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

1. APPROVAL OF NOVEMBER 21, 2008, MEETING MINUTES (APPROVE)

Action: Upon a motion by Mayor Jim Wood (Oceanside), and a second by Mayor Ron Morrison (National City), the Board of Directors approved the minutes from the November 21, 2008, Business meeting.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Joy Sunyata, a member of the public, expressed her appreciation to Chair Sessom for her service. She stated that at the previous meeting she made comments regarding a bus stop at Ninth and Eleventh Avenues and stated that she received immediate contact after the meeting and thanked SANDAG and Metropolitan Transit System (MTS) staff members, who provided assistance. Ms. Sunyata also stated that she attended the Quality of Life Ad Hoc Steering Committee meeting that morning and stated her support for the initiative.

Mayor Art Madrid (La Mesa) requested Chair Sessom to address what response this body should make in regards to the recent San Diego Union-Tribune editorial expressing criticism of SANDAG.

Chair Sessom responded that she had discussed a possible response with leadership but the decision was not to respond because to do so would merely continue the dialogue. She stated that we need to move forward and define the initiative. Any decision to place this item on a future agenda would rest with the new Chair.

Mayor Madrid stated that the credibility of SANDAG is being challenged and this Board needs to address the issue. The Quality of Life initiative has a cost associated with it, and the public needs to know what that cost is. Mayor Madrid requested that this item be placed on a future agenda so the Board can work together to develop a strategy for an appropriate response.

Chair Sessom stated that the Board leadership will be meeting with the editorial board after the first of the year and will discuss this issue with them at that time.

Consul General Remedios Gomez-Arnau (Mexico) expressed her appreciation to the members of the Board of Directors for the inclusion of the Consul General as an Advisory Member. She presented Chair Sessom with a token of recognition for her service to SANDAG and expressed the thanks of the Mexican government for the support of SANDAG.
Mayor Crystal Crawford (Del Mar) stated that although the leadership would be meeting with the editorial board regarding the Quality of Life initiative, she requested a future presentation to the Board of Directors from the Quality of Life Ad Hoc Steering Committee with an update of the efforts and activities to date.

Chair Sessom stated that she supported that request and would refer the item to the incoming Chair.

3. **ACTIONS FROM POLICY ADVISORY COMMITTEES (APPROVE)**

This item summarizes the actions taken by the Borders Committee on November 21, the Executive, Regional Planning, and Transportation Committees on December 5, and the Transportation and Public Safety Committees on December 12, 2008.

| Action: Upon a motion by First Vice Chair Lori Holt Pfeiler (Escondido) and second by Second Vice Chair Jerome Stocks (Encinitas), the Board of Directors approved the actions taken by the Policy Advisory Committees at the meetings noted above. Yes – 19 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – 0. |

**CONSENT ITEMS (4 through 7)**

4. **PROPOSED RESOLUTIONS TO CONFIRM EMPLOYER PAID MEMBER CONTRIBUTIONS TO CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (APPROVE)**

Internal Revenue Code (IRC) Section 414(h)(2) allows public agencies to designate employee contributions to the California Public Employees Retirement System (CalPERS) as being funded by the employer and treated as employer contributions for tax purposes. CalPERS has advised SANDAG that the agency is required to execute a resolution by December 31, 2008, which documents our practice of funding the employee contribution. The Board of Directors is asked to approve and adopt Resolution Nos. 2009-11 and 2009-12 confirming employer paid member contributions to CalPERS and the tax treatment thereof.

5. **FEDERAL TRANSIT ADMINISTRATION SECTION 5311 PROGRAM OF PROJECTS (APPROVE)**

The Federal Transit Administration (FTA) provides funding for capital and operating assistance to agencies providing rural transportation through the Section 5311 Non-Urbanized Area Formula Program. Staff proposes apportioning the FY 2009 Section 5311 funds to the Metropolitan Transit System (MTS) and the North County Transit District (NCTD) by formula based on rural population within each agency’s service area. The Transportation Committee recommends that the Board of Directors approve the programming of a total of $626,205 in FTA Section 5311 funds.

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

In accordance with Board Policy Nos. 003 (Investment Policy), 017 (Delegation of Authority), and 024 (Procurement and Contracting-Construction), this report summarizes certain delegated actions taken by the Executive Director since the last Board meeting.
7. 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 Mayor Wood, and a second by Mayor Morrison, the Board approved Consent Items Nos. 4 through 7, including Resolution Nos. 2009-11 and 2009-12. Yes - 19. No - 0. Abstain - 0. Absent – 0.

CHAIR’S REPORT (8)

Chair Sessom recognized Leslie Campbell, retiring SANDAG Director of Administration, and presented her with a token of appreciation for her years of service to the agency.

Ms. Campbell thanked the members and stated that she had enjoyed her years of service and appreciated all the support from the Board of Directors.

8. ELECTION OF SANDAG BOARD OFFICERS FOR 2009 (APPROVE)

Mayor Mark Lewis (El Cajon) presented the item and stated that he had the pleasure of serving on the SANDAG Nominating Committee to review applications for 2009 Board officers. He stated that the Committee was chaired by former San Diego Council President Pro Tem Jim Madaffer. Other members included Oceanside Mayor Jim Wood, Supervisor Dianne Jacob, San Marcos Mayor Jim Desmond, and former Coronado Councilmember Phil Monroe. The Committee met in October at a public meeting to review and discuss the candidate applications, and after deliberations unanimously recommended: Escondido Mayor Lori Pfeiler for Chair; Encinitas Councilmember Jerome Stocks for First Vice Chair; and Santee Councilmember Jack Dale for Second Vice Chair. The Nominating Committee recognized that all of the candidates were individuals, who would be very dedicated to their positions, and that these members provided a good cross-section of the region. Per the SANDAG Bylaws, Board members may make additional nominations for any office during today’s Board meeting.

Chair Sessom stated that the Board would consider each office individually in the following order:

- Second Vice Chair
- First Vice Chair
- Chair

She stated that before considering each of the offices, legal counsel will explain to the Board the process to be followed.

John Kirk, Deputy General Counsel, stated that consistent with the past practice of this board, a nomination from the floor will be treated as a motion in favor of electing the nominee to the office in question. As such, each nomination will require a second. Additional nominations will be entertained by the Chair, each requiring a second. Any such subsequent nomination would be treated as a substitute motion, and would be voted upon prior to the initial nominee. Mr. Kirk stated that only two substitute motions may be pending at any point. When the nomination of an individual candidate is being debated and voted upon, it will be necessary for that nominee to leave the room in order to avoid a conflict of interest since each of these offices carries with it an additional stipend. Mr. Kirk stated that the nominee is to remain in the immediate vicinity of the
Board Room, as your presence may be required in short order. Any nominee will require the majority of both the weighted and tally vote in order to win his or her election. If a proposed nominee fails to achieve the necessary majority, the next nominee in priority will advance for consideration.

Chair Sessom called for nominations for the position of Second Vice Chair. Mayor Lewis nominated Councilmember Jack Dale (Santee) to the position of Second Vice Chair.

**Action:** Upon a motion by Supervisor Greg Cox (County of San Diego) and a second by Mayor Cheryl Cox (Chula Vista), Chair Sessom closed the nominations for Second Vice Chair.

**Action:** Upon a motion by Mayor Lewis and second by Supervisor Dianne Jacob (County of San Diego), the Board of Directors elected Councilmember Jack Dale (Santee) to the position of Second Vice Chair. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – 1 (Santee).

Chair Sessom called for nominations for the position of First Vice Chair. Mayor Lewis nominated Councilmember Stocks for the position of First Vice Chair.

**Action:** Upon a motion by Mayor Cox and a second by Chair Cox, Chair Sessom closed the nominations for First Vice Chair.

**Action:** Upon a motion by Mayor Lewis and second by Councilmember Matt Hall (Carlsbad), the Board of Directors elected Councilmember Stocks to the position of First Vice Chair. Yes – 17 (weighted vote, 98%). No – 1 (La Mesa) (weighted vote, 2%). Abstain – 0 (weighted vote 0%). Absent – 1 (Encinitas).

Chair Sessom called for nominations for the position of Chair. Mayor Lewis nominated Mayor Pfeiler for the position of Chair.

**Action:** Upon a motion by Councilmember Stocks and a second by Councilmember Carrie Downey (Coronado), Chair Sessom closed the nominations for Chair.

**Action:** Upon a motion by Mayor Lewis and second by Mayor Morrison, the Board of Directors elected Mayor Pfeiler to the position of Chair. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Absent – 0 (weighted vote, 0%). Absent – 1 (Escondido).

**REPORTS (9 THROUGH 16)**

9. REGIONAL COMPREHENSIVE PLAN: 2008 PERFORMANCE MONITORING REPORT (ACCEPT)

Mayor Jim Janney (Imperial Beach) presented the item. He stated that he serves as the Vice Chair of the Regional Planning Committee. He is presenting the 2008 Regional Comprehensive Plan (RCP) Monitoring Report and requesting the Board of Directors accept the report. This is the third annual performance monitoring report for the RCP. The Regional Planning Committee reviewed a draft of this report in October – and at that time authorized release of the draft report for a 30-day public review and comment period. At the October meeting, the Committee also provided SANDAG staff with a number of comments on the report. SANDAG staff made revisions to the report based on these comments.
Mayor Janney stated that the report identifies areas in which SANDAG appears to be moving in the right direction, and areas for improvement. SANDAG appears to be moving in the right direction in the following areas: the share of new housing units built in Smart Growth Opportunity Areas increased; annual hours of traffic delay per traveler have decreased; transit ridership continued to increase; the regional crime rate continued to decrease; the percent of solid waste that was recycled was close to achieving the state-mandated target; and recycled water use continued to increase substantially.

The areas identified for improvement are the following: progress toward the Regional Housing Needs Assessment has been slow: housing production in the very low, low, and moderate income categories did not keep pace with above-moderate housing production; following beach width increases at all beaches in 2006, beach widths declined in 2007; for multiple beaches, widths were even smaller in 2007 than they were in 2005; unemployment increased for the first time in three years; per capita energy usage in the region continued to increase, moving further away from the target established in the Regional Energy Strategy; plans estimate that the region will reach physical landfill capacity in 2016. And unless proposed permit changes are implemented, permitted capacity could be reached prior to 2016. In addition, while the 2006 regionwide figures for shared commutes made by transit, walking, bicycling, and carpool/vanpool did not increase substantially, we expect these numbers to change in future reporting periods due to the dramatic increase in transit and vanpool usage during this past summer.

Mayor Janney stated that SANDAG will continue this monitoring and will produce an annual RCP performance monitoring report. On behalf of the Regional Planning Committee, he recommended that the Board of Directors accept this report as the third annual performance monitoring report for the RCP.

Mayor Madrid commented that if this report is intended to be a comprehensive overview of what is happening in the region, he would like for the report to include community wellness and childhood obesity in the future. These issues are becoming more prevalent in our communities.

Mayor Sessom referred his comments to the Regional Planning Committee.

Elyse Lowe, Move San Diego Executive Director, stated her support for the RCP. She stated that people will not take transit until trip times are competitive with drive times. She stated that while she supports the RCP goals of reducing congestion and developing a network of high quality, fast, convenient transit services that are competitive with drive times during peak travel times, the report does not state whether transit travel times have increased or decreased. This critical component is required to evaluate whether we are achieving our goals. She requested the transit trip times be published in the RCP.

Action: Upon a motion by Mayor Wood and second by Mayor Morrison, the Board of Directors accepted the Regional Comprehensive Plan 2008 Annual Performance Monitoring Report. Yes - 19 (weighted vote, 100%). No - 0 (weighted vote, 0%). Abstain - 0 (weighted vote, 0%). Absent - 0.
SAN DIEGO REGION ECONOMIC STIMULUS PROPOSAL (INFORMATION)

Dan Martin, Project Implementation Program Manager, presented the item. The nation is currently experiencing an economic downturn and recent actions by the federal government have focused on initiating programs to stimulate the nation’s economy. Congress is considering an infrastructure stimulus package that would create jobs and deliver needed infrastructure to the nation. SANDAG staff has been working with member agencies and other agencies along with input from the business community such as the San Diego Regional Economic Development Corporation (EDC) and the San Diego Regional Chamber of Commerce to develop a comprehensive economic stimulus proposal that includes the construction of both transportation and public works projects.

During early November 2008, SANDAG staff began to work with representatives of the Cities/County Transportation Advisory Committee (CTAC), North County Transit District (NCTD), MTS, Port of San Diego, and Caltrans District 11 to develop a list of transportation projects that could be advertised for construction within twelve months. The list focused on projects that are currently ready for advertisement, projects that could be advertised in six months, and projects that could be advertised in twelve months. The types of transportation projects in the initial list included transit, highways, local streets and roads, and bikeways. A project’s environmental clearance was a major consideration in determining when the project could be ready for advertisement.

In mid-November, the list of potential projects was expanded beyond transportation to include public works infrastructure projects that could be advertised under the same timelines noted above. SANDAG staff worked with representatives of the business community, CTAC, and with other agencies such as the local water districts to gather the lists of potential projects. The types of public works projects submitted included, but were not limited to, sewer, water, storm drain, flood control, parks, buildings, recycled water, and photovoltaic systems.

The economic stimulus proposal for the San Diego region consists of the lists of projects submitted by each agency. These lists of projects have been consolidated into four major programs: Highways, Transit, Local Transportation, and Local Public Works. The cumulative total for all four programs is approximately $7.5 billion.

In order to evaluate the impacts that may result from implementing the projects included in the economic stimulus proposal, SANDAG conducted an economic analysis. The analysis was based on the “direct” cost of building the proposed improvement. This is a temporary impact lasting the duration of planning and construction. In the case of transit projects, consideration was made for the ongoing “direct” impacts that reoccur annually from the use of the improved facilities.

Once the “direct” impacts were established, the San Diego Regional Input-Output (SDRIO) Model was used to estimate the indirect and induced impacts that would result. Indirect impacts are defined as the numerous business products, materials, and services required and supplied locally to support the direct construction and ongoing operations of the new facilities. Induced impacts are defined as the expenditures of the wages and salaries of the employees involved in the direct and indirect activities. All impacts resulting from the economic analysis are reported in 2006 dollars. The purchase of right-of-way was not included in the analysis.

The impacts of completing the 1,043 projects identified by the region are summarized in the table below. In total, the projects would create approximately 96,000 jobs that receive more than $5 billion in wages. Overall, the construction of these projects would increase the San Diego region’s Gross Metropolitan Product (GMP) by nearly $12 billion.
The San Diego Region Economic Stimulus Proposal includes maps and project listings for each program in its respective schedule of delivery. A summary of the region’s proposal was included as Attachment 1 to the staff report, showing the proposed projects, their costs, and jobs created for each Congressional District. The projects shown are critical to the future of mobility in the San Diego region, and are included in the region’s overall regional transportation and infrastructure plans. This proposal is intended as an aid to inform and assist decision makers for the San Diego region.

Staff will continue to work with agencies in the region to enhance project information and to maintain and ensure a comprehensive list of projects that will be competitive statewide. SANDAG will partner with Caltrans to incorporate the region’s projects on the statewide list based on the latest federal guidance and will cooperate with the National Association of Regional Councils (NARC) in the development of the proposal.

Clive Richard, a member of the public, spoke in support of the economic stimulus package and expressed his appreciation to SANDAG for its efforts in bringing the region to the point where we have ready to go projects and can develop a competitive list. He commented that the project descriptions could have been made a little clearer so the public can better understand what they are supporting.

Kathy Keehan, Executive Director of the San Diego County Bicycle Coalition, thanked the Board for its efforts on the project list included in the economic stimulus proposal and stated that these projects will bring local jobs. She expressed her support for the project list and for the inclusion of bikeway projects.

Joy Sunyata, a member of the public, commented that she had planned to cede her time to Duncan McFetridge but he was not present. She stated that the economic stimulus package is supportive of construction jobs but she had some concerns.

Councilmember Lesa Heebner (Solana Beach) stated that the temporary rail platform at the Del Mar Fairgrounds was not on the list and asked staff to explain why.

Mr. Gallegos stated that projects included on the list are those that are ready to go now or ready within 12 months, and the temporary rail platform is in the feasibility study stage. He stated that a feasibility study would be done by June 2009; it then would take several months to engineer and develop plans for that project.

Mayor Crawford asked if staff had been in contact with our Congressional delegation and requested staff to provide a verbal update on the status of those discussions.

Mr. Gallegos stated that he and staff members in cooperation with the San Diego Regional EDC and Chamber of Commerce have met with four of the five congressional members. They met with Congresswoman Susan Davis, Congressman Duncan Hunter, Congressman Bob Filner, and Congressman Brian Bilbray. Staff is scheduled to meet with Congressman Darrell Issa’s Chief of Staff this afternoon following the Board meeting. Staff also has been in contact with the local district offices and will likely schedule a trip in the new year to meet with the delegation’s technical staffs in Washington, D.C.
Mayor Crawford stated that she and First Vice Chair Pfeiler attended an event for Senator Barbara Boxer and heard about the current activities of the Senate Committee on Environment and Public Works (EPW), which Senator Boxer chairs. They were able to get direction from the Senator regarding the proposed economic stimulus program. Mayor Crawford stated that based on her discussions with Senator Boxer, our project list also should focus on greenhouse gas reduction and transit projects that support other goals of the state such as Assembly Bill (AB) 32 requirements.

Mr. Gallegos stated that SANDAG staff also has developed the list in conjunction with the city managers and public works directors, and did not filter the lists provided by the local agencies. The list focuses on projects that are ready-to-go to meet an immediate economic stimulus program. He stated that staff also could work with the Board to vet and develop a secondary list of recommended projects, but until the full details of the economic stimulus program are developed, determining specific project prioritization criteria would not necessarily be the best use of resources.

Mayor Crawford stated that according to Senator Boxer, the Senate EPW Committee will be focusing on projects that are not only ready-to-go but also are energy efficient. She stated that SANDAG needs to think strategically to ensure that the projects submitted will fit the stimulus program so that our region is included.

Supervisor Jacob expressed her appreciation to SANDAG for the work on putting together the region’s project list and stated that the County is in full support.

Mayor Cox questioned whether the federal government would get involved in how to prioritize funding within each state. She questioned whether other Councils of Government will become involved in the development of the federal program, and that in the past when that was the case, our region lost funding to the Los Angeles region.

Mr. Gallegos stated that our region has competed very well historically, and in the current situation we are more than ready to be competitive. He stated that he and First Vice Chair Pfeiler met with Caltrans and state legislative members earlier that week and confirmed that our region is better prepared than many others. He stated that SANDAG has been working closely with NARC as well and that organization has been successful in adding the condition to the federal proposal that any projects in the stimulus plan must be included in the regional transportation plan. He stated that we will continue to work with other federal and state agencies to ensure that we have knowledge of how the economic stimulus package is being developed and any requirements and details of the program.

Admiral Len Hering, U.S. Navy, requested that SANDAG also consider leveraging private dollars that are being used to fund some projects in the region and cooperating with private development to further those projects that will bring jobs and economic relief to the region.

Chairman Dave Roberts (NCTD) stated that the Senate Finance Committee has jurisdiction over the bill. He commented that the bill is scheduled to be presented to President-Elect Barack Obama by January 20, 2009. He urged SANDAG and the region to work together to focus on projects that will stimulate the economy.
Action: Upon a motion by Supervisor Jacob and a second by Councilmember Hall, the Board of Directors accepted the Final Draft of the San Diego Region Economic Stimulus Proposal as a starting point in the development of a list of regional projects. Yes – 19 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – 0.

10. NAVY METRO TRANSPORTATION DEMAND MANAGEMENT INITIATIVE (INFORMATION)

Chair Sessom introduced the item and stated that SANDAG, in partnership with the United States Navy, is preparing an analysis of navy personnel commuter activity between three major housing areas and the naval facilities in the San Diego metropolitan area. A range of Transportation Demand Management (TDM) strategies are being developed for the Navy to consider for improving commutes to the metro naval facilities. Under the direction of Admiral Hering, Navy commuters currently participate in various TDM programs including vanpooling, carpooling and the SANDAG Guaranteed Ride Home program. The Navy has operated a successful vanpool program for many years. The participation in the vanpool program is generally for longer distance commutes, typically from southern Riverside County to San Diego regional bases. Today Admiral Hering will introduce this joint Navy TDM Initiative to address commutes within San Diego County.

Admiral Hering stated that prior to his presentation he wanted to take the opportunity to present Chair Sessom with a token recognition from Navy Region Southwest. He presented the Chair with a plaque and expressed his appreciation for her support and cooperation while serving as Chair.

Admiral Hering stated that he commissioned the study with the mission to improve quality of life for sailors and navy civilians in the region. He commissioned his staff to analyze origin and destination of navy commuters, and the findings were eye opening. He stated that more than 35,000 sailors and naval personnel in the metro area were using mass transit and utilizing the Navy’s Transportation Incentive Program (TIP). This amounts to 11 percent of navy personnel using mass transit. Admiral Hering stated that when he questioned why the percentage was so low, he discovered that the existing transit service was not meeting the Navy’s needs due to poor service connections and routes which more than doubled the trip time for military personnel. He stated that transit services did not start early enough to get members to work on time, and park-and-ride locations are too few with too few parking spaces and no security. Admiral Hering stated that there is a need for more park-and-ride locations with a greater number of parking spaces. Admiral Hering stated that he directed staff to raise awareness of Navy TIP programs and to leverage that program to provide more and better options to the service members. He stated that for this reason he agreed to support a collaborative effort to create mobility options within the region.

Admiral Hering expressed his appreciation for the current shuttle service and other mobility options and stated that this is a significant opportunity to change the transportation network that services 27 percent of San Diego employment. He stated that the study so far as shown that by supporting the transportation needs of just naval housing areas can make a significant impact on transit in the region.

Dan Martin presented the item and stated that the Navy, as one of the largest employers in the San Diego region, has partnered with RideLink to provide an analysis of commuter travel activity between the major naval housing areas and naval bases/facilities in the San Diego metropolitan area. The goal of the Navy TDM Initiative is to increase TDM participation from certain San Diego naval housing areas to certain naval facilities in the San Diego region.
Mr. Martin stated that a modeling analysis based on data supplied by the Navy was conducted to determine levels of commuters from various areas in the San Diego region to the naval facilities. The analysis identified three housing areas with high concentrations of Navy commuters. These housing areas include Murphy Canyon/Tierrasanta, Otay Mesa, and Chula Vista East. The naval facilities include: Navy Broadway Complex, Naval Air Station North Island and Naval Amphibious Base Coronado, Naval Base San Diego, and Naval Base Point Loma and Point Loma SPAWAR. A travel time study was prepared from the housing areas to each of the facilities as well.

The study showed that the average travel times from the three housing areas to each of the bases averaged an hour for a one-way transit trip and 25 minutes for a one-way driving trip. In some cases, such as the Otay Mesa to Point Loma commute, the transit trip could take 1 hour 30 minutes, while the average drive trip was 45 minutes.

The development of short-, mid- and long-range TDM options for each of the origin and destinations has begun. The Murphy Canyon/Tierrasanta housing area to the Naval Base San Diego has the highest commute levels, and this corridor is recommended for a possible pilot project. Along with the traditional TDM offerings such as vanpooling and carpooling, the following three options will be further studied: Point-to-Point Buspool with paid driver; Point-to-Point Buspool with volunteer driver; Flexible vanpool service riders select various departure times based on multiple vans and eligibility for SANDAG Guaranteed Ride Home Program.

Mr. Martin stated that the pilot area study will continue with data refinement for the Murphy Canyon/Tierrasanta housing area to Naval Base San Diego corridor. A survey of commuters will be conducted in cooperation with the Navy through the Service Bureau, and the results will be folded into an updated implementation plan. Discussions with the Navy and MTS will continue to determine if there are viable transit options. Staff will develop possible alternatives for each naval commute corridor, along with first and last mile alternatives, park and ride solutions, and funding options. Staff is scheduled to return in spring 2009 to update the Board of Directors on the pilot area study.

Councilmember Downey asked Admiral Hering if it would be possible to provide the Board with the underlying data regarding where the service members lived and worked. She stated that the report lumps North Island Naval Station and Naval Base Coronado data all together and she would appreciate a breakdown to see how just Naval Base Coronado is impacted.

Admiral Hering stated that due to privacy act issues his staff can't provide that information as it includes personal addresses and contact information.

Councilmember Downey clarified that she was only requesting data regarding travel to and from each naval installation not personal data.

Admiral Hering stated that he would have his staff look into the possibility of breaking down the data by installation. He stated that the reason for combining the data from the two installations is that the success of the program will be coordinating transportation to both locations and creating express routes. In order to do that we needed to look at the total population for potential opportunities for more vanpools and express buses.

Councilmember Downey stated that Coronado has active vanpools and is very interested in this program. She stated that one of the concerns is to find a way to get service members directly to
their duty station and felt the information on the number by each installation would facilitate finding a solution.

Admiral Hering stated that one of the goals of the program is to work with SANDAG so that buses go straight from military housing areas and are allowed access on the base. These would be express buses for service members only.

Mayor Madrid commented that the Board has heard these types of concerns where transit services are not providing good connectivity or are incompatible for many years. He commented that the work the Admiral is doing will help facilitate finding solutions region-wide. Mayor Madrid commented that there is a need for advisory board members from the military on the MTS and NCTD Boards.

Mayor Janney stated that this program is an example of smart growth possibility. He stated that together the Navy and SANDAG can develop workable transit solutions. He stated that the Navy knows where people live and work and can bring that data to SANDAG; SANDAG can use its current smart growth models to present viable solutions. Mayor Janney stated that this study can help the entire region.

Supervisor Cox acknowledged Admiral Hering and his work in the region on bikeways and regional bike paths. He stated that the Admiral has been instrumental in both working with Burlington Northern Santa Fe (BNSF) railroad and in accommodating bike paths on Navy property.

Mayor Crawford asked staff if we had anticipated any and all problems with this study and whether we are expecting to discover something that might create a problem that we can’t overcome with this proposal.

Chair Sessom stated that one issue will be funding.

Mr. Gallegos stated that this study provides an opportunity to improve transit in the region. If we can study the concentration of navy population and potentially provide service that will work for service members and navy civilians, then developing possible funding solutions will follow in the next phase. We have the opportunity to further that study to find transportation solutions that work for everybody in the region.

Admiral Hering stated that the best part of the program and what will make it work is that the Navy can offer federal employees a free ride to and from work. The TIP program provides up to $105 of free transportation to anyone who takes public transportation. He stated that this is a great benefit and huge incentive to navy federal employees. He stated that any modifications to existing schedules that facilitate increased ridership of federal employees provide a revenue source to transit that is currently not part of the equation.

Councilmember Downey stated that at a recent MTS Board meeting, the Board was considering changing a bus route and several military members were present to express their concerns. She stated that MTS would not have been aware of the significant impact to the military had those service members not attended and suggested that MTS consider offering an advisory seat to the Navy on its Board of Directors.

Mayor Wood requested that the study also include the North County because many military service members reside in North County and commute to the San Diego area.
Elyse Lowe, Executive Director for Move San Diego, expressed support for any study of transit options in the region. She stated that Move San Diego has developed the FAST Plan concept to study our region’s movement patterns and needs. Using global best practices, they designed an integrated approach to enable many San Diego drivers to change to rapid transit. She stated the goal of the FAST Plan concept is to improve transit trip times to be better than or more competitive with driving times. She stated that their study showed that people will not use transit if trip times are longer than drive times. She expressed their support for the Navy study and stated that it is important because it confirms the information from the FAST Plan concept. She invited the Board to visit the Move San Diego Web site to learn more about the FAST Plan concept and offered to provide a presentation to the Board if requested.

Second Vice Chair Stocks expressed his appreciation to Admiral Hering for this initiative and stated that we can make the study work with the net result a significant contribution to the reduction in congestion and improved service to the military members. Second Vice Chair Stocks stated that it takes a much smaller investment of time and funds to reduce congestion by putting people on buses rather than building freeways.

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

**11. PROPOSED AMENDMENTS TO BOARD POLICIES AND BYLAWS (APPROVE)**

First Vice Chair Pfeiler presented the item and stated that Item 11 involves the annual amendments to the SANDAG Board Policies and Bylaws. The tracked changes versions of these amendments were included as Attachments 1 through 16 of the staff report. Please note that there is a blue sheet with a revised Attachment 16, the SANDAG Bylaws. All these amendments were reviewed by the Executive Committee at its December 5, 2008, meeting. As a result of feedback from that meeting, one change was made to the proposed amendments. In Board Policy No. 004, rather than delegating directly to SANDAG staff the ability to act as a hearing officer for public meetings, the revised amendment authorizes the Board Chair to appoint a Board member to serve as a hearing officer. Only upon the unavailability of a Board member would the Chair delegate this hearing officer responsibility to the Executive Director or his staff designee. With this modification, the Executive Committee recommends that the Board approve the proposed amendments today.

Chair Sessom stated that when the Executive Committee discussed the amendment to Board Policy No. 004, it determined that one of the roles of an elected official is to attend public meetings and that there should be sufficient attendance by elected officials at a public hearing which would eliminate the need to designate a staff member to attend.

Mayor Crawford stated that her support of the proposed changes but had concerns regarding the procedure in place for nominating new Board leadership. She stated that she thought that one of the reasons for the past action to create the position of Second Vice Chair was to provide an opportunity for all Board members to serve in a leadership capacity. She expressed her concerns that there were only three candidates for the Board positions this year. She expressed her concern that a situation could have occurred where one or more of the proposed candidates were not elected in November, thus resulting in a vacancy on the Board. Mayor Crawford requested the Board address this issue sometime in the next year. She suggested amending the procedures to require more than the minimum number of applicants for any Board officer position, and if that minimum is not met, providing for an extension of 15 days of the application period.
Mayor Heebner expressed her support for the change to Board Policy No. 004 and asked whether the Board members would be provided transcripts of public hearings.

Chair Sessom stated that public hearing transcripts are always available to both Board members and the public.

NCTD Chairman Roberts stated that the amendment to Board Policy No. 018 for regional transit services states that in the event of funding shortfalls necessitating cutbacks in service, there would be a regionwide process to examine service levels to ensure that service reductions are equitably distributed. He asked if staff had discussed the concept of equitable distribution and whether there was a process in place to make that determination.

Dave Schumacher, Principal Regional Planner, stated that SANDAG would work closely with the transit agencies to make any determination in service reductions should it become necessary.

Chairman Roberts expressed his concerns that this dialogue should occur prior to implementation of the amendment.

Chair Sessom stated that the Board policies are always subject to amendment and should this situation occur, the Board can review the Policy.

Mayor Madrid expressed his concerns regarding the process for nomination of the Board leadership and stated that he would like the full Board to review the process. He commented that he would like to see a regional rotation of the positions. He stated that he would like the applications to be provided to all Board members and for the candidates to present to the entire Board their vision for SANDAG and how each plans to work toward the goals and objectives of the Board.

Chair Sessom stated that the Board specifically adopted new nomination procedures and move away from past practices to rotate leadership around the region, in order to provide all Board members the opportunity to apply for any position in any year that it becomes open. She commented that the current process is working. That being said, she stated that she respects the comments made by Board members today, and any review of potential amendments to the process would be at the discretion of the newly elected Chair.

Councilmember Dale expressed his concerns that with the proposed amendments to Board Policy No. 001, the Transportation Committee would be responsible for making recommendations on changes to the Regional Comprehensive Fare Ordinance, but it would not be responsible for holding public hearings. He stated that in order to make a recommendation on how a proposed change affects the public, the members must have the opportunity to hear from the public.

Mr. Kirk stated that the reasoning behind the proposed amendment is that in these current difficult economic times, staff felt that there would be a need for more fare increases and wanted the full Board to hold the public hearing and not just limit it to the Transportation Committee. He stated that the proposed amendment does not take away the hearing process from the Transportation Committee because the Board can delegate that process to another body; what it does require is that the information from the public hearing would have to brought to the full Board for consideration and decision.

Councilmember Dale stated that he could not support the proposed amendments to Board Policy No. 004. He stated that if the Transportation Committee would still make recommendations on fare
changes, it must be the body that holds the public hearing. Councilmember Dale also expressed his concern that the Chair could delegate the hearing officer responsibility to the Executive Director or his staff designee if a Board member were unable to attend a public hearing. He requested that no action be taken on Board Policy No. 004 without further review and discussion.

Chair Sessom stated that the Board did not have to take action on all the proposed amendments today and could refer some or all back to the Executive Committee for further review and consideration of today’s comments.

**Action:** Upon a motion by Mayor Cox and a second by Mayor Wood, the Board of Directors approved the proposed amendments to the Board Policy Nos. 007, 008, 011, 016 through 019, 021, 022 through 025, and 029 and the SANDAG Bylaws. Yes – 17 (weighted vote, 100%). No – 0 (weighted vote, %). Abstain – 0 (weighted vote, 0%). Absent – 2 (County A, Oceanside).

12. **AMENDMENTS TO REGIONAL COMPREHENSIVE FARE ORDINANCE (APPROVE)**

**Action:** Upon a motion by Second Vice Chair Stocks and second by First Vice Chair Pfeiler, the Board of Directors waived the second reading of Amendments to the Regional Comprehensive Fare Ordinance to delay introduction of the Compass Card and Rolling Passes until March 1, 2009, and to clarify the timing of the validation of Rolling Passes sold at ticket vending machines, the MTS Transit Store, NCTD Customer Service Outlets, or other outlets designated by SANDAG. Yes – 17 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – 2 (County A, Oceanside).

Clive Richard, a member of the public, expressed his concerns that a 30-day Rolling Pass would not serve the public well and was very confusing to most people, who are accustomed to a monthly pass. He suggested the Board consider a 28-day rolling pass instead.

**Action:** Upon a motion by Councilmember Dale and second by Councilmember Don Higginson (Poway), the Board of Directors approved amendments to the Regional Comprehensive Fare Ordinance to delay introduction of the Compass Card and Rolling Passes until March 1, 2009, and to clarify the timing of the validation of Rolling Passes sold at ticket vending machines, the MTS Transit Store, NCTD Customer Service Outlets, or other outlets designated by SANDAG. Yes – 15 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – 4 (County A, Escondido, Oceanside, Solana Beach).

13. **2009 LEGISLATIVE PROGRAM (APPROVE)**

Chair Sessom introduced the item and stated that each year the Executive Committee recommends a legislative program to the Board of Directors for the upcoming calendar year. This program serves as a guide for Board members and staff to follow as legislation is introduced and activities occur during the federal and state legislative sessions.

Last year we had a very successful year in the legislature. We sponsored two bills that were signed into law by the Governor: SB 1486, which authorizes SANDAG to collect a toll from travelers using State Route 11 and to bond against toll revenues to construct a new highway and port of entry; and SB 1685, which provides SANDAG with the flexibility to expand the uses of sales tax revenues beyond transportation-related projects for future ballot measures.
Chair Sessom stated that this year our legislative program includes: developing SANDAG priorities for the next federal surface transportation authorization; pursing legislation to align the upcoming cycles of the Regional Transportation Plan (RTP) and the Regional Housing Needs Assessment (RHNA); pursuing economic stimulus funding at the federal and state levels in addition to annual federal appropriations; and pursuing policy or legislative changes to enable comprehensive state environmental processes to fulfill federal environmental requirements.

Chair Sessom stated that the Executive Committee recommends that the Board of Directors approve the 2009 Legislative Program and staff is here to answer any questions.

Kathy Keehan, Executive Director of the San Diego County Bicycle Coalition, stated her support for the legislative program and its inclusion of the regional bike networks and bike paths.

Councilmember Heebner expressed her concerns regarding SB 375 and stated that the Board vote on what action to take on this legislation was very close last year. The 2009 Legislative Program supports technical clean up, but mentions only aligning the RTP and RHNA cycles. Councilmember Heebner stated that the program does not support SANDAG addressing any substantive issues on SB 375 related to the California Environmental Quality Act (CEQA) provisions of the bill.

Genevieve Morelos, Senior Legislative Analyst, stated that staff has included the key issues identified to date, but additional language on the SB 375 goal could be included.

Councilmember Heebner stated that the Board needs to take a more proactive approach and requested that sponsorship of SB 375 technical clean up legislation be added to the goal.

Supervisor Cox stated that as a follow up to the public comments by Ms. Keehan, many jurisdictions have taken action to support the Active Transportation Campaign for non-motorized project funding, and he will be attending the League of California Cities’ next meeting to urge all the other jurisdictions to support it as well.

Second Vice Chair Stocks expressed his support of Councilmember Heebner’s comments regarding sponsorship of legislation for SB 375 and suggested that it be included in the program.

**Action:** Upon a motion by Councilmember Hall and second by Second Vice Chair Stocks, the Board of Directors approved the 2009 Legislative Program as amended. Yes – 19 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – 0.

14. **FINANCIAL MARKET STATUS (INFORMATION)**

Mr. Gallegos commented that due to the state problems with the budget there are many projects that will be impacted and may be forced to shut down. He stated that this is the first time this has happened during his career. Mr. Gallegos stated that he and First Vice Chair Pfeiler met with legislators in Sacramento in an effort to emphasize the negative impact to the region if construction contracts were suspended, with more than 8,000 jobs lost if projects are forced to shut down. He stated that by all indications if funding is not reinstated, Caltrans will run out of money and need to shut down projects early next year.

Chair Sessom stated that SANDAG would be holding a press conference in an attempt to educate the public on what will happen if and when we have to start shutting down corridor construction.
projects. He stated that several Board members will speak about specific impacts to their city or the county if projects are shut down.

Supervisor Jacobs requested clarification regarding how long it would take to restart projects that are shut down.

Mr. Gallegos stated that there are costs associated with securing projects, demobilizing and remobilizing, and each project is different but typically it takes several weeks if not months to restart a project. He stated that it would be difficult to estimate costs for each project.

Supervisor Jacobs stated that staff might want to consider analyzing the costs involved in order to educate the public and make the impact known. It is not just the job losses but the increased costs to the projects as well.

Marney Cox, Chief Economist, stated that the news on the economic front is not good. The recession officially began in 2007. The real weakness in the national economy started in December 2007. San Diego is starting to stabilize now but our region will be hit by the national level recession next. The Gross Domestic Product (GDP) fell .5 percent during the third quarter of the calendar year and is expected to fall 4 percent to 5 percent during this current quarter, lasting through the second quarter of calendar year 2009. This is the longest recession since the early 1980s.

Mr. Cox stated that unemployment is higher than in any recession since 1947. With more people looking for work it has pushed the unemployment rate up at national level and in San Diego, conditions are even worse.

Mr. Cox stated that home prices continue to drop 15 percent at the national level and 32 percent here in San Diego. The weakness in the market is due to large number of foreclosures. He stated that sales are picking up because home prices are dropping with the foreclosed units.

Mr. Cox stated that consumer confidence is at all time lows and people are not spending, so retail sales have dropped considerably. At the national level, sales are down about 4 percent which equated to a $30 billion loss nationally. He stated that the most recent information from the Board of Equalization for San Diego is that during the first quarter of FY 2009 sales tax revenues are down 3.96 percent from same quarter of the previous fiscal year. This is in line with our expectations as staff projected a 4 percent decline. Mr. Cox stated that staff will continue to monitor the economic situation and return to the Board with additional information, if significant changes occur.

Renée Wasmund, Finance Director, provided an update on the SANDAG debt program and briefly reviewed the debt structure and the various agencies involved. She stated that while the agencies are doing well, Dexia continues to be a challenge. The agency’s overall challenges focus on the performance of the variable rate program, which was issued with four different series and remarketing agents. Dexia is the liquidity provider for the TransNet Commercial Paper program, and one of the bond series. Dexia is still very uncertain in the market even though the European market backed them.

Ms. Wasmund reviewed the performance of the variable rate program and how it compares to the Securities Industries and Financial Market Association (SIFMA), which is a benchmark in the industry. The SANDAG program is trading at or better than the industry. Ms. Wasmund commented that there had been questions regarding whether our program would have performed better if we had
borrowed at a fixed rate instead of the variable rate swap. She reviewed the comparison of the total SANDAG cost at the variable rate compared to a fixed rate; SANDAG is trading way below the fixed rate which has saved more than $5 million. She stated that we are achieving our swap rate and the money that has been saved can be put toward funding projects.

Ms. Wasmund stated that she and our financial consultant are currently working on a number of options to replace Dexia on the bond series and Commercial Paper program. She stated that while the Dexia trading performance is improving, it is still higher than non-Dexia backed debt. There would be costs involved in replacing Dexia but staff is analyzing what option would have the least negative impact.

Ms. Wasmund stated that the short-term market will continue to be impacted by the bank liquidity market. She stated that we know that demand for liquidity is up while supply is limited, resulting in higher pricing levels. With the market volatility, costs will continue to increase and supply will decrease. Staff will continue to monitor the situation and provide updates.

Councilmember Hall commented that he watched a presentation on 60 Minutes on the current and future situation with the financial mortgage and housing markets and requested that Mr. Cox comment on where he sees both markets heading in the future.

Mr. Cox stated that the housing market in San Diego is beginning to stabilize but at the national level it continues to decline. He stated that that foreclosures in San Diego are still happening but at a decelerated rate. He stated that the peak was third quarter of this calendar year so the number will slow down. The impact to home prices due to foreclosures continues to weaken the market, creating a downward vacuum to the economy. Efforts now are to shore up prices to stabilize the market and slow down the rate of decline. He stated that this leads economists to think the recession will last one more quarter, through the third quarter of next calendar year.

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

16. MID-COAST CORRIDOR TRANSIT PROJECT UPDATE (INFORMATION)

This item was postponed to a Board meeting in January 2009.

17. UPCOMING MEETINGS

The next Board Policy meeting scheduled for Friday, January 9, 2009, at 10 a.m. may be cancelled. The next Board Business meeting of the Board of Directors is scheduled for Friday, January 23, 2009, at 9 a.m.

18. ADJOURNMENT

The meeting was adjourned at 11:30 a.m.
## ATTENDANCE
### SANDAG BOARD OF DIRECTORS’ MEETING
#### DECEMBER 19, 2008

<table>
<thead>
<tr>
<th>JURISDICTION/ORGANIZATION</th>
<th>NAME</th>
<th>ATTENDING</th>
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<tbody>
<tr>
<td>City of Carlsbad</td>
<td>Matt Hall (Member)</td>
<td>Yes</td>
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<tr>
<td>City of Chula Vista</td>
<td>Cheryl Cox (Member)</td>
<td>Yes</td>
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<td>City of Coronado</td>
<td>Carrie Downey (Member)</td>
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<td>City of Del Mar</td>
<td>Crystal Crawford (Member)</td>
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<td>City of El Cajon</td>
<td>Mark Lewis (Member)</td>
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<tr>
<td>City of Encinitas</td>
<td>Jerome Stocks, 2nd Vice Chair (Member)</td>
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<td>City of Escondido</td>
<td>Lori Holt Pfeiler, 1st Vice Chair (Member)</td>
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<td>City of Imperial Beach</td>
<td>Jim Janney (Member)</td>
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<td>City of La Mesa</td>
<td>Art Madrid (Member)</td>
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<td>City of Lemon Grove</td>
<td>Mary Sessom, Chair (Member)</td>
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<td>City of National City</td>
<td>Ron Morrison (Member)</td>
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<td>James Wood (Member)</td>
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<tr>
<td>City of Poway</td>
<td>Mickey Cafagna (Member)</td>
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<td>City of San Diego – A</td>
<td>Jerry Sanders (Member A)</td>
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<td>City of San Diego – B</td>
<td>Tony Young (1st Alt.)</td>
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<td>City of San Marcos</td>
<td>Rebecca Jones (2nd Alternate)</td>
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<td>City of Santee</td>
<td>Jack Dale (Member)</td>
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<td>City of Solana Beach</td>
<td>Lesa Heebner (Member)</td>
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<td>City of Vista</td>
<td>Judy Ritter (Member)</td>
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<td>County of San Diego - A</td>
<td>Greg Cox (Member A)</td>
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<td>Dianne Jacob (Member B)</td>
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<td>Caltrans</td>
<td>Bill Figge (Alternate)</td>
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<td>MTS</td>
<td>Harry Mathis (Member)</td>
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<td>NCTD</td>
<td>Dave Roberts (Primary)</td>
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<td>Imperial County</td>
<td>Victor Carrillo (Member)</td>
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<td>US Dept. of Defense</td>
<td>CAPT Steve Wirshing (Member)</td>
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<td>SD Unified Port District</td>
<td>Michael Najera (Alternate)</td>
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<td>SD County Water Authority</td>
<td>Mark Muir (1st Alternate)</td>
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<td>Baja California/Mexico</td>
<td>Remedios Gómez-Arnau (Member)</td>
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<tr>
<td>Southern California Tribal Chairmen’s Association</td>
<td>Robert H. Smith (Member)</td>
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