EXECUTIVE COMMITTEE
AGENDA

Friday, June 12, 2009
9 to 10 a.m.
SANDAG, 7th Floor Conference Room
401 B Street
San Diego

AGENDA HIGHLIGHTS

• PROPOSED AMENDMENT TO SANDAG POLICY NO. 031: TransNet ORDINANCE AND EXPENDITURE PLAN RULES

• ANNUAL REVIEW OF COMMITTEES AND WORKING GROUPS

• LEGISLATIVE STATUS REPORT

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MISSION STATEMENT
The 18 cities and county government are SANDAG serving as the forum for regional decision-making. SANDAG builds consensus, makes strategic plans, obtains and allocates resources, plans, engineers, and builds public transit, and provides information on a broad range of topics pertinent to the region’s quality of life.
Welcome to SANDAG. Members of the public may speak to the Executive Committee on any item at the time the Committee is considering the item. Please complete a Speaker’s Slip, which is located in the rear of the room, and then present the slip to Committee staff. Also, members of the public are invited to address the Committee on any issue under the agenda item entitled Public Comments/Communications/Member Comments. Speakers are limited to three minutes. The Executive Committee may take action on any item appearing on the agenda.

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

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## EXECUTIVE COMMITTEE
Friday, June 12, 2009

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<th>ITEM #</th>
<th>RECOMMENDATION</th>
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<td>+1.</td>
<td>APPROVE</td>
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### APPROVAL OF MAY 8, 2009, MEETING MINUTES

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Members of the public will have the opportunity to address the Executive Committee on any issue within the jurisdiction of the Committee that is not on this agenda. Speakers are limited to three minutes each and shall reserve time by completing a “Request to Speak” form and giving it to the Clerk prior to speaking. Committee members also may provide information and announcements under this agenda item.

### REPORTS (3 through 6)

3. PROPOSED AMENDMENT TO SANDAG POLICY NO. 031: TransNet ORDINANCE AND EXPENDITURE PLAN RULES (Lauren Warrem)

SANDAG Board Policy No. 031 provides administrative guidance for implementing the TransNet Ordinance, including guidance for conducting the annual fiscal audits for TransNet recipients. The proposed amendment to Board Policy No. 031 would provide additional clarification for various practices associated with the annual TransNet fiscal audits and the Regional Transportation Congestion Improvement Program. The Independent Taxpayers Oversight Committee, which has the overall responsibility to conduct the annual fiscal audits, is scheduled to review the proposal at its June 10, 2009, meeting. The Executive Committee is asked to recommend that the Board of Directors approve the proposed changes to excerpts of SANDAG Board Policy No. 031, as attached to the report, pending adoption of proposed Commission Ordinance 09-01.

4. ANNUAL REVIEW OF COMMITTEES AND WORKING GROUPS (Victoria Stackwick)

As required by Board Policy, an annual review of all of existing SANDAG committees and working groups has been conducted to determine whether they should continue and/or if any of their responsibilities need to be modified. The Executive Committee is asked to approve the continuation of the committees and working groups as described in the report.
+5. LEGISLATIVE STATUS REPORT (Victoria Stackwick and Genevieve Morelos) INFORMATION

+A. Federal Legislative Status Report - This report provides an update on FY 2010 federal budget proposals, American Recovery and Reinvestment Act funding, the next federal surface transportation authorization, and federal funding for transit operations.

+B. State Legislative Status Report - This report provides a summary of the May 19, 2009, statewide special election results and the key elements of the Governor’s May Revision as well as an update on the status of SANDAG-proposed amendments to Senate Bill 575.

+6. REVIEW OF JUNE 26, 2009, DRAFT BOARD AGENDA APPROVE

7. UPCOMING MEETINGS INFORMATION

The next meeting of the Executive Committee is scheduled for Friday, July 10, 2009, at 9 a.m.

8. ADJOURNMENT

+ next to an agenda item indicates an attachment
Chair Lori Holt Pfeiler (North County Inland) called the Executive Committee meeting to order at 8:58 a.m. The attendance sheet for the meeting is attached.

1. APPROVAL OF MINUTES

Upon a motion by First Vice Chair Jerome Stocks (North County Coastal) and a second by Second Vice Chair Jack Dale (East County), the minutes of the April 10, 2009, Executive Committee meeting were unanimously approved.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBERS COMMENTS

Don Stillwell, a member of the public, asked for clarification about funding available for public transit operations.

3. DRAFT FY 2010 PROGRAM BUDGET (INCLUDING THE OVERALL WORK PROGRAM) (RECOMMEND)

SANDAG Bylaws require the Board of Directors to adopt a final budget by June 30 of each year. The Program Budget includes the Overall Work Program, Capital Improvement Program, TransNet Program, and Administrative and Board budgets. The Executive Committee is asked to recommend that the Board of Directors approve Resolution No. 2009-26, adopting the FY 2010 Budget (including the Overall Work Program), and Resolution No. 2009-27, adopting the change in the California Public Employees Retirement System contribution for new employees hired after June 30, 2009.

Tim Watson, Budget Program Manager, provided the staff report.

Action: Upon a motion by Supervisor Pam Slater-Price (County of San Diego), and a second by First Vice Chair Stocks, the Executive Committee voted to recommend that the Board of Directors approve Resolution No. 2009-26, adopting the FY 2010 Budget (including the Overall Work Program), and Resolution No. 2009-27, adopting the change in the California Public Employees Retirement System contribution for new employees hired after June 30, 2009.
4. **AMENDMENT TO FY 2009 BUDGET: SERVICE BUREAU - PORT OF SAN DIEGO ECONOMIC AND FISCAL IMPACT ANALYSIS (APPROVE)**

The SANDAG Service Bureau responded to a request for proposals, and was selected to produce an economic and fiscal impact analysis for the Port of San Diego. The Executive Committee is asked to amend the FY 2009 Program Budget to allow the SANDAG Service Bureau to proceed with this work and to authorize the Executive Director to enter into a contract with the San Diego Unified Port District in the amount of $120,000.

Cheryl Mason, Senior Research Analyst, provided the staff report.

**Action:** Upon a motion by Supervisor Slater-Price and second by First Vice Chair Stocks, the Executive Committee voted to amend the FY 2009 Program Budget to allow the SANDAG Service Bureau to proceed with this work, and to authorize the Executive Director to enter into a contract with the San Diego Unified Port District in the amount of $120,000.

5. **STATE LEGISLATIVE STATUS REPORT: SENATE BILL 575 (DISCUSSION/POSSIBLE ACTION)**

Periodic status reports on legislative activities are provided to the Executive Committee during the year. The Executive Committee is asked to discuss and consider possible options for requested amendments to Senate Bill 575.

Genevieve Morelos, Senior Legislative Analyst, provided the staff report.

**Action:** Upon a motion by Mayor Ron Morrison (South County), and a second by Supervisor Slater-Price, the Executive Committee voted to direct staff to pursue Option C1, with Option C3 as a backup position, with a schedule exception for the County of San Diego and without changes to Board Policy No. 033.

6. **REVIEW OF MAY 22, 2009, DRAFT BOARD AGENDA (APPROVE)**

Renée Wasmund, Chief Deputy Executive Director, reviewed the draft agenda.

**Action:** Upon a motion by Supervisor Slater-Price, and a second by Mayor Morrison, the Executive Committee voted to approve the agenda for the May 22, 2009, Board of Directors meeting, as amended.

7. **UPCOMING MEETINGS**

The next meeting of the Executive Committee is scheduled for June 12, 2009, at 9 a.m.

8. **ADJOURNMENT**

Chair Pfeiler adjourned the meeting at 10:03 a.m.

Attachment: Attendance Sheet
**CONFIRMED ATTENDANCE**  
**SANDAG EXECUTIVE COMMITTEE MEETING**  
**MAY 8, 2009**

<table>
<thead>
<tr>
<th>GEOGRAPHICAL AREA</th>
<th>JURISDICTION</th>
<th>NAME</th>
<th>MEMBER/ALTERNATE</th>
<th>ATTENDING</th>
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<tbody>
<tr>
<td>North County Inland</td>
<td>City of Escondido</td>
<td>Lori Holt Pfeiler, Chair</td>
<td>Member</td>
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<td></td>
<td>Vacant</td>
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<td>Alternate</td>
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<tr>
<td>North County Coastal</td>
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<td></td>
<td>City of Carlsbad</td>
<td>Matt Hall</td>
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<tr>
<td>South County</td>
<td>City of National City</td>
<td>Ron Morrison</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>City of Imperial Beach</td>
<td>Jim Janney</td>
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<tr>
<td>East County</td>
<td>City of Santee</td>
<td>Jack Dale, 2nd Vice Chair</td>
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</tr>
<tr>
<td></td>
<td>City of Lemon Grove</td>
<td>Mary Sessom</td>
<td>Alternate</td>
<td>Yes</td>
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<tr>
<td>City of San Diego</td>
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<td>Jerry Sanders</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ben Hueso</td>
<td>Alternate</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tony Young</td>
<td>Alternate</td>
<td>No</td>
</tr>
<tr>
<td>County of San Diego</td>
<td></td>
<td>Dianne Jacob</td>
<td>Member</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Pam Slater-Price</td>
<td>1st Alternate</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ron Roberts</td>
<td>2nd Alternate</td>
<td>Yes</td>
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PROPOSED AMENDMENT TO SANDAG BOARD POLICY NO. 031:
TransNet ORDINANCE AND EXPENDITURE PLAN RULES

Introduction

SANDAG Board Policy No. 031 provides administrative requirements for implementing the TransNet Ordinance, including requirements for conducting the annual fiscal audits for TransNet recipients. Pursuant to the TransNet Extension Ordinance and Expenditure Plan (Commission Ordinance 04-01), the Independent Taxpayer Oversight Committee (ITOC) has the overall responsibility to conduct annual fiscal audits beginning with FY 2009. The Board of Directors is scheduled to consider adoption of Ordinance 09-01, which would amend Commission Ordinance 04-01, to revise the financial reporting procedures for the Regional Transportation Congestion Improvement Program (RTCIP). Proposed Ordinance 09-01 is intended to align the annual fiscal and compliance audit requirements for the TransNet program. The first reading is scheduled for June 26, 2009, and the second reading and adoption is scheduled for July 10, 2009. The proposed amendments to Board Policy No. 031 would revise sections of this policy to reflect the changes to the audit schedule as well as to provide additional clarification for various audit and RTCIP practices. The amendments to Board Policy No. 031 will be needed to implement the schedule changes proposed in Ordinance 09-01.

Discussion

The Ordinance states that:

ITOC shall prepare an annual report to the SANDAG Board of Directors presenting the results of the annual audit process. The report should include an assessment of the consistency of the expenditures of TransNet funds with the Ordinance and Expenditure Plan and any recommendations for improving the financial operation and integrity of the program for consideration by the SANDAG Board of Directors. This consistency evaluation will include a review of expenditures by project type for each local jurisdiction. The ITOC shall share the initial findings of the independent fiscal audits and its recommendations with the SANDAG Transportation Committee 60 days prior to their release to resolve inconsistencies and technical issues related to the ITOC’s draft report and recommendations. Once this review has taken place, the ITOC shall make any final amendments it deems appropriate to its report and recommendations, and adopt its report for submission directly to the SANDAG Board of Directors and the public. The ITOC shall strive to be as objective and accurate as possible in whatever final report it adopts. Upon completion by the ITOC, the report shall be presented to the SANDAG Board of Directors at its next regular meeting and shall be made available to the public.

Recommendation

The Executive Committee is asked to recommend that the Board of Directors approve the proposed changes to excerpts of SANDAG Board Policy No. 031, as shown in Attachment 1, pending adoption of proposed Commission Ordinance 09-01.
While the TransNet Extension Ordinance provides requirements for conducting the annual TransNet compliance audits, additional clarification is needed to assist the ITOC, independent auditors, SANDAG staff, and the recipient agencies during the audit process. The proposed amendments to Board Policy No. 031 (Attachment 1), which are summarized below, would amend Rule #17 and Rule #18, and would add a new Rule #23 concerning RTCIP requirements. The amendments include proposed changes and additional language that would add and clarify requirements specific to the TransNet Extension Ordinance, beginning with the FY 2009 compliance audits.

**Proposed Amendments**

**Amend Rule #17: Fiscal and Compliance Audits** - The ITOC is required to share the initial findings of the fiscal audits and its recommendations with the SANDAG Transportation Committee 60 days prior to their release. Once this review has taken place, the ITOC shall make any final amendments to its annual report and make it available to the SANDAG Board of Directors and the public in June of each year (pending approval of Ordinance 09-01 by the Board of Directors at its July 10, 2009, meeting, which changes this date from November to June). This required time schedule shortens the audit process period, and therefore one of the proposed amendments would no longer allow for granting of audit issuance extensions to the recipient agencies. The proposed amendments to Rule #17 reflect this revised timeframe, and they also specify ITOC responsibilities.

A comparison of the current audit schedule to the proposed schedule in Rule #17, Section I: Fiscal and Compliance Audit Procedures, is as follows:

<table>
<thead>
<tr>
<th>Procedure</th>
<th>Current Schedule</th>
<th>Proposed Schedule</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>ITOC/SANDAG coordinate with auditors</td>
<td>July/August</td>
<td>July/August</td>
<td></td>
</tr>
<tr>
<td>Auditor site visits</td>
<td>September - November</td>
<td>September - November</td>
<td></td>
</tr>
<tr>
<td>RTCIP audit documents deadline</td>
<td>N/A</td>
<td>December 1</td>
<td>No later than December 1 per amended TransNet Extension Ordinance (scheduled for Board approval on July 10, 2009)</td>
</tr>
<tr>
<td>Preliminary draft audit reports issued to SANDAG and recipient agencies</td>
<td>November/ December</td>
<td>November/ December</td>
<td>Recipient agencies have four weeks to resolve all outstanding issues</td>
</tr>
<tr>
<td>Auditors prepare draft audit reports</td>
<td>N/A</td>
<td>February</td>
<td>Time allowance for auditors to format draft audit reports and for the auditors and ITOC to prepare the annual report to the Board of Directors</td>
</tr>
<tr>
<td>Auditors issue draft audits to ITOC</td>
<td>February</td>
<td>March</td>
<td></td>
</tr>
<tr>
<td>Auditors report compliance audit results to ITOC</td>
<td>N/A</td>
<td>March</td>
<td>Auditors present report to ITOC, which includes draft audits</td>
</tr>
<tr>
<td>ITOC presents draft audit report findings and recommendations to Transportation Committee</td>
<td>April</td>
<td>March</td>
<td>Must have 60 days prior to ITOC final audit report issuance per the TransNet Extension Ordinance</td>
</tr>
<tr>
<td>Final audit report issuance (no extension)</td>
<td>March 31</td>
<td>May</td>
<td>ITOC May meeting for June 1 deadline per the TransNet Extension Ordinance</td>
</tr>
<tr>
<td>Extension final audit report issuance</td>
<td>April 30</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>RTCIP and ITOC annual report to Board</td>
<td>N/A</td>
<td>June</td>
<td>June Board meeting</td>
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</table>
Other changes to Rule #17 of Board Policy No. 031 are the further clarifications to Section III: Audit Adjustments regarding completed projects, projects that have negative balances, inactive projects, transfer of funds and additional requirements to Section IV: Local Agency Balance Limitations requiring recipient agencies to certify that they are in compliance with the 30 percent threshold requirement and will remain in compliance until the next audit is completed. This will allow them to cure the audit deficiency and receive their TransNet funds.

Amend Rule #18: Local Street and Road Program – Rule #18 provides further clarification regarding maintenance-related projects so that over the life of the TransNet program, local agencies do not cumulatively use more than 30 percent of their TransNet local street and road revenue for maintenance-related projects.

Add New Rule #23: TransNet Extension Ordinance RTCIP Guidelines – Rule #23 would be added to include the TransNet Extension Ordinance requirements related to the RTCIP that are proposed for amendment in Ordinance 09-01. The proposed Rule #23 includes timing of recording RTCIP exactions, a requirement that the exaction must be spent within seven years, provisions for curing an audit defect if during the audit process it is determined that a local agency failed to collect the full amount of RTCIP exactions, permitted exceptions for certain situations such as litigation, bankruptcy, etc., procedures for writing off uncollectible amounts in certain situations (such as if a developer never completes a project or goes bankrupt), and if a local agency is deemed noncompliant, procedures for reallocating the funding to the remaining local agencies that are in compliance.

Next Steps

The ITOC is scheduled to review the proposed changes to excerpts of Board Policy No. 031 at its June 10, 2009, meeting. Any comments and action from that meeting will be provided to the Executive Committee and the Board of Directors. Following adoption of Ordinance 09-01 and approval of the policy amendments by the Board of Directors, the amended policy would be used to conduct the FY 2009 fiscal audits.

LAUREN WARREM
Director of Finance (Acting)

Attachment: 1. Excerpts of the proposed amendments to SANDAG Board Policy No. 031

Key Staff Contact: Lisa Kondrat-Dauphin, (619)699-1942, lko@sandag.org
TransNet ORDINANCE AND EXPENDITURE PLAN RULES

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

Rule #17: Fiscal and Compliance Audits

Adoption Date: November 18, 2005

Amendment: Amended at September 26, 2008, Board Meeting.

Text: I. Fiscal and Compliance Audit Procedures

The fiscal and compliance audit is an essential tool to determine that TransNet funds are being used for the intended purposes. The Commission has the fiduciary responsibility to ensure that the public funds are used in accordance with the TransNet Ordinance and Expenditure Plans (87-01 and 04-01).

Pursuant to the TransNet Extension Ordinance (04-01), the Independent Taxpayer Oversight Committee (ITOC) is responsible for the conduct of an annual fiscal audit and compliance audit of all TransNet-funded activities beginning with the FY 2009 audit. In order to complete the audits in a timely manner, the following estimated audit schedule is set forth:

A. July/August: ITOC designee and appropriate SANDAG staff meet and coordinate with the auditors to review the audits required for the year and provide all necessary documentation/information for the auditors to begin work.

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

C. November/December: Auditors issue preliminary draft reports to both SANDAG and the recipient agencies no later than December 31. The Recipient agencies must be available to review and comment on the draft report in a timely manner. All outstanding issues should be resolved within four weeks of preliminary draft report issuance.

D. February: Auditors issue the draft audits to ITOC.

E. March: Auditors issue a report of compliance audit results, final draft reports, and present the annual report to ITOC at its March meeting.

F. April: ITOC presents initial finding(s) of the audit and its recommendations to the Transportation Committee.
E. May: ITOC issues all compliance reports and adopts the annual report.

F. June: ITOC presents an ITOC annual report, which includes results of the annual audit and its process, is presented to the SANDAG Board of Directors. Board with the results of the annual audit and its process.

ITOC Responsibility: In accordance with the ITOC Responsibilities Section of the attachment to Commission Ordinance CO-04-01 entitled “STATEMENT OF UNDERSTANDING REGARDING THE IMPLEMENTATION OF THE INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE FOR THE TRANSNET PROGRAM”, ITOC will conduct an annual fiscal and compliance audit of all TransNet-funded activities using the services of an independent fiscal auditor to assure compliance with the voter-approved Ordinance and Expenditure Plan, and will prepare an annual report for presentation to the SANDAG Board of Directors that includes the results of the annual audit process.

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

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

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

II. Ordinance Requirements

Section 4(C)(5) of the TransNet Extension Ordinance contains the fiscal and compliance audit requirements applicable beginning in FY 2009.

Section 8 of the Ordinance contains the Maintenance of Effort requirements for the local agencies.

Section 9 of the Ordinance and the attachment “TransNet EXTENSION REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM” contain the Regional Transportation Congestion Improvement Program (RTCIP) requirements for the local agencies.

Section 11 of the Ordinance and the attachment to Commission Ordinance CO-04-01 entitled “STATEMENT OF UNDERSTANDING REGARDING THE IMPLEMENTATION OF THE INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE FOR THE TRANSNET PROGRAM” contains the ITOC spending requirements.

Section 12 of the Ordinance contains the Administrative Expenses requirements for SANDAG.

III. Exceptions

SANDAG acknowledges the existence of unforeseen circumstances which may prevent an audit from completion. Should situations warrant an extension, the agencies must submit a written request for an extension to be reviewed by ITOC and considered by the SANDAG.
III. Audit Adjustments

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

A. Specific Project Funding/Discretionary Programs

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

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

2. Projects with negative balances: if a project ending balance is negative, then a footnote should be provided detailing the subsequent year’s intended action.

3. Inactive projects: if a project has had no activity over a period of two audits, the agency must either close out the project or note when the project will be completed. These projects should no longer show in the following year’s audit.

B. This section applies to funding allocated for the specified projects under the Local Street and Road Formula Program (Section 4(C) of Ordinance 87-1 and Section 4(D)(1) of Ordinance 04-01) and Transit Funding (Section 4(B) of Ordinance 87-1 and Sections 4(C)(1), 4(C)(3), and 4(C)(4) of Ordinance 04-01).

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

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

3. Inactive projects: if a project has had no activity over a period of two audits, the agency must either close out the project or note when the project will be completed. These projects should no longer show in the following year’s audit. Any remaining TransNet funds must be transferred to another TransNet-eligible project.

4. Transfer of funds: any transfer of TransNet funds from one project to another requires the local agency to provide documentation that its governing body consents to the transfer proposed prior to or concurrent with the final issuance of the fiscal year audit. Such documentation shall consist of a signed staff report or resolution. Transfers that require an amendment to the RTIP must follow the amendment process outlined in Rule #7.

IV. Local Agency Balance Limitations

Based on the audit, an agency that maintains a balance of more than 30 percent of its annual apportionment (after debt service payments) must use the remaining balance to fund projects. SANDAG will defer payment until the unused balances fall below the 30 percent threshold the recipient agency’s Director of Finance, or equivalent, submits to SANDAG a certification that the unused balance has fallen below the 30 percent threshold, and will remain below the threshold until such time that a new threshold is determined.

V. Annual Fiscal Audit Report to the Board

Pursuant to the TransNet Extension Ordinance, beginning with the FY 2009 audits, ITOC is responsible for the annual fiscal and compliance audit of all TransNet-funded activities.

Rule #18: Local Street Improvement and Road Program

Adoption Date: June 23, 2006

Amended: December 21, 2007

Text: As specified in Section 2(C)(1) of the Ordinance 04-01, at least 70 percent of the revenues provided for local street and road purposes should be used for congestion relief purposes and no more than 30 percent for maintenance purposes. Grade separation projects are identified in Section 2(C)(1) of Ordinance 04-01 as projects that qualify as congestion relief projects. Attachment 2 provides a set of guidelines to be used in the implementation of this 30 percent maintenance limitation beginning with the 2006 Regional Transportation Improvement Program (RTIP) update. These guidelines apply to the programming of all available local TransNet funding (annual formula funds and prior year TransNet carry-over balances) beginning with July 1, 2008 (Fiscal Year 2008-09).

It is the intent of this Section that over the life of Ordinance 04-01, the local agencies do not cumulatively use more than 30 percent of the revenues for maintenance-related projects.
Rule #23: Application of TransNet Extension Ordinance Regional Transportation Congestion Improvement Program (RTCIP) Requirements

Adoption Date: July 10, 2009

A. Section 9 of Ordinance 04-01 provides that starting on July 1, 2008, each local agency in the San Diego region shall contribute $2,000 in exactions from the private sector, for each newly constructed residential housing unit in that jurisdiction to the RTCIP. Each agency is required to establish its own collection program, known as its RTCIP Funding Program. Each jurisdiction is required to either establish a new Fund for the RTCIP or to set up accounts specific to the RTCIP for tracking purposes.

B. Local agencies, SANDAG staff, hired auditors, and the Independent Taxpayers Oversight Committee (ITOC) are subject to the timelines set forth in Rule #17, Section I (Fiscal and Compliance Audit Procedures) in this Board Policy, Ordinance 04-01, and the attachment to Ordinance 04-01 entitled “REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM” (RTCIP Attachment). Section 9 of Ordinance 04-01 states that any local agency that does not provide its “full” RTCIP contribution in a given fiscal year will not be eligible to receive funding for local streets and roads for the immediately following fiscal year. It further provides that any funding not allocated under 4(D)(1) as a result of this requirement shall be reallocated to the remaining local agencies that are in compliance with Section 9. This Rule #23 is intended to provide clarification regarding how this language will be implemented.

1. By June 30 of each year, which is the last day of the SANDAG fiscal year, each local agency must record as revenue, the full amount of each RTCIP exaction due for any new residential unit subject to the RTCIP within its jurisdiction. This means that if the RTCIP exaction is not yet collected, the local agency should invoice, but does not need to collect all of the RTCIP exactions due in a given fiscal year by June 30. Each local agency may choose when the exaction is due, but in no event can the local agency allow a residential unit subject to the RTCIP to be occupied by a resident prior to receipt of the RTCIP exaction. The local agency must record the revenue in the fiscal year the exaction is due according to its RTCIP Funding Program or when the revenue is received, whichever occurs first.

2. Section G(4) of the RTCIP Attachment states that each local agency shall have up to, but no more than seven years after receipt of the revenue to expend the revenues on Regional Arterial System or regional transportation infrastructure projects. To ensure consistency in implementation, this provision shall mean that the seven-year term shall begin on the July 1 following the date on which the local agency recorded the exaction as revenue or received the revenue, whichever occurred first. If it is not spent within seven years it will be subject to the reallocation process in Section G(4) of the RTCIP Attachment.

3. Pursuant to Ordinance 09-01, which amended Ordinance 04-01, the audit reports for all RTCIP Funding Programs are to be completed by June of the fiscal year immediately following the end of the fiscal year being audited. If during the audit process it is determined that a local agency failed to collect the full amount of exactions due under its RTCIP Funding Program, the local agency may cure the defect by recording the amount due as an account receivable for the fiscal year being audited and avoid losing its TransNet funding. If the local agency has already closed out its books for the fiscal year being audited by the time the RTCIP audit discloses the defect, the local agency may record the revenue and cure the defect in the current fiscal year in order...
to avoid losing its TransNet funding. The seven-year period discussed in Section B(2) of this Rule will commence from the fiscal year in which the revenue is recorded if this latter situation occurs.

4. The following exceptions will be permitted to the requirement that each local agency record as revenue, the full amount of each RTCIP exaction due for any new residential unit subject to the RTCIP within its jurisdiction by the June 30 deadline. These exceptions are permissible because the purpose of the RTCIP exactions is to mitigate residential traffic impacts on the regional transportation infrastructure. If a new unit subject to the RTCIP is not occupied this impact does not occur.

   a. If litigation, bankruptcy, or other similar situation occurs that delays occupation of a new residential unit pending resolution by the courts or another body assigned to resolve the dispute, and the local agency has invoiced, but been unable to collect amounts due under its Funding Program, the local agency may delay recording the account receivable until the outcome is known or the unit is occupied, whichever occurs first. The local agency shall provide documentation to the auditor establishing litigation, bankruptcy, etc. has occurred that has precluded the local agency from collecting the exaction.

   b. If a local agency records an RTCIP exaction as revenue and subsequently determines that the amount is uncollectible (i.e., the developer never completes the project or goes bankrupt), the local agency may write-off the RTCIP exaction until such time, if ever, the unit is occupied and subject to the RTCIP. The local agency shall provide documentation to the auditor establishing that the write-off was justified.

5. Due to the timeline for completion of RTCIP audits, it may be up to one year after the fiscal year being audited has ended before ITOC adopts a final report that includes a finding that a local agency failed to provide the full amount of RTCIP exactions due under its RTCIP Funding Program. During this interim audit period, SANDAG will make the payments due to local agencies for local streets and roads pursuant to Section 4(D)(1) of Ordinance 04-01 in good faith by presuming that the audit will establish each local agency is in compliance. If, however, the audit establishes a local agency did not provide its full monetary contribution under the RTCIP and the local agency does not cure defects of which it was notified by the time the audit is finalized and adopted by the ITOC, then the local agency will have forfeited its Section 4(D)(1) contribution. Any amount paid to the local agency in the fiscal year following the year that was the subject of the audit will be retroactively owed to the Commission. SANDAG will deduct any such amount, with interest at the monthly Local Agency Investment Fund (LAIF) rate. This amount will be deducted from the local agency annual allocation during the next fiscal year in which the local agency is eligible for Section 4(D)(1) funding.
ANNUAL REVIEW OF COMMITTEES AND WORKING GROUPS

Introduction
SANDAG Board Policy No. 001 sets forth responsibilities for the Board of Directors and Policy Advisory Committees (PACs). In accordance with this policy, the Executive Committee is responsible for annually reviewing a list of all of SANDAG’s lower-level committees and working groups to determine the need to maintain the committee or working group and to approve any revisions in functions or membership. Since the last annual report, two new ad hoc working groups have been approved by the Board of Directors (Regional Planning Stakeholders Working Group and Mid-Coast Corridor Transit Project Working Group), and one group has concluded its work (Smart Growth Urban Design Guidelines Ad Hoc Working Group).

Recommendation
The Executive Committee is asked to approve the continuation of the committees and working groups as shown in Attachment 1.

Discussion
Obtaining meaningful public and technical input is important to all of our functional areas and is consistent with adopted SANDAG policy for public participation/involvement. Equally important is the need for focused policy direction, which is vested either in the Board of Directors or has been delegated by the Board to one of the five PACs.

SANDAG supports 24 different committees and working groups that advise the PACs on a variety of projects and issues related to our Overall Work Program and Capital Program. With the exception of the Executive Committee, each PAC (Transportation, Regional Planning, Borders, and Public Safety) has a number of different committees and working groups that report to it. Attachment 1 depicts the relationship between each of the PACs and their related working groups. Attachment 2 lists the membership, responsibilities, year established, frequency of meetings, and status for each of these groups.

Standing Groups
Many of our committees and working groups have met for years (even decades). These standing groups generally assist in ongoing planning, programming, and project development activities. Some examples of these include the Regional Planning Technical Working Group (planning directors), Cities/County Transportation Advisory Committee (public works directors), the Committee on Binational Regional Opportunities (stakeholders from the San Diego region and Mexico), and the Chiefs'/Sheriff’s Management Committee (chiefs of police, sheriff, or public safety chief executive officers).
Ad Hoc Groups

Other committees and working groups are ad hoc, meaning that they are established to accomplish a specific task or project. These ad hoc groups terminate upon completion of the identified task or project. Some examples of ad hoc groups include the recently approved Regional Planning Stakeholders Working Group and Mid-Coast Corridor Transit Project Working Group, and the I-15 Interregional Partnership (IRP) Joint Policy Committee (currently assisting with the grant-funded I-15 IRP Phase III project).

Working Group Changes

Regional Planning Stakeholders Working Group

On May 22, 2009, the SANDAG Board of Directors approved the establishment of a new Regional Planning Stakeholders Working Group (SWG) to provide input on the development of key work elements in the planning process, including the public participation plan and public outreach to help inform and encourage active public participation for the next 2050 Regional Transportation Plan (RTP). The new SWG will act in an advisory capacity to both the Regional Planning and Transportation Committees on the development of the 2050 RTP and its components.

The call for applications for consideration of membership on the SWG commenced in June 2009. Applications will be reviewed during June/July, and the Regional Planning and Transportation Committees will be asked to recommend the SWG slate to the Board of Directors at their July meetings.

Mid-Coast Corridor Transit Project Working Group

On May 22, 2009, the Board of Directors also approved the establishment of the Mid-Coast Corridor Transit Project Working Group (PWG) and its charter. The PWG will provide input to the Transportation Committee and SANDAG staff on the development of the Mid-Coast Corridor Transit Project and its components. The PWG is expected to meet monthly through the completion of the draft environmental document anticipated in August 2010.

Staff issued the call for PWG membership applications on May 26, 2009. Applications will be reviewed by the selection committee in June 2009. Staff will present the selection committee’s PWG participant recommendations to the Transportation Committee and the Board of Directors at their July meetings.

Smart Growth Urban Design Guidelines Ad Hoc Working Group

The Smart Growth Urban Design Guidelines Ad Hoc Working Group was formed in 2006 to provide input on the development of urban design guidelines for the San Diego region. The group held its last meeting in January 2009 and will be removed from the next annual status report. Action by the Regional Planning Committee and Board of Directors on the final design guidelines is scheduled for June 2009.
Next Steps

Board Policy also requires annual reports to the Board of Directors on the status of SANDAG committees and working groups. The next Board report is scheduled for the June 26, 2009, meeting.

KIM KAWADA
Policy and Legislative Affairs Program Manager

Attachments: 1. Policy Advisory Committees and Related Working Groups Diagram
2. List of Committees and Working Groups

Key Staff Contact: Victoria Stackwick, (619) 699-6926, vst@sandag.org
Bicycle-Pedestrian Working Group
Cities/County Transportation Advisory Committee
Regional Transit Planning Working Group

San Diego Region Conformity Working Group
San Diego Regional Traffic Engineers Council
Social Services Transportation Advisory Council

Bold = new working group

Bayshore Bikeway Working Group

Mid-Coast Corridor Transit Project Working Group
Regional Planning Stakeholders Working Group

Board of Directors
Transportation Committee
AD HOC
STANDING
ELECTED OFFICIALS

Board of Directors

Borders Committee

Committee on Binational Regional Opportunities

Interagency Technical Working Group on Tribal Transportation Issues

I-15 Interregional Partnership Joint Policy Committee
## LIST OF COMMITTEES AND WORKING GROUPS

### TRANSPORTATION COMMITTEE

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<tr>
<th>COMMITTEE OR WORKING GROUP NAME</th>
<th>MEMBERSHIP</th>
<th>RESPONSIBILITIES</th>
<th>YEAR ESTABL.</th>
<th>CURRENT STATUS</th>
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| **1** Bayshore Bikeway Working Group | County Supervisor Cox (Chair), Chula Vista Councilmember Bensoussan, Coronado Councilmember Woiwode, Imperial Beach Mayor Janney, National City Councilmember Zarate, City of San Diego Councilmember Faulconer, and advisory representatives from Metropolitan Transit System (MTS), Port of San Diego, and the bicycling community | Reviews and supports improvements to the Bayshore Bikeway | 1989 | Will terminate upon project completion 
Meeting Schedule: Periodically 
No. of Mtgs. in FY 2009: 3 |
| **2** Bicycle-Pedestrian Working Group | Staff from local jurisdictions, Caltrans, MTS, North County Transit District (NCTD), Port of San Diego, representatives from bicycle and pedestrian advocacy groups | Makes bicycle and pedestrian funding recommendations and reviews non-motorized transportation issues | 1970s | Standing 
Meeting Schedule: Monthly 
No. of Mtgs. in FY 2009: 10 |
| **3** Cities/County Transportation Advisory Committee (CTAC) | Public works directors from local jurisdictions and staff from Caltrans, MTS, and NCTD | Makes recommendations regarding transportation-related policies and issues that affect local street and road projects and programs | 1993 | Standing 
Meeting Schedule: Monthly 
No. of Mtgs. in FY 2009: 11 |
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<tr>
<th>COMMITTEE OR WORKING GROUP NAME</th>
<th>MEMBERSHIP</th>
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<th>YEAR ESTABL.</th>
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<tr>
<td>4 Regional Transit Planning Working Group</td>
<td>NCTD, MTS, other transit operator planning staffs, and Full Access &amp; Coordinated Transportation (FACT) staff</td>
<td>Assists in developing annual Regional Short Range Transit Plan (RSRTP) and Productivity Improvement Program; fulfills TDA requirement for a productivity improvement committee</td>
<td>2003</td>
<td>Standing</td>
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<td></td>
<td>Staff Lead: Daniel Levy</td>
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<td>Meeting Schedule: Quarterly</td>
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<td>No. of Mtgs. in FY 2009: 4</td>
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<td>No. of Mtgs. in FY 2009: 4</td>
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<td>5 San Diego Region Conformity Working Group</td>
<td>Staff from the U.S. Environmental Protection Agency (EPA), Federal Highway Administration (FHWA), Federal Transit Administration (FTA), California Air Resources Board (ARB), Caltrans, and San Diego Air Pollution Control District (APCD)</td>
<td>Reviews and comments on Regional Transportation Plan (RTP)/ Regional Transportation Improvement Program (RTIP) transportation conformity and State Implementation Plan development or updates; fulfills federal and state requirements for interagency consultation</td>
<td>1994</td>
<td>Standing</td>
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<td></td>
<td>Staff Lead: Rachel Kennedy</td>
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<td>Meeting Schedule: Monthly</td>
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<td>No. of Mtgs. in FY 2009: 5</td>
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<td>No. of Mtgs. in FY 2009: 5</td>
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<tr>
<td>6 San Diego Regional Traffic Engineers Council (SANTEC)</td>
<td>Traffic engineers from local jurisdictions, Caltrans, and staff from MTS and NCTD</td>
<td>Makes recommendations regarding traffic engineering issues associated with the region's roadway network</td>
<td>1989</td>
<td>Standing</td>
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<td></td>
<td>Staff Lead: Alex Estrella</td>
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<td>Meeting Schedule: Monthly</td>
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<td>No. of Mtgs. in FY 2009: 10</td>
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## TRANSPORTATION COMMITTEE

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<tr>
<td>7 Social Services Transportation Advisory Council (SSTAC)</td>
<td>Representatives of transit users who are 60 years or older; representatives of transit users who are persons with a disability; staff from social service providers serving seniors, persons with disabilities, and persons of limited means; representatives from the Consolidated Transportation Services Agency (FACT); representatives from each of the transit operators.</td>
<td>Designated as the Local Review Committee for the FTA Section 5310 grant applications, holds required unmet needs hearings, and advises on regional issues of accessible transportation provided by the public and private sector; fulfills state Public Utilities Code requirement; fulfills SAFETEA-LU Coordinated Plan requirement; also reviews and advises on transit capital improvement projects for ADA compliance.</td>
<td>1979</td>
<td>Standing</td>
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<td><strong>Staff Lead:</strong> Danielle Kochman</td>
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<td></td>
<td><strong>Meeting Schedule:</strong> Bimonthly <strong>No. of Mtgs. in FY 2009:</strong> 6</td>
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<p>| 8 Mid-Coast Corridor Transit Project Working Group | 22 members distributed over several membership categories, including access advocate, business community, community representatives, community services, employers, environmental, retail, student representative, taxpayers advocate, transportation advocate, transit rider representative, and at-large members | Provide a forum to update key stakeholders and the public on Mid-Coast Corridor Transit Project information and project review processes, present technical information for review during the scoping period, to reach consensus in support of a Locally Preferred Alternative, and review the draft environmental documents and provide comments. | 2009 | Ad Hoc - will terminate upon completion of draft environmental document (August 2010) |
| <strong>Staff Lead:</strong> Anne Steinberger | | | | <strong>Meeting Schedule:</strong> Monthly <strong>No. of Mtgs. in FY 2009:</strong> None |</p>
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<tr>
<td>9 Regional Planning Stakeholders Working Group (SWG)</td>
<td>Up to 25 members, including 16 to 18 “at-large” citizen members selected based on their individual qualifications, and 5 to 7 individuals representing community-based networks</td>
<td>Provide ongoing public input into key activities associated with developing the 2050 RTP and its key components, including its goals and objectives and a Sustainable Communities Strategy required by Senate Bill 375 (2008)</td>
<td>2009</td>
<td>Ad Hoc – will terminate upon completion of 2050 RTP (summer 2011)</td>
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<tr>
<td>Staff Lead: Jane Clough-Riquelme</td>
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<td>Meeting Schedule: Monthly</td>
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<td>COMMITTEE OR WORKING GROUP NAME</td>
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| 10 Shoreline Preservation Working Group | San Diego County Supervisor Slater-Price (Chair), Solana Beach Councilmember Kellejian (Vice Chair), Coronado Mayor Pro Tem Downey, Del Mar Councilmember Filanc, Imperial Beach Mayor Janney, Oceanside Councilmember Sanchez, City of San Diego Councilmember Faulconer, Encinitas Councilmember Bond, Carlsbad Mayor Pro Tem Kulchin, representatives from resource agencies; U.S. Department of Defense (DOD); Port of San Diego; Surfrider Foundation; Sierra Club; California Coastal Coalition; Southern California Tribal Chairmen's Association; California Lobster and Trap Fisherman Association; and economic development, business, and other community organizations | Advises on the implementation of the Shoreline Preservation Strategy adopted by SANDAG in 1993                                                                                                                | 1980s        | Standing        | Meeting Schedule: Bimonthly  
No. of Mtgs. in FY 2009: 5 |
| 11 Regional Housing Working Group | Lemon Grove Councilmember Selby (Co-Chair); Duane Roth, CONNECT (Co-Chair); housing staff representatives from the City of San Diego, County of San Diego, North County Coastal, North County Inland, East County, and South County; and housing authority staff, housing industry representatives, and housing advocates | Serves as a forum for discussion of regional housing issues                                                                                                                                                    | 2000         | Standing        | Meeting Schedule: Quarterly  
No. of Mtgs. in FY 2009: 3 |
| 12 Regional Energy Working Group | Coronado Councilmember Downey (Chair), San Marcos Councilmember Jones (North County Inland), San Diego Councilmember Frye, Solana Beach Councilmember Heebner (North County Coastal), Vacant (East County), Vacant (County of San Diego); and representatives from San Diego Gas & Electric, Port of San Diego, California Center for Sustainable Energy, Energy Policy Initiatives Center at USD, San Diego Regional Chamber of Commerce, North County Economic Development Council, San Diego Regional Clean Fuels Coalition, Environmental Health Coalition, Sierra Club, regional universities and regional transit agencies | Advises on the implementation of the Regional Energy Strategy adopted by SANDAG in 2003                                                                                                                   | 2004         | Standing        | Meeting Schedule: Monthly  
No. of Mtgs. in FY 2009: 11 |
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<tr>
<th>COMMITTEE OR WORKING GROUP NAME</th>
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<th>CURRENT STATUS</th>
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<tr>
<td>13 Environmental Mitigation Program (EMP) Working Group</td>
<td>Coronado Councilmember Carrie Downey (Chair); County of San Diego staff Tom Oberbauer (Vice Chair) and staff representatives from City of San Diego, North County Coastal, North County Inland, East County, and South County; representatives from the U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, California Department of Fish and Game, California Wildlife Conservation Board, Caltrans, The Nature Conservancy, Conservation Resource Network, U.S. Geological Survey, Endangered Habitats League, Building Industry Association, San Diego Foundation, California Coastal Conservancy, and Alliance for Habitat Conservation</td>
<td>Advises on issues related to the coordination and implementation of the TransNet Environmental Mitigation Program</td>
<td>2005</td>
<td>Will continue through duration of implementation of TransNet EMP</td>
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<td>Staff Lead: Keith Greer</td>
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<td>Meeting Schedule: Monthly No. of Mtgs. in FY 2009: 8</td>
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<tr>
<td>14 Regional Planning Technical Working Group (TWG)</td>
<td>Planning directors from local jurisdictions and staff from other agencies, including Port of San Diego, MTS, NCTD, San Diego County Water Authority (CWA), and Local Agency Formation Commission (LAFCO)</td>
<td>Advises on the development and implementation of the Regional Comprehensive Plan (RCP)</td>
<td>1990</td>
<td>Standing</td>
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<td>Staff Lead: Carolina Gregor</td>
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<td>Meeting Schedule: Monthly No. of Mtgs. in FY 2009: 14</td>
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| 15 Smart Growth Urban Design Guidelines Ad Hoc Working Group  | Two members each from the Cities/County Transportation Advisory Committee, Regional Planning Stakeholders Working Group, and Regional Planning Technical Working Group  | Provide input on the development of urban design guidelines for the San Diego region, including preparation of scope of work, consultant selection, and periodic feedback as the guidelines are developed  | 2006  | Held last meeting in January 2009 – will be removed from next annual report  
Meeting Schedule: Periodically as needed  
No. of Mtgs. in FY 2009: 6 |
| 16 SPRINTER Smart Growth Working Group  | Staff from jurisdictions located along the SPRINTER line, including the cities of Oceanside, Vista, San Marcos, and Escondido, and the County of San Diego, and NCTD; other public and private stakeholders serve as advisory members  | Provides assistance to local jurisdictions along the SPRINTER line and other stakeholders to implement smart growth in the areas around the 15 SPRINTER stations  | 2007  | Standing  
Meeting Schedule: As needed  
No. of Mtgs. in FY 2009: None |
| 17 Regional Planning Stakeholders Working Group (SWG)  | Up to 25 members, including 16 to 18 “at-large” citizen members selected based on their individual qualifications, and 5 to 7 individuals representing community-based networks  | Provide ongoing public input into key activities associated with developing the 2050 RTP and its key components, including its goals and objectives and a Sustainable Communities Strategy required by Senate Bill 375 (2008)  | 2009  | Ad Hoc – will terminate upon completion of 2050 RTP (summer 2011)  
Meeting Schedule: Monthly  
No. of Mtgs. in FY 2009: 0 |
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<tr>
<td>18 Committee on Binational Regional Opportunities (COBRO)</td>
<td>Stakeholders from both sides of the United States/Mexico border, including representatives from local jurisdictions, businesses, and academia</td>
<td>Advises on binational-related planning and project development issues</td>
<td>1995</td>
<td>Standing</td>
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<td></td>
<td>Staff Lead: Hector Vanegas</td>
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<td>Meeting Schedule: Bimonthly</td>
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<td>No. of Mtgs. in FY 2009: 8</td>
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<tr>
<td>19 Interagency Technical Working Group on Tribal Transportation Issues</td>
<td>Representatives from each of the federally recognized tribal governments and California tribes in San Diego County</td>
<td>Discuss and coordinate transportation issues of mutual concern with the various public planning agencies in the region, including SANDAG, Caltrans, the County of San Diego, and the transit operators</td>
<td>2007</td>
<td>Standing</td>
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<td></td>
<td>Staff Lead: Jane Clough-Riquelme</td>
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<td>Meeting Schedule: Quarterly</td>
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<td>No. of Mtgs. in FY 2009: 3</td>
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<td>20 I-15 Interregional Partnership (IRP) Joint Policy Committee</td>
<td>Elected officials from the San Diego region (members of SANDAG Borders Committee) and from the Southwestern Riverside County region (members of Western Riverside Council of Governments, Riverside County Transportation Commission, and the Riverside Transit Agency)</td>
<td>Review and provide policy-level feedback on I-15 IRP Phase III Study</td>
<td>2006</td>
<td>Will terminate upon completion of I-15 IRP Phase III</td>
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<td></td>
<td>Staff Lead: Jane Clough-Riquelme</td>
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<td>Meeting Schedule: As needed</td>
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<td>No. of Mtgs. in FY 2009: 1</td>
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<tr>
<td>21 Chiefs’ / Sheriff’s Management Committee</td>
<td>Sheriff and police chiefs from around the region</td>
<td>Reviews, evaluates, and oversees the SANDAG Automated Regional Justice Information System (ARJIS) and Criminal Justice work programs and budgets; oversees the ARJIS Business, Technical, Crime Analysis, and Enterprise Core Working Groups; and evaluates and recommends regional public safety initiatives</td>
<td>1981</td>
<td>Standing</td>
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<td>Meeting Schedule: Monthly</td>
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<td>No. of Mtgs. in FY 2009: 10</td>
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<td>22 ARJIS Business Working Group</td>
<td>Appointed staff members from each agency represented on the Chiefs’ / Sheriff’s Management Committee</td>
<td>Provides advice to the Chiefs’/Sheriff’s Management Committee on ARJIS matters relating to information sharing, business practices, and budget</td>
<td>1998</td>
<td>Standing</td>
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<td>Meeting Schedule: Bimonthly as needed</td>
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<td>23 ARJIS Crime Analysis Working Group (CASS)</td>
<td>Appointed staff members from each agency represented on the Chiefs’ / Sheriff’s Management Committee</td>
<td>Provides advice to the Chiefs’/Sheriff’s Management Committee on matters relating to the verification, validation, and analysis of regional public safety information and mandated federal reporting requirements</td>
<td>1980s</td>
<td>Standing</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Meeting Schedule: Bimonthly as needed</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>No. of Mtgs. in FY 2009: 2</td>
</tr>
<tr>
<td>COMMITTEE OR WORKING GROUP NAME</td>
<td>MEMBERSHIP</td>
<td>RESPONSIBILITIES</td>
<td>YEAR ESTABL.</td>
<td>CURRENT STATUS</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>------------</td>
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<td>----------------</td>
</tr>
<tr>
<td>24 ARJIS Enterprise Core Working Group</td>
<td>Appointed staff members from each agency represented on the Chiefs' / Sheriff's Management Committee</td>
<td>Provides advice to the Chiefs' / Sheriff's Management Committee on matters relating to the development of the new ARJIS Enterprise System</td>
<td>2007</td>
<td>Standing</td>
</tr>
<tr>
<td></td>
<td>Staff Lead: Pam Scanlon</td>
<td></td>
<td></td>
<td>Meeting Schedule: Bimonthly as needed</td>
</tr>
<tr>
<td>25 ARJIS Technical Working Group</td>
<td>Appointed staff members from each agency represented on the Chiefs' / Sheriff’s Management Committee</td>
<td>Provides advice to the Chiefs' / Sheriff’s Management Committee on ARJIS matters relating to state-of-the-art information technology that enhances both officer and public safety</td>
<td>1998</td>
<td>Standing</td>
</tr>
<tr>
<td></td>
<td>Staff Lead: Joe Vaughn</td>
<td></td>
<td></td>
<td>Meeting Schedule: Bimonthly as needed</td>
</tr>
</tbody>
</table>
FEDERAL LEGISLATIVE STATUS REPORT

Introduction

Periodic status reports on legislative activities are provided to the Executive Committee during the year. This status report provides an update on FY 2010 federal budget proposals, American Recovery and Reinvestment Act (ARRA) funding, the next federal surface transportation authorization, and federal funding for transit operations for information purposes.

Discussion

Fiscal Year 2010 Budget

On Thursday, May 7, 2009, the Administration released its $3.6 trillion spending plan and budget recommendations for FY 2010 for all federal programs, including federal surface transportation programs. The President proposes a total of $73.25 billion for the U.S. Department of Transportation (USDOT), which is an increase of $1.69 billion or 2.4 percent over FY 2009, excluding all ARRA funds.

The documents released provide the programmatic level detail that was not included in the Administration’s initial budget submission to Congress earlier in the year; however, even this more detailed budget assumes only current baseline program levels for highway and transit programs under the expiring Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) authorizing law. The budget proposal assumes that any funding growth under these programs will be subject to the decisions made in the new authorizing bill. In an effort to explain this, the Administration’s budget submission repeatedly states the following:

The Administration is developing a comprehensive approach for surface transportation reauthorization. Consequently, the Budget contains no policy recommendations for programs subject to reauthorization, including highway programs. Instead, the Budget displays baseline funding levels for all surface transportation programs.

The President’s proposal also would eliminate four USDOT programs, including Appalachian Corridor H, Denali Access Highways, Rail Line Relocation, and the Surface Transportation Priorities (STP) discretionary program. The STP discretionary program is a Congressionally-earmarked program that received more than $160 million in SAFETEA-LU; it is proposed to be cut due to the lack of competition and criteria for funding.
The Administration’s proposal also includes a higher level of support from the General Fund for both transit and highway programs, which are currently funded mainly from the Highway Trust Fund (HTF). In FY 2009, HTF obligations make up 70 percent of the USDOT total. In the President’s proposed FY 2010 budget, HTF obligations would make up only 15 percent of the transportation total, with the remaining funding provided by the General Fund. Because the HTF may face insolvency as early as September 2009, the proposed infusion of General Fund revenues would be a mechanism to fund the authorized transportation funding levels in SAFETEA-LU. However, use of General Fund revenues are subject to discretionary spending caps and other complex budgetary rules pertaining to specified General Fund expenditures, which currently do not apply to HTF revenues.

Federal Highway Administration

The President’s budget requests a total of $41.107 billion in discretionary spending for the federal-aid highways program, a 1 percent increase over FY 2009 levels of $40.7 billion, exclusive of ARRA funding. Of this, the budget proposal would lower the obligation limitation on the HTF to $5 billion and instead would provide a new General Fund appropriation for the remaining $36.107 billion.

Federal Transit Administration

For programs administered by the Federal Transit Administration (FTA), the Administration proposes total budget authority of $10.336 billion, an increase of $104 million or 1 percent above FY 2009 authorized levels, exclusive of ARRA funding. FTA Capital Investment Grants and Formula Bus Grants are proposed to be funded at levels of $1.827 billion and $8.343 billion, respectively. The remaining $166 million would fund research and development as well as administrative costs.

Federal Railroad Administration/ Amtrak

The budget proposes $2.705 billion in appropriations for the Federal Railroad Administration (FRA) in FY 2010, which is a 50 percent increase over FY 2009 levels. This increase is due to the newly created Capital Assistance for High-Speed Rail Corridors and Intercity Passenger Rail Program. The budget recommendation includes $1 billion for this program, which is the first of a five-year proposal totaling $5 billion. This would be in addition to the $8 billion in ARRA funding provided to jumpstart high-speed rail programs. The budget also includes a small increase in funding for Amtrak from $1.490 billion to $1.502 billion.

American Recovery and Reinvestment Act Funding

As of May 26, 2009, the Federal Highway Administration reports that it has obligated 45 percent, or $12.18 billion, of the $26.8 billion in ARRA highway formula funds. It has authorized 3,572 projects throughout all 50 states, Washington, DC, and two U.S. territories. FTA reports that it has obligated 39 transit grants or 7 percent of total, worth $529.4 million, with 242 grants, or 30 percent worth $2.2 billion pending review and approval.

Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grants

USDOT published criteria for the $1.5 billion, TIGER multimodal discretionary grants in the May 18 Federal Register. Applications for the program are due by September 15, 2009. Based on recent remarks made by Transportation Secretary Ray LaHood, it is expected that a significant portion of these funds will be focused on freight and port projects.
Capital Assistance for High-Speed Rail Corridor and Intercity Passenger Rail Service Program

FRA announced that it will be hosting a series of regional workshops around the country to gather comments in advance of the June 17, 2009, deadline for the release of the guidance/criteria for the $8 billion ARRA Capital Assistance for High-Speed Rail Corridor and Intercity Passenger Rail Service Program. The California workshop will be held in Sacramento on May 28, 2009. This session is primarily for stakeholders in the federally-designated corridors, including the California Corridor. FRA also will accept written comments and recommendations on the potential guidance from the public by June 5, 2009.

Federal Surface Transportation Authorization

Representative James Oberstar (D-MN), Chairman of the House Transportation and Infrastructure Committee, has stated that he intends to introduce a committee draft of the next surface transportation authorization within the coming months. Chairman Oberstar has indicated that he would like to have the legislation considered by the full committee and onto the House Floor by the end of June. Few details regarding the Chairman’s plans for the next authorization bill are available at this time. House Transportation and Infrastructure Committee leaders have begun discussions with the House Ways and Means Committee to develop the financing portion of the bill; however, at this time there are no scheduled mark-ups or hearings on how to finance the next authorization.

High-Priority Project Submissions

On April 24, 2009, the Board of Directors approved a list of regional High-Priority Projects (HPP) for the next federal surface transportation authorization bill. The list included funding requests for highway, bridge, public transit, New Starts/Small Starts, passenger rail, freight rail, intermodal freight improvement, and other projects. Staff prepared the regional HPP proposals that were submitted to the Transportation House and Infrastructure Committee via the San Diego Congressional delegation. In the Committee’s original letter to Members soliciting project requests, both the Chairman and Ranking Member indicated that the Committee would share project information with the USDOT, in an effort to vet potential projects.

Federal Funding For Transit Operations

During the April 10, 2009, Board of Directors meeting and a Joint Special meeting of the Transportation Committee, the need to identify additional resources for transit operations funding was discussed. At the meeting, Board and Transportation Committee members were informed of an effort by several Congressional members to urge the House and Senate to include language in either the FY 2009 supplemental appropriations bill or the next federal surface transportation authorization that would allow public transportation systems to use 10 percent of their ARRA formula transit funds for operating assistance purposes. Board and Committee members requested that the San Diego Congressional Delegation be asked to sign on to the letter authored by Congressman Dan Lipinski (D-IL) and Russ Carnahan (D-MO) to support providing flexible funding for transit operating assistance. As a result, Congressman Bob Filner (D-CA) and Congresswoman Susan Davis (D-CA) and have both signed the letter.
The House did not include the requested language in its version of the upcoming FY 2009 supplemental appropriations bill; however the Senate version of the FY 2009 supplemental appropriations bill includes a provision that would allow the use of up to 10 percent of ARRA formula transit funding for operating purposes. The House is expected to sign off on the provision should it be raised as an issue during conference.

KIM KAWADA
Policy and Legislative Affairs Program Manager

Key Staff Contact: Victoria Stackwick, (619) 699-6926, vst@sandag.org
STATE LEGISLATIVE STATUS REPORT

Introduction

Periodic status reports on legislative activities are provided to the Executive Committee during the year. On May 19, 2009, voters rejected all but one measure on the statewide special election ballot confirming that California faces a $21 billion budget gap through June 30, 2010. In response, the Governor released his May Revision that proposed to restore the FY 2009-2010 budget to balance. This report provides a summary of the statewide special election results and the key elements of the Governor’s May Revision as well as an update on the status of SANDAG-proposed amendments to Senate Bill 575.

Discussion

Statewide Special Election Results

On May 19, 2009, voters rejected five of the six measures on the statewide special election ballot. Propositions 1A through 1E were measures placed on the ballot by the Legislature to deal with the ongoing California state budget crisis; Proposition 1F, the only measure that passed, related to legislator pay during budget crises. With the rejection of the Propositions 1A through 1E, it remains to be seen how the state’s budget will be balanced. Table 1 summarizes the special election results.

Table 1. May 19, 2009, Special Election Results

<table>
<thead>
<tr>
<th>Proposition</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prop. 1A: Strengthens state reserve funding, limits excessive state spending</td>
<td><strong>No:</strong> 65.9%</td>
</tr>
<tr>
<td></td>
<td><strong>Yes:</strong> 34.1%</td>
</tr>
<tr>
<td>Prop. 1B: Repays schools $9.3 billion over time</td>
<td><strong>No:</strong> 62.6%</td>
</tr>
<tr>
<td></td>
<td><strong>Yes:</strong> 37.4%</td>
</tr>
<tr>
<td>Prop. 1C: Modernizes the CA state lottery, allows state to securitize $5 billion for budget</td>
<td><strong>No:</strong> 64.6%</td>
</tr>
<tr>
<td></td>
<td><strong>Yes:</strong> 35.4%</td>
</tr>
<tr>
<td>Prop. 1D: Redirects over $1 billion in tobacco tax proceeds for state budget</td>
<td><strong>No:</strong> 65.8%</td>
</tr>
<tr>
<td></td>
<td><strong>Yes:</strong> 34.2%</td>
</tr>
<tr>
<td>Prop. 1E: Redirects $460 million from Prop. 63 mental health tax budget</td>
<td><strong>No:</strong> 66.4%</td>
</tr>
<tr>
<td></td>
<td><strong>Yes:</strong> 33.6%</td>
</tr>
<tr>
<td>Prop. 1F: Prohibits salary increases for elected state officials during budget deficit</td>
<td><strong>No:</strong> 26.1%</td>
</tr>
<tr>
<td></td>
<td><strong>Yes:</strong> 73.9%</td>
</tr>
</tbody>
</table>
**Governor’s May Revision**

The Governor’s May Revise seeks to address California’s budget shortfall, which now is estimated to be $21 billion. The Governor initially released his May Revise on May 14, 2009, prior to the special election, but has since updated his proposal to address the additional revenue shortfall caused by the failure of the revenue-related measures on the special election ballot. The $21 billion comprises a $12 billion decline in revenues, $3 billion in increased expenditures, and about $6 billion due to the failure of the May 19 ballot measures.

The Budget Conference Committee has begun to review the Governor’s proposal, and the next few weeks will be a fluid process for the state budget. The Conference Committee is composed of 10 members, five each from the Assembly and Senate. Assembly Member Noreen Evans (D-Santa Rosa) is the chair. Other members include Assembly Member Kevin de León (D-Los Angeles), Assembly Member Bob Blumenfield (D-Woodland Hills), Assembly Member Roger Niello (R-Sacramento), Assembly Member Jim Nielsen (R-Biggs), Senator Denise Ducheny (D-San Diego), Senator Bob Dutton (R-Rancho Cucamonga), Senator Mark Leno (D-San Francisco), Senator Alan Lowenthal (D-Long Beach), and Senator Mimi Walters (R-Laguna Hills).

**Transportation**

There are two significant impacts to transportation funding in the Governor’s proposals. The first is the proposal to divert $336 million in the additional spillover revenue that is projected to accrue in FY 2009-2010, to fund transit bond-related debt service. The diversion of the spillover was included in the adopted FY 2009-2010 budget; however, since February the spillover revenue has grown from $90 million to $336 million. This diversion would relieve the General Fund of these debt service costs. (Spillover revenues occur when revenue derived from sales taxes on gasoline is proportionately higher in relationship to revenue derived from all taxable sales.)

The second proposal included in the Governor’s May Revise (as updated on May 28, 2009) proposes to use 25 percent of the state’s gasoline excise tax revenues (about $750 million) to reimburse the General Fund for debt services on transportation bonds on an ongoing basis. The funds would come from the Highway Users Tax (HUTA), which is the portion of gasoline excise tax revenues that would otherwise be subvened to cities and counties for local streets and roads. This would reduce local subventions from about $1 billion to about $300 million statewide.

Similar to the Governor, the Legislative Analyst’s Office (LAO) also has provided an option to suspend the gasoline excise tax subventions or HUTA payments to local governments for one year. The LAO stated that the subventions would need to be repaid with interest within three years, while the Governor’s May Revise assumes that these suspensions would not need to be repaid.

In addition to the Governor’s May Revise, the LAO has made recommendations to the Budget Conference Committee to address the current budget deficit. The most significant of the LAO options is to partially suspend the Proposition 42 transfer. Proposition 42 dedicates revenues from the state’s share of the sales tax on gasoline to transportation projects; it is allocated 40 percent to the State Transportation Improvement Program (STIP), 40 percent to cities and counties, and 20 percent to the Public Transportation Account (PTA). The Proposition 42 suspension proposed by the LAO would be about a $1.2 billion revenue impact. This would result in less funding for state highway and local street and road projects. The money also would need to be repaid with interest within three years as required by Proposition 1A (2006).
Local Government

The most significant impact to local government in the Governor’s May Revise is to suspend Proposition 1A (2004) and borrow $2 billion from local governments (cities, counties, and special districts). Proposition 1A (2004) allows for suspensions of property tax revenue under the following conditions:

- Governor must issue a proclamation declaring a severe fiscal hardship;
- Legislature must enact an urgency statute suspending Prop. 1A with a two-thirds vote of each house;
- Legislature must enact a law providing for full repayment of the borrowed funds plus interest within three years;
- Legislature may not enact a suspension more than twice in a ten-year period and may only do so if any previous borrowing has been repaid; and
- Legislature may borrow not more than 8 percent of the total amount of ad-valorem property tax revenues allocated from the fiscal year immediately preceding.

The LAO has pointed out that the State Constitution does not require that the 8 percent borrowing limit be implemented on an across-the-board basis. Proposition 1A (2004) only states the maximum amount that may be borrowed statewide; it does not specify how the amount might be allocated across local government entities. For example, the state could borrow a greater percentage from special districts and borrow a lower percentage from other local government entities. Table 2 shows how the 18 cities in the San Diego region would be affected by the proposed borrowing of $2 billion based on an across-the-board 8 percent reduction. The County of San Diego has estimated that the proposed borrowing would have a $70 million effect on its property tax revenues in FY 2010.

<table>
<thead>
<tr>
<th>City</th>
<th>FY 2008-2009 Property Tax (Est.)</th>
<th>Total 8% Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlsbad</td>
<td>53,864,785</td>
<td>4,309,183</td>
</tr>
<tr>
<td>Chula Vista</td>
<td>53,982,831</td>
<td>4,318,626</td>
</tr>
<tr>
<td>Coronado</td>
<td>20,448,175</td>
<td>1,635,854</td>
</tr>
<tr>
<td>Del Mar</td>
<td>4,379,099</td>
<td>350,328</td>
</tr>
<tr>
<td>El Cajon</td>
<td>19,804,571</td>
<td>1,584,366</td>
</tr>
<tr>
<td>Encinitas</td>
<td>36,087,159</td>
<td>2,886,973</td>
</tr>
<tr>
<td>Escondido</td>
<td>29,502,755</td>
<td>2,360,220</td>
</tr>
<tr>
<td>Imperial Beach</td>
<td>4,310,783</td>
<td>344,863</td>
</tr>
<tr>
<td>La Mesa</td>
<td>13,072,181</td>
<td>1,045,774</td>
</tr>
<tr>
<td>Lemon Grove</td>
<td>5,241,363</td>
<td>419,309</td>
</tr>
<tr>
<td>National City</td>
<td>11,924,859</td>
<td>953,989</td>
</tr>
<tr>
<td>Oceanside</td>
<td>53,116,285</td>
<td>4,249,303</td>
</tr>
<tr>
<td>Poway</td>
<td>16,035,108</td>
<td>1,282,809</td>
</tr>
<tr>
<td>San Diego</td>
<td>444,118,676</td>
<td>35,529,494</td>
</tr>
<tr>
<td>San Marcos</td>
<td>15,605,762</td>
<td>1,248,461</td>
</tr>
<tr>
<td>Santee</td>
<td>15,277,157</td>
<td>1,222,173</td>
</tr>
<tr>
<td>Solana Beach</td>
<td>7,988,490</td>
<td>639,079</td>
</tr>
<tr>
<td>Vista</td>
<td>20,824,090</td>
<td>1,665,927</td>
</tr>
</tbody>
</table>
Other Major Proposals

The Governor’s May Revise also proposes major reductions in Proposition 98 spending, Medi-Cal reductions, university system reductions, and health and human services program reductions, and some additional revenue measures. The major proposals are listed below:

- $76 million from a new 4.8 percent surcharge on insurance policies to pay for CalFire and local response agencies
- $5.3 billion in cuts to education in both K-12 and community colleges
- $1.2 billion in higher education reductions
- $1 billion in one-time savings from sales of a portion of the State Compensation Insurance Fund
- $2.7 billion in cuts to health and human services
- $282 million in reductions to corrections by reducing some crimes from felonies to misdemeanors
- $1.7 billion by adoption of a 10 percent personal income tax withholding increase
- $100 million in revenues from lease oil and gas extraction off the Santa Barbara coast
- $610 million in tax accelerations
- $1 billion in other solutions
- $5.5 billion in additional reductions to replace the original May 14 proposal to use Revenue Anticipation Warrants as a borrowing tool

Staff will continue to monitor the budget as it makes it way through the legislative process. The Democratic legislative leadership has stated that it intends to resolve the budget before the start of the new fiscal year on July 1, 2009.

Senate Bill 575 (Steinberg). Local Planning: Housing Element

At its May 8, 2009, meeting the Executive Committee acted on proposed amendments to Senate Bill 575 (Steinberg), providing direction to staff to continue negotiations with the author, sponsor of the bill, and key stakeholders. SANDAG is seeking to eliminate an “interim” Regional Housing Needs Assessment (RHNA)/housing element cycle in 2010. This would allow the region to focus its resources on developing the next RHNA, Sustainable Communities Strategy (SCS), and RTP in accordance with goals of SB 375 (Steinberg, 2008). If the 2010 housing element cycle is eliminated, the deadline for completion of the next housing elements would be December 31, 2012.

Based on the Executive Committee’s direction, staff began discussions with the author’s office and the primary bill sponsor, the California League of Conservation Voters. The sponsor acknowledged that SANDAG has done a significant amount of work on the proposed amendments and recommended an additional change, as discussed below. The sponsor also voiced a concern whether the statewide housing advocates would support a longer schedule for the County of San Diego.

The current proposal set forth below is under review by several groups, including San Diego Housing Federation (local housing advocates), Housing California and the California Rural Legal Assistance Foundation (statewide housing advocates), League of California Cities, California State Association of Counties, Senate Transportation and Housing Committee staff, and other stakeholders.
For all 19 local jurisdictions in the San Diego region, align the next revision of the housing element (fifth revision) with the 2011 RTP update (the eight-year 2012-2020 housing elements would be due by December 31, 2012, 18 months after July 2011 adoption of SANDAG RTP update)

Require local jurisdictions in the San Diego region that have not completed their 2005-2010 housing elements (fourth revision) by the effective date of SB 575 to complete any necessary rezoning program(s) by July 1, 2010, except for the County of San Diego, which would be required to complete its rezoning program(s) by December 31, 2010

Local jurisdictions that do not complete necessary rezoning programs for the 2005-2010 housing elements by July 1, 2010 (or December 31, 2010, in the case of the County of San Diego), would be required to prepare another housing element four years after the fifth revision (four-year 2016-2020 housing elements would be due by December 31, 2016)

The primary difference between the original proposals approved by the Executive Committee and the revised proposal is the timing of the requirement to prepare an additional housing element for those jurisdictions that do not meet the deadlines to complete necessary rezoning programs. Under the original proposals, those jurisdictions that did not complete their rezoning program(s) by a date certain would be required to complete a 2010-2012 housing element (due in 2010); the revised proposal would require these jurisdictions to prepare a 2016-2020 housing element by December 31, 2016. This language is similar to the current penalty language contained in SB 375 (Steinberg, 2008) that requires jurisdictions that fail to adopt a housing element within 120 days of the deadline outlined in Section 65588 of the Government Code to prepare housing elements on a four-year cycle instead of an eight-year cycle.

SB 575, which was last amended on May 4, 2009, is the vehicle for technical amendments to SB 375, including the SANDAG proposal to align the upcoming RHNA and 2011 RTP update. SB 575 is scheduled to be heard on the Senate floor during the week of June 1, 2009. The SANDAG-proposed amendments are expected to be incorporated into the bill after it moves to the Assembly. Staff will report back to the Executive Committee on the progress of SANDAG amendments to SB 575 as the bill makes its way through the legislative process.

KIM KAWADA
Policy and Legislative Affairs Program Manager

Key Staff Contact: Genevieve Morelos, (619) 699-1994, gmo@sandag.org
REVIEW OF JUNE 26, 2009, DRAFT BOARD AGENDA

+1.  APPROVAL OF MEETING MINUTES 

A.  MAY 8, 2009, BOARD POLICY MEETING MINUTES 
B.  MAY 22, 2009, MEETING MINUTES

2.  PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Members of the public shall have the opportunity to address the Board on any issue within the jurisdiction of SANDAG that is not on this agenda. Anyone desiring to speak shall reserve time by completing a “Request to Speak” form and giving it to the Clerk of the Board prior to speaking. Public speakers should notify the Clerk of the Board if they have a handout for distribution to Board members. Speakers are limited to three minutes. Board members also may provide information and announcements under this agenda item.

+3.  ACTIONS FROM POLICY ADVISORY COMMITTEES 

This item summarizes the actions taken by the Borders Committee on May 22, the Transportation and Regional Planning Committees on June 5, the Executive Committee on June 12, and the Transportation and Public Safety Committees on June 19, 2009.

CONSENT ITEMS (4 through XX)

+4.  FY 2009 CALIFORNIA TRANSIT SECURITY GRANT APPLICATION 

(Sookyung Kim)

Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006, authorizes the issuance of general obligation bonds for specified purposes, including funding for the Transit Security Grant program for transit system safety, security, and disaster response projects. Consistent with existing State Transit Assistance requirements, SANDAG must apply for the Proposition 1B funds on behalf of the North County Transit District (NCTD). The Transportation Committee recommends that the Board of Directors approve Resolution No. 2009-35 in substantially the form as attached, authorizing the Executive Director to apply for and allow the direct pass-through of the Prop. 1B transit security funds to NCTD.
+5. FY 2010 BUDGET AND OVERALL WORK PROGRAM AMENDMENT: SANDAG ASSUMING ROLE AS THE FISCAL AGENT FOR THE U.S. ATTORNEY’S OFFICE PROJECT SAFE NEIGHBORHOODS (Cynthia Burke)

Since 2003, a national federal effort called Project Safe Neighborhoods (PSN) has been coordinated through the local U.S. Attorney’s Office to target gun- and gang-related violence. The SANDAG Criminal Justice Research Division has been involved in this effort locally since its inception, currently serving as the research partner. The U.S. Attorney’s Office has approached SANDAG to assume the role of the fiscal agent beginning in FY 2010, per Department of Justice requirements for a local government agency to fulfill these contracting and reporting tasks. The Public Safety Committee recommends that the Board of Directors approve an amendment to the FY 2010 Budget and Overall Work Program to accept $669,866 in funding, and authorize the Executive Director to execute the Memorandum of Understanding between SANDAG and the U.S. Attorney in substantially the same form as attached to the report.

+6. MEMORANDUM OF AGREEMENT BETWEEN SANDAG AND THE CITY OF SANTEE REGARDING TransNet EXTENSION ORDINANCE COMMERCIAL PAPER PROGRAM AND REQUEST FOR AN EXCEPTION TO BOARD POLICY NO. 031 (Lauren Warrem)*

The Santee City Council has approved the borrowing of $3.95 million in TransNet Commercial Paper funding based on the revenue projections provided by SANDAG. Participation at this level will allow the City of Santee to complete the funding needs for the Forester Creek Improvement Program. The Transportation Committee recommends that the Board of Directors: (1) approve the use of the TransNet Extension Commercial Paper program for the City of Santee; (2) approve an exception to Rule #16 of Board Policy No. 031 to increase the repayment period from five years to ten years; and (3) authorize the Executive Director to execute the Memorandum of Agreement in substantially the same form as attached to the report.

+7. SUPPORT FOR TRIBAL-RELATED FEDERAL AMERICAN RECOVERY AND REINVESTMENT ACT PROPOSALS (Jane Riquelme)

Tribal Nations across the country are competing for tribal-specific funding available through the federal American Recovery and Reinvestment Act of 2009 (ARRA). The Southern California Tribal Chairmen’s Association requested that SANDAG support project proposals submitted by San Diego tribes. The Borders Committee recommends that the Board of Directors delegate authority to the Executive Director to provide letters of support for these ARRA project applications, as long as they are consistent with SANDAG policies and programs.
+8. ANNUAL REPORT ON COMMITTEES AND WORKING GROUPS
(Victoria Stackwick)

As required by SANDAG Board Policy No. 004, this item provides an annual report on the status of all standing and ad hoc committees and working groups.

+9. REPORT SUMMARIZING DELEGATED ACTIONS TAKEN BY EXECUTIVE DIRECTOR (Lauren Warrem)

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

+10. REPORTS ON MEETINGS AND EVENTS ATTENDED ON BEHALF OF SANDAG (Kim Kawada)

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.

11. 12.

REPORTS (13 through XX)

+13. FIRST READING OF PROPOSED AMENDMENT TO TransNet ORDINANCE 04-01 REGARDING AUDIT REPORTING FOR THE REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM (Second Vice Chair Jack Dale, Transportation Committee Chair; Charles "Muggs" Stoll)*

The TransNet Ordinance (Commission Ordinance 04-01) includes language requiring that all local jurisdictions have their Regional Transportation Congestion Improvement Program (RTCIP) financial records available for audit by July 1 of each calendar year. It is proposed that the audit requirements for the RTCIP be aligned with the annual fiscal and compliance audit requirements for the TransNet program. The Transportation Committee recommends that the Board of Directors conduct a first reading of Commission Ordinance 09-01, which would amend Commission Ordinance 04-01 (“Amendment”). The Transportation Committee further recommends that the Board of Directors approve a one-time extension of time to September 1, 2009, for jurisdictions to submit financial records pertaining to their RTCIP funding programs for review and audit in order to allow sufficient time for the proposed Amendment to be considered.
+14. **A. FY 2010 TRANSPORTATION DEVELOPMENT ACT BICYCLE AND PEDESTRIAN/TransNet BICYCLE, PEDESTRIAN, AND NEIGHBORHOOD SAFETY FUNDING** (Second Vice Chair Jack Dale, Transportation Committee Chair; Chris Kluth)* APPROVE

SANDAG is responsible for the allocation of Transportation Development Act (TDA) and TransNet funds to local agencies for bicycle, pedestrian, and neighborhood safety projects. The Transportation Committee recommends that the Board of Directors approve various FY 2010 TDA and TransNet funding actions.

+15. **B. FY 2010 TRANSPORTATION DEVELOPMENT ACT ALLOCATIONS** (Second Vice Chair Jack Dale, Transportation Committee Chair; Sookyung Kim) APPROVE

As the Regional Transportation Planning Agency for the San Diego region, SANDAG is responsible for the annual allocation of TDA funds to the region’s cities, the County, and transit operators. The Transportation Committee recommends that the Board of Directors adopt Resolution Nos. 2009-31 to 2009-34 in substantially the same form as attached, approving the FY 2010 TDA allocations.

+15. **TRANSIT IMPEDIMENTS STUDY** (Second Vice Chair Jack Dale, Transportation Committee Chair; Dave Schumacher) DISCUSSION/POSSIBLE ACTION

At its April 24, 2009, meeting, the Board of Directors accepted the Transit Impediments Study report for public distribution and referred it to the Transportation Committee for review of the alternatives identified in the report. This item will report on public comments received and the Transportation Committee’s discussion at the June 19, 2009, meeting on possible next steps for the Board's consideration.

+16. **SMART GROWTH DESIGN GUIDELINES** (Imperial Beach Mayor Jim Janney, Regional Planning Committee Chair; Stephen Vance) APPROVE

The development design guidelines for smart growth areas is one of the strategic initiatives of the Regional Comprehensive Plan. Working in collaboration with local agency staff, SANDAG and its consultants have developed draft guidelines covering a broad array of topics pertaining to good design and great place-making. The Regional Planning Committee recommends that the Board of Directors approve these guidelines entitled *Designing for Smart Growth, Creating Great Places in the San Diego Region.*
+17.  2050 REGIONAL TRANSPORTATION PLAN: DRAFT WORK PROGRAM AND SCHEDULE (Second Vice Chair Jack Dale, Transportation Committee Chair; Heather Werdick)*

This report provides an overview of the 2050 Regional Transportation Plan (RTP) work program and schedule. The 2050 RTP will be based on a 2050 Regional Growth Forecast, will incorporate the results of the many regional and corridor studies currently underway, and will include new components as required by Senate Bill 375. Additionally, responsibilities and roles of various working groups and the Policy Advisory Committees are outlined.

+18.  COMPASS CARD UPDATE (James Dreisbach-Towle)

Staff will provide the Board of Directors with an update on recent Compass Card project activities and the status of the planned public launch.

19.  FINANCIAL MARKET STATUS (Lauren Warrem and Marney Cox)

This monthly briefing is designed to keep the Board of Directors informed about the latest developments in the financial markets, the economy, and revenue forecasts, and the strategies we are exploring and implementing to minimize possible impacts to SANDAG.

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22.  UPCOMING MEETINGS

The next Board Policy meeting is scheduled for Friday, July 10, 2009, at 10 a.m. The next Board Business meeting of the Board of Directors is scheduled for Friday, July 24, 2009, at 9 a.m.

23.  ADJOURNMENT

+ next to an agenda item indicates an attachment
* next to an agenda item indicates a San Diego Regional Transportation Commission item
**SB 575**

**Current Proposal**

- For all 19 local jurisdictions, align fifth revision of Housing Element (HE) with 2011 RTP update
  - 2012-2020 HE due by December 31, 2012
- Require jurisdictions without current HE by January 1, 2010, to complete rezoning programs by July 1, 2010
  - Except County of San Diego rezoning program due by December 31, 2010
- Local jurisdictions that do not meet the rezoning deadlines must prepare another HE four years after the fifth revision
  - 2016-2020 HE due by December 31, 2016