MEETING NOTICE AND AGENDA

TransNet INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE (ITOC)
The ITOC may take action on any item appearing on this agenda.

Wednesday, March 9, 2011
9:30 a.m.
SANDAG
SANDAG 7th Floor Conference Room
401 B Street, 7th Floor
San Diego, CA 92101

Staff Contact: Kim Kawada
(619) 699-6994
kka@sandag.org

AGENDA HIGHLIGHTS

- INDEPENDENT AUDITORS ANNUAL REPORT ON RESULTS OF THE FY 2010 TransNet COMPLIANCE AUDITS
- FY 2012 TransNet EARLY ACTION PROGRAM BUDGET UPDATE
- UPDATE ON LOSSAN RAIL CORRIDOR IMPROVEMENTS

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To request this document or related reports in an alternative format, please call (619) 699-1900, (619) 699-1904 (TTY), or fax (619) 699-1905.
Welcome to SANDAG. Members of the public may speak to the TransNet Independent Taxpayer Oversight Committee (ITOC) members on any item at the time the ITOC is considering the item. Also, members of the public are invited to address the ITOC on any issue under the agenda item entitled Public Comments/Communications/Member Comments. Speakers are limited to three minutes. The ITOC 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 ITOC meeting.

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INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE  
Wednesday, March 9, 2011

<table>
<thead>
<tr>
<th>ITEM #</th>
<th>MEETING SUMMARY FOR THE FEBRUARY 9, 2011, ITOC MEETING</th>
<th>APPROVE</th>
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<tbody>
<tr>
<td>1.</td>
<td>A summary of the February 9, 2011, Independent Taxpayer Oversight Committee (ITOC) meeting has been prepared for the Committee’s review and approval.</td>
<td>Estimated Start Time: 9:30 a.m.</td>
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<thead>
<tr>
<th>ITEM #</th>
<th>PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS</th>
<th>INFORMATION</th>
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<td>2.</td>
<td>Members of the public shall have the opportunity to address the ITOC on any issue within the jurisdiction of the Committee that is not on this agenda. Public speakers are limited to three minutes or less per person. Committee members also may provide information and announcements under this agenda item.</td>
<td>Estimated Start Time: 9:35 a.m.</td>
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**CONSENT (3)**

<table>
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<tr>
<th>ITEM #</th>
<th>SORRENTO TO MIRAMAR DOUBLE TRACK (PHASE 1) PROJECT: REQUEST FOR LETTER OF NO PREJUDICE (Sookyung Kim)</th>
<th>INFORMATION</th>
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<tr>
<td>3.</td>
<td>The Sorrento to Miramar Double Track (Phase 1) project is funded in part by the Proposition 1B (Prop. 1B) Trade Corridor Improvement Fund program. The project is scheduled to advertise for construction this summer. Due to the planned timing in the issuance of bonds by the State Treasurer’s Office, the California Transportation Commission (CTC) may not have the Prop. 1B funds available when requested. Approval of a Letter of No Prejudice (LONP) by the CTC would allow SANDAG to move forward with advertisement and award of the construction contract. At its March 18, 2011, meeting, the Transportation Committee is scheduled to approve the submittal of the LONP to the CTC.</td>
<td>Estimated Start Time: 9:45 a.m.</td>
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**REPORTS (4 through 11)**

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<tr>
<th>ITEM #</th>
<th>SUMMARY OF TRANSPORTATION COMMITTEE AND BOARD OF DIRECTORS ACTIONS ON TransNet-RELATED AGENDA ITEMS (Kim Kawada)</th>
<th>INFORMATION</th>
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<td>4.</td>
<td>This monthly briefing is intended to keep the ITOC informed about relevant SANDAG actions taken on TransNet-related projects and programs. Staff will provide a summary of Transportation Committee and Board of Directors (Board) actions on agenda items that the ITOC has reviewed.</td>
<td>Estimated Start Time: 9:50 a.m.</td>
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+5. FY 2010 TransNet FISCAL AND COMPLIANCE AUDITS

A. FY 2010 TransNet INDEPENDENT AUDITOR’S ANNUAL REPORT, DRAFT AUDIT REPORTS, AND OTHER AUDIT-RELATED ITEMS
   (Sam Perera and Marc Davis, Mayer Hoffman McCann P.C.; Lisa Kondrat-Dauphin)

   In accordance with the TransNet Extension Ordinance, the ITOC has the responsibility to conduct the annual fiscal and compliance audits of TransNet recipients. The ITOC is asked to review the initial findings and recommendations and to accept the FY 2010 TransNet Fiscal and Compliance Audit as conducted by the certified public accounting firm of Mayer Hoffman McCann P.C.

   Estimated Start Time: 10:00 a.m.

B. FY 2010 REQUESTS FOR EXCEPTIONS TO TransNet EXTENSION ORDINANCE REQUIREMENTS (Sam Perera and Marc Davis, Mayer Hoffman McCann P.C.; Lisa Kondrat-Dauphin)

   The San Diego Metropolitan Transit System (MTS) and the City of Oceanside did not meet certain eligibility requirements as noted in their draft FY 2010 TransNet annual compliance audits. In an effort to gain compliance, MTS is requesting an adjustment to the eligibility calculation per Section 4(c)5 of the TransNet Extension Ordinance, and the City of Oceanside is requesting additional time to make up the shortfall in its FY 2010 Maintenance of Effort level per Section 8 of the TransNet Extension Ordinance. The ITOC is asked to recommend to the Transportation Committee and SANDAG Board of Directors approval of these requests for exceptions to the Extension Ordinance requirements.

   Estimated Start Time: 10:35 a.m.

+6. PROPOSED FY 2012 ITOC ANNUAL OPERATING BUDGET
   (Ariana zur Nieden)

   At the January 9, 2011, ITOC meeting, staff presented a draft of the proposed FY 2012 ITOC operating budget as part of the presentation on the Quarterly TransNet Financial Reports for the period ending December 31, 2010. In accordance with the TransNet Extension Ordinance, the ITOC must submit an annual operating budget for the upcoming fiscal year to the Board for approval 90 days prior to the beginning of the fiscal year. The ITOC is asked to recommend that the Board approve its FY 2012 annual operating budget.

   Estimated Start Time: 10:55 a.m.

+7. 2010 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM AMENDMENT NO. 6 (Michelle Merino)

   On September 24, 2010, the Board adopted the 2010 Regional Transportation Improvement Program (RTIP), the multiyear program of proposed major highway, arterial, transit, and bikeway projects in the San Diego region including the TransNet Program of Projects (POP). This amendment is being processed outside of the regular quarterly cycle to reflect the FY 2012 Transit Capital Improvement Program. The ITOC is asked to review and discuss the proposed 2010 RTIP Amendment No. 6, focusing on the TransNet POP. Significant comments will be forwarded to the Transportation Committee and Board.

   Estimated Start Time: 11:15 a.m.
-8. **FY 2012 TransNet EARLY ACTION PROGRAM BUDGET UPDATE** (Richard Chavez)  
Staff will present the Draft FY 2012 Budget for the TransNet Early Action Program. The budget includes the expenditure and funding plans for the development and delivery of TransNet projects designed to improve mobility on 11 of the region’s top transportation corridors. The entire Draft FY 2012 Budget will be presented to the Executive Committee on March 11 and the Board on March 25.

-9. **PROGRESS REPORT ON TransNet EARLY ACTION PROGRAM PROJECTS** (Richard Chavez)  
Staff will provide an overview of the TransNet Early Action Program projects in terms of cost control and schedule adherence based on quarterly data provided through the Dashboard reporting system. This item relates to the required quarterly reporting process specified under Paragraph 10 of the TransNet Ordinance. In addition, in response to the recommendations from the first Triennial TransNet Performance Audit, staff will present a number of regional, corridor, and project-specific annual performance measures.

-10. **UPDATE ON LOSSAN RAIL CORRIDOR IMPROVEMENTS** (Bill Prey)  
The Los Angeles-San Diego-San Luis Obispo (LOSSAN) rail corridor is the second busiest intercity rail corridor in the nation supporting commuter, intercity, and freight rail services. The 2030 Regional Transportation Plan calls for double tracking the entire corridor, improving stations, and increasing commuter rail service over the next 20+ years in order to increase ridership and improve travel times and carrying capacity in the corridor. This report will provide an update on the status of current projects.

-11. **2010 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM: AMENDMENT NO. 8** (Michelle Merino)  
On September 24, 2010, the Board adopted the 2010 Regional Transportation Improvement Program (RTIP), the multiyear program of proposed major highway, arterial, transit, and bikeway projects in the San Diego region, covering the period FY 2011 to FY 2015. SANDAG is processing an administrative amendment for the Bayshore Bikeway project due to timing related issues. The ITOC is asked to review and discuss the proposed 2010 RTIP Amendment No. 8. Significant comments will be forwarded to the Transportation Committee, which is scheduled to take action on the amendment at its March 18, 2011, meeting.

12. **FUTURE MEETING SCHEDULE**  
The next regular ITOC meeting is scheduled for Wednesday, April 13, 2011, at 9:30 a.m.

13. **ADJOURNMENT**