB 3034.

Mr. Gallegos stated that status AB 3034 is on the Senate floor and requires a 2/3 vote. He stated that SANDAG is working to add language to the bill that would include an allocation for the San Diego Region to fund improvements to the LOSSAN Corridor that would support High Speed Rail. Mr. Gallegos stated that the bond will be on ballot as Proposition 1 if it passes the Senate and Assembly. He stated that the existing language is bad for our region because it dedicates the entire funding to the Los Angeles and San Francisco Corridor.

Ms. Zettel stated that perhaps SANDAG and other agencies could write a reference manual of frequently used terms and acronyms so the public can better understand.

Chairman Ed Gallo (North County Transit District [NCTD]) reiterated the need for funding for improvements to the LOSSAN corridor.

Chair Madaffer stated that he attended a meeting with OCTA this past week to continue dialogue on integrating transit and transportation related projects in the LOSSAN Corridor and along Interstate 5 (I-5). He stated that we need to have regional cooperation to better integrate rail lines that serve both the Los Angeles and the San Diego regions to better support the region as a whole.

**CONSENT ITEM**

3. SOCIAL SERVICES TRANSPORTATION ADVISORY COUNCIL MEMBERSHIP STRUCTURE (APPROVE)

On June 13, 2008, the Executive Committee acted to consolidate the Social Services Transportation Advisory Council (SSTAC) and the Transit Access Advisory Committee. The Transportation Committee is asked to approve an amendment to the SSTAC membership structure and charter to include the additional responsibility of advising staff on transit facilities accessibility and compliance with the requirements of the Americans with Disabilities Act and Title 24 requirements.

**Action**: Upon a motion by Councilmember Hall and a second by Mayor Lori Holt Pfeiler (North County Inland), the Transportation Committee approved Consent Item 3.

**REPORTS**

4. RECOMMENDATIONS REGARDING FEDERAL SECTION 5310 PROGRAM APPLICATIONS (APPROVE)

The federal Section 5310 program provides funding for social service agencies to purchase vehicles used to transport seniors and persons with disabilities. These funds are available
through a statewide competition. The Transportation Committee is asked to approve Resolution No. 2009-02 endorsing the scores for the 37 eligible projects awarded by the Local Review Committee for FY 2007-2008 Federal Section 5310 program funding and find that the applications are in conformance with the 2030 Regional Transportation Plan.

Chairman Gallo requested clarification regarding the ineligibility of the application from Mountain Shadow Support Group for wheelchair restraint systems and Danielle Kochman, Assistant Transit Service Planner II stated that the organization applied for funding to purchase vehicles under this program and those vehicles are already outfitted with wheelchair restraint systems.

**Action**: Upon a motion by Chairman Gallo and a second by Vice Chair Jack Dale (East County), the Transportation Committee approved Consent Item 4 including Resolution No. 2009-02.

5. **FUNDING RECOMMENDATION FOR FY 2008 NEW FREEDOM AND FY 2009 TransNet SENIOR MINI-GRANT PROJECTS**

This item was postponed to the September 19, 2008, Transportation Committee meeting.

6. **DRAFT 2008-2012 COORDINATED PLAN (APPROVE/RELEASE FOR PUBLIC COMMENT)**

Phil Trom, Associate Transit Service Planner presented the item. He stated that SANDAG is responsible for developing a Regional Short Range Transit Plan (RSRTP) each year in accordance with the Regional Transportation Plan (RTP). The RSRTP provides a five-year blueprint of how the transit concepts described in the RTP are to be implemented in the region. In addition, the federal government, through the Safe Accountable Flexible and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) requires that each region prepare a Locally Developed Coordinated Public Transit-Human Services Transportation Plan (Coordinated Plan). Since the RSRTP and Coordinated Plan requirements include several areas which overlap, the two documents were combined starting with the 2007-2011 Plan. The combined plan is known as the Coordinated Plan.

Mr. Trom provided some background regarding the Coordinated Plan and stated that the intent of the Coordinated Plan is to improve coordination in transportation planning and operations among public transit and human service transportation providers. As such, the development of the Coordinated Plan brings all publicly available transportation services under a single unified plan. Transportation services included in the plan are those services offered by private companies, nonprofit organizations, public transit agencies, SANDAG, and human services agencies. Given this broad approach, the Coordinated Plan represents a significant expansion of transportation planning activities conducted in the region and, as a result, brings forth a “one region – one network – one plan” concept of public transit and human services transportation.

The Coordinated Plan is a “passenger-centered” approach to finding transportation solutions. This means that the Plan identifies mobility needs first, and then looks to determine which mode – transit or human services is best suited to meet the specific need. The Coordinated Plan draws upon a vast tool kit of transportation solutions ranging from
conventional public transit to other programs such as ridesharing services, technological solutions, and volunteer programs. The Coordinated Plan looks at transportation needs, gaps, deficiencies and solutions on a regional basis without being constrained to service areas or specific modes.

The Coordinated Plan has also been developed around a central tenet of system coordination to address the issues of rising transportation costs and improving productivity. The coordination among agencies actively involved in transportation has the potential to reduce inefficiencies caused by redundant or duplicative services, which in turn creates more sustainable solutions for the region. From a passenger perspective, this objective is also linked directly to helping individuals find the best transportation solution possible to meet their needs.

The major change to the Plan from the version approved in FY 2007 is the inclusion of priorities for funding of transportation services for seniors, persons with disabilities and persons of limited income. The inclusion of priorities was a new mandate from the federal government.

The draft Coordinated Plan was prepared in collaboration with staff members from the Metropolitan Transit System (MTS), North County Transit District (NCTD), and the Coordinated Transportation Services Agency for San Diego County (CTSA), along with input from social service agencies, stakeholders and other transportation service providers.

Mr. Trom stated that the approval of the Coordinated Plan will enable the distribution of federal funding under the New Freedom (transportation for people with disabilities), Job Access and Reverse Commute (JARC) (commute transportation for individuals with limited means), and 5310 (seniors and persons with disabilities) programs. The plan also is used to guide the distribution of local funding for projects targeted at improving transportation for seniors (Senior Mini-Grant program) which was created through the TransNet Extension.

Mr. Trom stated that a public comment period will be held between August 1 and September 19, 2008, culminating in a public hearing and approval of the Plan scheduled for the September 19, 2008, Transportation Committee meeting. The final approved Coordinated Plan will then be submitted to the state and federal departments of transportation.

Chairman Gallo requested clarification on how the Full Access Coordinated Transportation (FACT) would be incorporated into the Coordinated Plan. He also asked if Item 5 was pulled so that the Coordinated Plan would be reviewed first so that FACT could be incorporated into the Plan.

Mr. Trom stated that FACT is a component of the Coordinated Plan because this is the first time that social services transportation has been included in the Coordinated Plan which is one of the missions of FACT. This Plan also looks at social service providers and mobility management agencies. Mr. Trom stated that Item 5 was pulled for a policy issue reason and not any reason associated with the Coordinated Plan.
Vice Chair Dale requested clarification regarding whether an inter-modal center was considered for the Coordinated Plan.

Mr. Trom stated that the Coordinated Plan did base some of its prioritized projects on the Regional Transportation Plan (RTP). The Plan focuses on transit and social service and an inter-modal component would be in smart growth opportunity areas and ensuring transit is available. The Plan encourages development of inter-modal centers at locations with regional service needs.

Dan Levy, Senior Regional Planner, stated that the Coordinated Plan addresses transit services and social service transportation not capital facilities.

Clive Richard, a member of the public, expressed his support for the item.

Action: Upon a motion by Chair Pro Tem Emery and a second by Chairman Gallo, the Transportation Committee accepted and released for public review and comment the Draft Coordinated Plan, and scheduled a public hearing at the September 19, 2008, Transportation Committee meeting.

7. JOB ACCESS AND REVERSE COMMUTE PROGRAM EVALUATION CRITERIA (APPROVE)

Ms. Kochman presented the item. She stated that SANDAG was selected by the Governor of California to be the designated recipient of the JARC and New Freedom federal funding programs for the San Diego urbanized area. The responsibilities with this designation include developing the evaluation criteria and competitive selection process, holding the competitive selection process, and recommending to the Federal Transit Administration (FTA) which projects should be funded.

Ms. Kochman stated that it is a federal requirement that all projects to be funded by the JARC program must be derived from the Coordinated Public Transit – Human Services Plan (Coordinated Plan).

On December 14, 2007, the Transportation Committee approved the JARC grant awards for FY 2008. At this meeting, the Transportation Committee also raised several questions regarding the JARC evaluation criteria, and asked that they be reviewed prior to the next competitive selection process to address concerns that some projects received a low ranking even though they were addressing important needs in the community. Updating the JARC evaluation criteria to reflect the draft Coordinated Plan priorities will address these concerns since these priorities identify transportation needs in San Diego County based on detailed empirical research and feedback obtained through public outreach that was undertaken with the Coordinated Plan planning process.

Some examples of high priorities identified in the draft Coordinated Plan are: develop or expand service in areas with little or no other transportation options; reverse commute services; employment related week night transportation services; development of centralized ride scheduling; dispatching and mobility center; improve transportation services to rural areas; and increase coordination efforts among transportation providers. Incorporating these priorities into the proposed JARC evaluation criteria will provide an
effective method of addressing the concerns of the Transportation Committee by ensuring that projects being funded are responding to the priorities of the community.

Ms. Kochman stated that staff is proposing changes to the scoring criteria to add the new Coordinated Plan Priority criterion. Staff also will strive to continue improved collaboration with applicants during the competitive process, with the aim of having applicants submit clearly outlined applications that are responsive to the JARC program requirements.

Ms. Kochman reviewed the proposed schedule for the competitive process and grant award for the fall competitive cycle of FY 2008 JARC funding. She stated that since the Coordinated Plan is scheduled to be adopted at the September 19, 2008, Transportation Committee meeting, any changes to the draft priorities for funding and implementation listed in the draft Coordinated Plan will be provided to prospective applicants at the preproposal meetings in late September.

Councilmember Monroe requested clarification regarding the Coordinated Plan addressed in this item.

Ms. Kochman stated that the Coordinated Plan is the same plan addressed in the previous agenda item. She stated that the Coordinated Plan incorporates the social service transportation elements along with transit operators and is very similar to FACT’s mission to look at all options available to the user and to find the most appropriate transportation mode. FACT was very involved in the development of the Coordinated Plan and in developing the strategies and priorities for funding in the entire region.

Councilmember Monroe stated that this program is addressing reverse commutes and transportation to employment on a regular basis. FACT’s mission is to provide transportation to doctor’s appointments, grocery shopping and other types of fluctuating transportation needs. He stated that he would like clarification on how the phrase Coordinated Plan is being used.

Mr. Levy stated that the phrase “Coordinated Plan” is a federal designation for the coordination of public transit and human services transportation. FACT coordinates the different social services transportation providers.

Ms. Kochman stated that the Federal requirement is that three funding programs be derived from the Coordinated Plan, one of which is the JARC program. The Coordinated Plan looks at four elements: transportation for seniors, transportation for the disabled, transportation for low income individuals for employment related purposes, and transportation for reverse commuters regardless of income. The Plan looks at strategies for coordination of those four categories and for addressing the needs and prioritization of each category.

Councilmember Monroe stated that FACT does not separate the need for transportation into those four categories. The categories can be restrictive and complicate the FACT mission.
Mr. Levy stated that the Coordinated Plan addresses both public transit and social services transportation. The market for reverse commute may be too small for public transit to address but SANDAG can identify the need and ask FACT to coordinate with the social service agencies to fill the need.

Chair Pro Tem Emery asked if the guidelines addressed funding levels that could be applied for such as a maximum or minimum amount.

Ms. Kochman stated that the amount of total funding available has not been determined and no maximum amount of requested funds was set. MTS was awarded a contingency allocation of $150,000. MTS was going to apply for state funding to backfill this contingency. Currently, approximately $209,000 is available and if MTS is successful with state funding $150,000 would return to the pool of funds available for this program.

Chair Pro Tem Emery requested clarification of what agencies would be eligible to apply for funding and Ms. Kochman stated that any private or public transportation provider was eligible to apply, including tribal governments, private-for-profit agencies, and nonprofit agencies.

Paul Jablonski, Chief Executive Officer of MTS, stated that the criteria of program effectiveness and performance indicators should have a higher value than 10 points. He commented that with limited dollars for projects, we should be awarding funding to programs that are most effective.

Mayor Art Madrid (East County) stated that the criteria of innovation should have a higher value than 5 points and SANDAG should focus more on programs that break the mold.

Chairman Gallo stated that one of the bullet points for the program is the development of centralized ride scheduling, dispatching and mobility center and asked if the LOSSAN Corridor could be incorporated into the program.

Ms. Kochman stated that this program focuses specifically on low-income passengers and reverse commuters.

Vice Chair Dale requested clarification regarding why staff recommends only 10 points for program effectiveness criteria.

Ms. Kochman stated that the Coordinated Plan Priority was considered the most important criteria. Staff used the process of both empirical studies and public outreach to determine what the most important needs were and placed the highest point value on those needs. Staff did not discount the program effectiveness criteria.

Vice Chair Dale stated that the program should focus on moving people and program effectiveness should have a higher priority.

Mr. Gallegos stated that staff can take the Committee’s comments and revise the criteria. Staff can return with different scoring options for the criteria that the Committee could review.
Mr. Jablonski stated that the criteria of Coordinated Plan Priority should be absolute criteria. If the program is not compatible with the Coordinated Plan it should not even be considered. Staff could take the 20 points and add them to the effectiveness criteria or innovation.

Councilmember Hall stated that changing the proposed criteria point values would affect all the applications and make some less competitive. He stated his concerns that FACT might be one of the programs that become less competitive.

Councilmember Monroe requested clarification of the Coordinated Plan Priorities and asked that the list of priorities be added to the staff briefing. He stated that the criterion of effectiveness should be higher rated.

Action: Upon a motion by Chair Pro Tem Emery and a second by Councilmember Monroe, the Transportation Committee referred the item back to staff and directed staff to return with different scoring options based on the Committee’s comments for the criteria for the fall 2008 JARC Competitive Process.

8. SOUTH ORANGE COUNTY MAJOR INVESTMENT STUDY UPDATE (DISCUSSION)

Mayor David Druker (North County Coastal) introduced the item. He stated that he is the Board’s representative for the South Orange County Major Investment Study (SOCMIS). The Orange County Transportation Authority (OCTA) is currently conducting an assessment of various strategic alternatives for improving travel between the San Diego County border and State Route 55 (SR 55) in south Orange County. Mayor Druker introduced Charlie Larwood, OCTA Project Manager, for SOCMIS who presented the item.

Mr. Larwood stated that three committees provide feedback and oversight to the SOCMIS. The Policy Advisory Committee (PAC) was formed to keep elected officials within the project area informed about the progress of the study and seek their input on policy direction to help guide the study process. The 21-member PAC consists of 18 voting members representing each city and supervisory district in the study area, and a public member from the OCTA Board of Directors, and three nonvoting members, representing SANDAG, Caltrans, and Transportation Corridor Agencies (TCA).

The Technical Advisory Committee (TAC) is the second oversight committee. Each city within the study area, as well as the County of Orange, Caltrans, TCA, Federal Highway Administration, and SANDAG, has a designated staff member to serve on TAC. The TAC provides the study team with detailed technical analysis and feedback on every element of the study.

And finally, the Stakeholder Working Group (SWG) provides feedback throughout the study process. Each SWG member represents a constituency and is charged with helping to build consensus for regional transportation solutions. SWG members represent a broad range of interest groups, including: business, environmental, public safety, developers, homeowner associations, transportation, and the community.
Mr. Larwood stated that the study objectives for SOCMIS were developed based on feedback from elected officials, agency staff, and stakeholders in the study area. These objectives are critical to assure that SOCMIS provides solutions for transportation issues in south Orange County. The objectives are to address the “transportation problem:” reduce freeway congestion in the study area, minimize freeway travel times, provide continuity of facilities along south Orange County freeways, improve freeway access at the interchanges, improve rail corridor constraints, and evaluate public transit options.

Mr. Larwood described the SOCMIS process and said that the SOCMIS is part of OCTA strategic efforts to keep Orange County moving over the next 25 years and beyond. The study includes a comprehensive public participation process and is divided into the following components: identify I-5 corridor deficiencies, develop the purpose and need for the corridor improvements, develop initial transportation alternatives, evaluate initial transportation alternatives, select a reduced set of transportation alternatives, evaluate a reduced set of transportation alternatives, and recommend a locally preferred transportation strategy.

Mr. Larwood stated that the study began in early 2006 and is expected to be completed in fall 2008. The study team developed 14 initial multimodal transportation alternatives. The evaluation results for the 14 alternatives were presented to TAC, SWG, and PAC in July/August 2007 for feedback. The PAC recommended that the 14 initial alternatives be reduced to six alternatives for further study. The six alternatives include a mixture of roadway, arterial, and transit/rail improvements at various investment levels. This reduced set of alternatives was approved for further study by the OCTA Board in October 2007. The reduced set of alternatives was evaluated with the findings on benefits, impacts, and costs presented to the TAC, PAC, and SWG this spring.

Mr. Larwood stated that based on this evaluation, the TAC developed a draft locally preferred strategy that included the best performing arterial, freeway/toll road, and transit system elements from the remaining six alternatives. The PAC reviewed the key technical findings and accepted a recommendation from the TAC on a draft multimodal locally preferred strategy in May 2008. On July 16, 2008, the PAC selected a final multimodal locally preferred strategy to recommend to the OCTA Board.

The final locally preferred strategy includes a combination of arterial, freeway/toll road, and transit improvements. Freeway/toll road improvements include adding general purpose lanes to sections of I-5 and I-405, extending the high occupancy vehicle (HOV) lane to the San Diego county line, and reduced tolls and improvements to the toll roads. Proposed transit features include increased local, express, and bus rapid transit services and double tracking the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor with increased passenger service between Orange and San Diego Counties.

Mr. Larwood reviewed the next steps and stated that the OCTA Board will be asked to approve the locally preferred strategy in September 2008. OCTA staff is currently making presentations to City Councils and other agencies. SANDAG staff has conveyed some initial comments to OCTA staff concerning the draft locally preferred strategy. These comments include pursuing high occupancy toll lane improvements throughout the corridor versus general purpose lane improvements and supporting improvements to the LOSSAN corridor.
and other transit investments. Mr. Larwood stated that comments received from SANDAG members will be presented to the OCTA Regional Highway Committee and Board.

**Action:** This item was presented for discussion/information.

**9. REGIONAL TRANSIT FARE STRUCTURE AND REVENUE SHARING STUDY UPDATE (INFORMATION)**

Dan Levy, Senior Regional Planner, presented the item and stated that in September 2006, in accordance with the adopted FY 2007 Budget and Overall Work Program, SANDAG retained the consulting services of TranSystems to prepare a Regional Transit Fare Structure and Revenue Sharing Study for the San Diego Region. The overall goal of the study was to develop a fare structure for the Region that was consistent with SANDAG Board Policy No. 029, Regional Fare Policy and Comprehensive Fare Ordinance. The study is a collaborative effort among SANDAG, MTS, and NCTD. Staff provided an update regarding this study to the Transportation Committee at its May 18, 2007, meeting, where the specific objectives of the study were set forth. These objectives are to develop a new regional fare structure designed to simplify the current MTS and NCTD fare systems, to recommend new fare products that take advantage of the investment the region is making in the Compass Card, and to develop a new regional transit fare revenue sharing methodology.

Mr. Levy stated that as work on the study progressed, it became clear that maintaining existing revenue levels (revenue neutral) was not sufficient due to the transit agency budget shortfalls, and the consultant was directed to develop proposals that would generate specific revenue targets. The original scope of work also was later amended to include a review of fares for paratransit services, and to expand the public outreach efforts to solicit input on possible fare structure changes. Five public outreach sessions are now planned. A joint SANDAG, MTS, and NCTD staff committee was created to work with the consultant team and has met several times to review the consultant work efforts.

Mr. Levy reviewed the progress of the study and stated that responsibility for regional fare setting and fare policy was transferred to SANDAG as part of the transition agreements following passage of Senate Bill 1703 in 2003. In 2004, the SANDAG Board adopted the first Regional Transit Fare Policy (Board Policy No. 029) and in 2005 the Board adopted the first Regional Comprehensive Fare Ordinance which incorporated the current revenue sharing arrangements.

Mr. Levy stated that work on the Regional Transit Fare Structure and Revenue Sharing Study began in fall 2006 and was originally expected to be completed by spring 2007. However, major fare changes for MTS in January 2007 and MTS/NCTD in the summer of 2008 resulted in significant delays in this study, due to the need for the project consultant to provide assistance in testing the revenue implications of various fare alternatives, and then factoring the adopted fare changes into the study work tasks. In addition, in May 2008, the Joint Committee on Regional Transit (JCRT) submitted a letter to Transportation Committee Chairman Madaffer requesting that the study be put on hold until after July 1, 2008, so that the transit agencies could devote their attentions to fare increases needed to resolve the transit agencies budget shortfalls. The project is now scheduled to be completed in fall 2008.
Mr. Levy provided an overview of work to date on the Regional Transit Fare Structure and Revenue Sharing Study. The consultant team conducted extensive consultations with staff at SANDAG, MTS, and NCTD, as well as the public through interviews and a series of open house meetings. The consultants also have completed a peer review of fares and revenue sharing arrangements. A computer model was constructed to assess the ridership and revenue impacts of potential fare products and prices. As noted above, MTS made extensive use of the fare consultant and the fare model to test potential impacts of the fare changes it requested in 2007 and 2008. The model forecasts the amount of revenue and number of passengers to be expected at different fare levels. The model will also be used for future fare analyses. SANDAG, MTS, and NCTD developed a number of alternatives that have been tested and evaluated, including the fare changes requested by the transit operators. The results of these alternatives were incorporated into the recent fare changes adopted by the SANDAG Board of Directors in 2007 and 2008 to ensure their consistency with the direction of the fare study as well as meeting the revenue needs of the transit operators.

However, with each fare structure change it was necessary for the consultant to rebuild and test the computer model, a contributing factor to the delay in completing the fare study. The consultant held five open houses across the county to provide members of the public with an opportunity to comment on what they like and dislike about the existing fare system and to provide input on the concepts under consideration. The concepts raised by the consultants at the public open houses were generally well received by the public and some of the proposed changes have now been adopted. The specific concepts that were discussed included: rolling monthly passes, a single day pass for the entire region (excluding COASTER and Premium Express), a premium day pass valid on all services in the region, the same fare for the same type of service and a unified fare structure for MTS and NCTD, 14-day regional pass, and elimination of floating trolley zones - flat fare. The elimination of MTS bus transfers and the floating trolley zones with the recent fare changes have contributed greatly in simplifying the regional fare system and increasing consistency between the MTS and NCTD fare structures. The number of exceptions and special fare provisions has been reduced and fares have generally been simplified.

Mr. Levy stated that current work efforts are focused on two key areas. First, the consultant is now working on revenue sharing concepts and the scope of work requires development of at least two alternatives to the existing arrangements. The proposed revenue sharing arrangements must be based on a verifiable methodology for determining the allocation and the allocation must provide for an equitable sharing of fares.

The second key area is that a number of fare options are being evaluated, including several fare concepts discussed at the June 6, 2008, Transportation Committee meeting. These concepts include the creation of a region wide premium service day pass, the examination of the ridership and revenue impacts of a “Best Fare System” using the Compass Card technology, the evaluation of a 30-day versus calendar month rolling pass, the fare levels for future new BRT services, exploration of market-based fares for high-end premium services such as the COASTER and BRT services, and a recommended policy or mechanism for future fare adjustments.

Mr. Levy stated that the development of a consolidated fare structure for San Diego will result in a more user-friendly and consistent fare policy for the San Diego region; one that will facilitate transit use and reduce the potential for fare evasion and ensure a fair and equitable distribution of revenues to MTS and NCTD. It should be noted that the Compass
Card has the flexibility to address any of these fare policy and pricing options; however, additional funding resources maybe required to implement recommended changes. The draft report is anticipated to be ready in September 2008, and presentations will be made to the two transit boards as well as the Transportation Committee.

Teresa Quiroz, a member of the public, commented that long range planning was taken from MTS and given to SANDAG because fares are a big part of the economic stability of the region. Increased fares have a significant impact to the low income residents and we need to look at how fare changes affect the region and economic growth.

Stephen Russell, a member of the public representing the City Heights Community Development Corporation (City Heights CDC) and Chair of the I-15 Mid-City BRT Stations Working Group. He stated that the Working Group is working hard to develop alternatives for the BRT stations. He stated that while SANDAG considers the BRT as a premium regional service, the City Heights CDC considers the BRT as an economic necessity for residents to get to their employment. He requested that SANDAG not base fares on a market pricing but consider price sensitivity. Mr. Russell stated that the report on the Fare Study was professional but cold. The language to make transit friendly and consistent and to level or increase fares have caused passengers to quit using transit. These changes are not friendly and impact low-income passengers so that they can’t afford to use transit. He commented that now SANDAG has three different opportunities to fund these transit systems. He stated that a recent article indicated that the highway trust fund is under funded because driving has dropped due to high gas prices and they plan to raid the surplus funds in the federal transit trust fund. SANDAG should find a way to get some of those surplus funds. Secondly, SANDAG could build three BRT systems and operate them for 30 years for the same cost as the mid-coast rail. Finally, the SANDAG Board can override the guaranteed TransNet funding formula with a 2/3 vote. The TransNet Ordinance anticipated that there might be a time of extraordinary regional circumstances when the formula for funding transit and transportation projects might not meet the needs of the region. Mr. Russell stated that now is that time.

Michelle Luellen, a member of the public and of the City Heights CDC stated that BRT projects should not be considered choice ridership services or high-end premium fares. These projects should be seen as necessary infrastructure for the region that will provide transportation to employment for low-income persons. The BRT should remain affordable for all people in the region.

Chair Pro Tem Emery expressed his disagreement with the public’s perception that SANDAG only considers what the best thing for ridership is and does not consider how changes in transit affect people. He stated that the transit agencies are charged with providing the best services to the largest number of people and the largest number of people is the low income riders. The transit agencies also have to look at operational issues and what can be funded with the limited amount of money available. The only alternative to raising fares or changing service is to eliminate routes. Chair Pro Tem Emery stated that the transit agencies face difficult decisions for changes to ensure service can continue for the greatest number of riders and make those changes painfully and with very serious consideration to how it affects the people.

Councilmember Toni Atkins (City of San Diego) expressed her appreciation to the speakers who came to support transit and transit passengers. She reiterated that the transit agencies
and this Committee reluctantly make difficult decisions out of necessity. She stated that providing services for high income or premium routes helps keep the service running. Transit is being cut everywhere and we are fighting for funds for capital needs as well as operational needs. The legislature needs to know that cutting transit affects how people get to their employment – affects health care costs and other services. Councilmember Atkins stated that the state is facing water shortages, an affordable housing crisis, and now transit emergencies. If there is flexibility in our funding choices that does not affect long term capital needs SANDAG needs to look at how we can support transit more. Councilmember Atkins stated that a prime example would be with the Senior Mini Grant Program. SANDAG should consider how that program might be able to fund transit.

Deputy Mayor Jerry Rindone (South County) stated that this is an opportunity to appeal to choice riders. He stated that the region needs to appeal to the state not to balance the budget by taking local jurisdictions’ funds from Proposition 42. He stated that the fare and service changes are caused in part because this funding has been eliminated at the state level and are necessary to avoid elimination of service completely.

Mr. Jablonski stated that the Proposition 42 raids would take another $9 million in transit funding from MTS alone and that would mean even more fare and service changes and even elimination of services.

Vice Chair Dale stated that the fare study considers gaps that need to be filled but also what are responsible and affordable fares for riders. We understand that we can’t provide mass transit to all four corners of the region. We need to have a dependable system whether the funding is there or not. He stated that we need to plan for this to happen again and find dependable funding sources for transit.

Councilmember Monroe asked whether the revenue sharing agreement was progressing and whether the draft study would be based on agreements between MTS and NCTD or would propose two separate alternatives for MTS and NCTD.

Mr. Levy stated that the consultant will look at different options for revenue sharing and bring back alternatives for the Committee to consider. The consultant will propose alternatives that calculate revenue sharing in different methods but the objective is to produce the same revenue regardless of the method.

Mr. Gallegos stated that staff will work to create a consensus concept from SANDAG, MTS, and NCTD. Staff recommendation would be what would be best for the region and hopefully that recommendation will be one that the three agencies worked out together.

Councilmember Monroe stated that representatives from the Board of Directors from the three agencies need to meet together to discuss the revenue sharing agreement.

Councilmember Monroe stated that the staff report states that a number of the fare options are being evaluated including several concepts discussed by this Committee at its June meeting, and that that implementation of these concepts is not currently included in the current scope. He asked for clarification regarding whether the Committee had to take action today to have those concepts included in the fare study.
Mr. Levy stated that staff has asked the consultant to include these fare options in the study and are processing an amendment for that.

Bob Leiter, Director of Land Use and Transportation Planning, stated there is budget and funding for the analysis but if any of these ideas change the operation of the compass card it could trigger a budget item in the future.

Deputy Mayor Rindone stated that in anticipation of raids on transit funding in the future, SANDAG needs to consider a possible measure for a full cent local sales tax for transit.

Mayor Madrid stated that this Committee must consider a consolidation of transit agencies in the near future and that SANDAG would be the best agency to manage transit funding and operations.

Chair Madaffer stated that he has requested the SANDAG General Counsel to research some areas regarding consolidation and that he would be presenting some pros and cons of consolidation for the Committee’s consideration. He stated that nationwide funding for transit is decreasing and yet demand is increasing. We owe it to the commuters of our region to maximize transit and not just keep focus on highway programs.

Mr. Jablonski asked whether staff intends to rely on the compass card ridership data when resolving the revenue sharing issues and asked whether the compass card would be available in time to meet a revenue sharing agreement schedule.

Mr. Levy stated that after the already approved changes made to fare structure are implemented, there are few products left that involve revenue sharing. The paper day pass is the one product that is not on the compass card.

James Dreisbach-Towle, Systems Integration, stated that staff will use one year of manual counts along with the compass card data but the model is to use the compass card data when it is available.

Mr. Jablonski stated that if the compass card is not operational by the time the consultant needs the data, this may cause problems with the revenue sharing agreement.

Mayor Druker stated that the NCTD Board of Directors has made the decision that the revenue sharing agreement would be delayed until the implementation of the compass card. He stated that the Joint Commission on Regional Transit (JCRT) is comprised of Board members from the two transit agencies and the JCRT should be considering the revenue sharing agreement. He commented that NCTD would lose approximately $3 million in funding from a raid on Proposition 42. Mayor Druker commented NCTD has always had a reserve fund but after the past two years that reserve fund is almost depleted.

Councilmember Bob Campbell (North County Inland) stated that the complexities of discussing a consolidation would be too disruptive at this time. The Committee needs to focus on cooperation on solvable issues such as revenue sharing.
Councilmember Monroe requested staff to define how manual counts will be done for revenue sharing agreements purposes. He stated that previous manual counts were based on data from one or two counts in a year which does not accurately reflect the ridership. He requested that staff develop a good method for manual counts.

Vice Chair Dale asked whether the Committee members would consider making changes to TransNet Ordinance funding priorities with a 2/3 vote.

Mr. Gallegos stated that under the new TransNet there are three unfinished projects are locked in for funding, the Mid-Coast BRT, the SR 52 and the SR 76 projects. The balance of the Extension Ordinance is adaptable by a 2/3 vote of the Board of Directors. He stated that the Ordinance also provides mandatory reviews at 10 years to evaluate status of projects and funding.

Chair Madaffer clarified that he would not support any push for consolidation until he was sure that the result would be the most efficient operating system in the region. He stated that SANDAG needs to study consolidation and determine if it makes sense. There are two current systems; one that supports suburban areas and one that supports urban areas. We have a fiduciary responsibility to study consolidation to see if it is the best possible solution for the region and to have the most efficient transit operations system for our region.

Action: This item was presented for information only.

10. UPDATE ON DEVELOPMENT AND IMPLEMENTATION OF THE COMPASS CARD PROGRAM (INFORMATION)

Mr. Dreisbach-Towle presented the item and stated that SANDAG, in conjunction with its regional transit partners MTS and NCTD, has deployed the regional Automated Fare Collection (AFC) system. The AFC system has centralized fare collection, passenger reporting, and revenue apportionment to a single system. The AFC system is now responsible for collecting and distributing approximately $81 million of fare revenues annually.

The AFC system is the backbone on which the Compass Card operates. The Compass Card is a non-contact electronic smart card which has an imbedded microprocessor chip and a radio antenna. The Compass Card is capable of storing either transit products like monthly passes or dollar values. This latter feature known as stored value is very similar to how gift cards work except that the money is actually stored on the card and not in a central system.

Mr. Dreisbach-Towle stated that SANDAG, NCTD, and MTS are now ready to begin a full public deployment of the Compass Card system. In order to deliver a universal fare system and to allow uniform access to all transit patrons, the Compass Card has been deployed in 920 regional buses including both MTS and NCTD direct operated services as well as all contract bus services. All revenue operating fixed-route vehicles have been outfitted with Compass Card readers including van-type services such as the Sorrento Valley COASTER Connection (SVCC). Compass Card has deployed ticket vending machines (TVMs) to all three rail services in the region: Trolley, COASTER, and SPRINTER. The new TVMs will vend the plastic Compass Card as well as allow patrons to buy and load products and/or value to their existing cards.
Mr. Dreisbach-Towle stated that SANDAG also has deployed as part of the Compass project ticket office equipment which allows the transit agency and a select few third-party contractors to sell new Compass Cards and reload existing cards. Currently NCTD operates three ticket offices located in Oceanside, Vista, and Escondido. MTS operates the Transit Store in downtown San Diego. SANDAG will deploy additional equipment to San Ysidro and Old Town to third-party contractors and we are currently looking for a suitable vendor in East County.

Mr. Dreisbach-Towle stated that the Compass Card program has opened a new call center and staffed that center with a call center manager and three customer service representatives. The region’s transit passengers can now call 511 and say “Compass” and they will be able to talk directly to a Compass representative who will assist them with purchasing a new card, checking the status of an existing account, or answering general questions or concerns about the Compass Card program. These services will be available five days a week Monday through Friday from 7 a.m. to 5 p.m.

Mr. Dreisbach-Towle stated that later this month SANDAG is planning to deploy an account management web site which can be reached by going to the regional travel information portal at www.511sd.com and selecting the Compass Card option. We have updated the existing Compass Card Web site with additional information and plan to continue to build and improve that site to include detailed “how to use” graphics and text. The account management site will give the user all the familiar features of online banking and allow the user to purchase a new card, register an existing Compass Card, or reload passes and value to an account over the Internet.

Mr. Dreisbach-Towle described the different types of equipment deployed on the rail system and on the bus system that support the compass card. He also reviewed the web ticketing process.

Mr. Dreisbach-Towle reviewed the plans to deploy and market the compass card. The proposed plan is to completely eliminate printed paper monthly passes by July 1, 2009, and replace those passes with a re-loadable Compass Card. In order to accomplish this goal, SANDAG is planning a careful and gradual approach to deploying the Compass Card and we will target market our customer education to the various group segments to match the deployment plan.

Mr. Dreisbach-Towle stated that the first phase of the Compass Card roll out began on July 1, 2008, by reaching out to a cross-section of the transit population and asking them to participate in our public pilot program. We have currently attracted approximately 2,500 interested users and have given them a Compass Card. The card holders purchased their normal monthly pass via our call center. To help orient these early adopters, we have developed an introductory mailer explaining the basics of the system and requesting their assistance in testing the system and crafting our public messages. We will conduct follow up interviews and focus groups with this market segment from which we will refine both our delivery and our message.

Mr. Dreisbach-Towle stated that Phase II targets the COASTER and stored value on the compass card. He stated that beginning on September 1, 2008, the Sorrento Valley COASTER Connection (SVCC) will start a $1.00 fare per trip charge as outlined in the June 13, 2008,
adopted fare ordinance. SANDAG will be offering the ability to combine a COASTER monthly pass with either a new SVCC monthly pass or stored value on the Compass Card to support this rider group. We have already begun reaching out to this population consisting of approximately 500 riders. Passengers using the Compass Card will not have to worry about carrying exact change. SANDAG has also been working with large employers in the region to deploy compass cards.

Mr. Dreisbach-Towle stated that Phase III targets the rolling passes. The SANDAG Board of Directors and the Transportation Committee have directed staff to begin offering a 30-day rolling pass as a replacement for the region’s entire existing calendar monthly passes beginning on January 1, 2009. The Compass Card will be used to make this directive happen. The rolling pass will allow the user to purchase their pass at anytime and it will become active for 30 days when the card is first tapped.

Mr. Dreisbach-Towle stated that this phase will begin the migration from the paper pass to the Compass Card. For a period of time patrons will have a choice of either paper or plastic until the transition period is completed on July 1, 2009. SANDAG in partnership with NCTD and MTS is proposing a stepped approach to eliminating the paper passes. Mr. Dreisbach-Towle stated that the $90 Premium Express Pass will be phased to plastic by January 2009, all COASTER Passes by March 2009, the Breeze/Sprinter Pass by May 2009, and the $68 Regional Pass by July 2009. At each step, a specific education and market effort will be developed to communicate the change as well as the benefits of the new system. Each target group will require a specific message. SANDAG, MTS, and NCTD retained a marketing consultant and developed a marketing plan that identifies each target market and the necessary communication effort to successfully reach that audience.

Mayor Druker requested clarification regarding why the schedule is so delayed between the public pilot program and full implementation for the regional pass.

Mr. Dreisbach-Towle stated that staff wants to make sure that the public is educated and our message is clear without shocking the public with this radical change. He stated that one of the major objectives of the public pilot is to refine the marketing message. Staff will be collecting data, giving public workshops and surveys to find out if the message was helpful and clear.

Clive Richard, a member of the public stated his support for the compass card and his appreciation to the staff for the work they have done.

Councilmember Campbell asked if the public pilot project was limited to a specific geographic area and Mr. Dreisbach-Towle replied that the project encompassed the entire county and every rider class in order to obtain information from a variety of riders.

Councilmember Campbell stated that fare evasion will become a larger problem as transit budgets become constrained. He asked how close the compass card had to be to the reader in order to work and register the passenger.

Mr. Dreisbach-Towle stated that the message is “tap and go” and the card must actually be tapped against the reader to be registered. The reader will beep with a green light that says go, a red light and beep means there is a problem with the card and the yellow light beep
will indicate that the funds are low or the pass will expire soon. He stated that Transit Security will have a hand held reader that registers the card status within a second.

Councilmember Campbell asked whether an expanded use of the system would be potential use by FACT vendors for multimodal transportation services and Mr. Dreisbach-Towle responded that it would be a possibility.

Mayor Druker stated that SANDAG needs to implement the compass card program much faster than the current plan. People understand the technology behind this type of card and he stated that as important as the compass card is to the region, we need to accelerate the program.

Councilmember Monroe requested clarification regarding the elimination of paper passes and how that affects the day pass.

Mr. Dreisbach-Towle stated that the paper day pass would still be used but all paper monthly passes would be eliminated and sold only on compass cards.

Mr. Dreisbach-Towle commented that every type of pass will be available on the compass card in October giving people option of self-change over to the compass card. SANDAG will highly encourage that but won’t push the compass card.

**Action:** This item was presented for information only.

11. **UPCOMING MEETINGS**

The Transportation Committee meetings, originally scheduled for Friday, August 15, and Friday, September 5, 2008, have been cancelled. The next meeting of the Transportation Committee is scheduled for Friday, September 19, 2008, at 9 a.m.

12. **ADJOURNMENT**

Chair Madaffer adjourned the meeting at 11:08 a.m.

Attachment: Attendance Sheet
## CONFIRMED ATTENDANCE
### SANDAG TRANSPORTATION COMMITTEE MEETING
#### AUGUST 1, 2008

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<th>GEOGRAPHICAL AREA/ORGANIZATION</th>
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<th>NAME</th>
<th>MEMBER/ALTERNATE</th>
<th>ATTENDING</th>
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