

INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

November 9, 2011

AGENDA ITEM NO.: **1**

Action Requested: APPROVE

MEETING SUMMARY FOR THE SEPTEMBER 14, 2011,
INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE MEETING

File Number 1500100

Attendance

- | | | |
|--------------------|----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| Committee Members: | <ul style="list-style-type: none">▪ Jim Ryan, Chair▪ Paul Fromer, Vice Chair▪ John Chalker | <ul style="list-style-type: none">▪ Michael Kenney▪ Jonathan Tibbitts |
| Absent: | <ul style="list-style-type: none">▪ Carolyn Lee | <ul style="list-style-type: none">▪ Tracy Sandoval |
| Staff: | <ul style="list-style-type: none">▪ Renée Wasmund▪ Kim Kawada | <ul style="list-style-type: none">▪ Ariana zur Nieden |

The meeting of the *TransNet* Independent Taxpayer Oversight Committee (ITOC) was called to order by Chair Jim Ryan at 9:31 a.m.

1. APPROVAL OF MEETING SUMMARY

Action: Upon a motion by Jonathan Tibbitts and a second by Vice Chair Paul Fromer, the ITOC approved the July 13, 2011, meeting summary.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

John Wotzka, a member of the public, submitted written comments regarding high-speed rail and spoke in support of this project.

CONSENT (3)

3. QUARTERLY *TransNet* FINANCIAL REPORTS FOR THE PERIOD ENDING JUNE 30, 2011, AND OTHER FINANCIAL DATA (INFORMATION)

This report provides certain *TransNet* financial information on a quarterly basis in accordance with requests from the ITOC as well as in response to a recommendation from the first *TransNet* Triennial Performance Audit.

Action: This item was presented for information.

REPORTS (4 through 8)

4. SUMMARY OF TRANSPORTATION COMMITTEE AND BOARD OF DIRECTORS ACTIONS ON *TransNet*-RELATED AGENDA ITEMS (INFORMATION)

Kim Kawada, *TransNet* and Legislative Affairs Program Director, provided the monthly briefing to keep the ITOC informed about relevant SANDAG actions taken on *TransNet*-related projects and programs. She summarized Transportation Committee and Board of Directors actions on agenda items that the ITOC has reviewed, including an update on the following items: Regional Transportation Improvement Program No. 9; 2011 ITOC Annual Report, including the 2010 Annual Fiscal and Compliance Audits; City of San Diego 2010 Fiscal and Compliance Audit; 2050 Regional Transportation Plan; Redistribution of Funds from Interstate 5 North Coast Corridor project; Potential Purchase of the State Route 125 (SR 125) Franchise Agreement; Mid-Coast Corridor Transit project; Senate Bill 468 (Kehoe); SANDAG replacement of Dexia liquidity facility; and SANDAG credit rating reconfirmation by Moody's and Standard & Poor's.

Action: This item was presented for information.

5. STATE ROUTE 125 POTENTIAL PURCHASE AND FINANCING OPTIONS (INFORMATION/ POSSIBLE ACTION)

At its July 29, 2011, meeting, the SANDAG Board of Directors authorized its negotiators to accept the latest counteroffer of the owners of the SR 125 toll road franchise with various conditions and contingencies. An additional Board meeting was held on August 26, 2011.

Marney Cox, Chief Economist, provided an informational report on the potential purchase and financing options and the outcome of the August 26, 2011, Board meeting. The ITOC was asked to review the proposed financing options, focusing its review on the eligibility of using a loan of *TransNet* funds for the potential purchase of the SR 125 toll road franchise.

Action: Upon a motion by John Chalker, and a second by Mr. Tibbitts, the ITOC approved hiring a legal services consultant to assist the ITOC in confirming whether the proposed *TransNet* loan/swap option for the SR 125 toll road acquisition is permitted under applicable law. Chair Ryan appointed himself, Mr. Tibbitts, and Mr. Chalker to the subcommittee to hire the legal consultant.

6. BLUE AND ORANGE LINE TROLLEY CORRIDOR UPDATE (INFORMATION)

The Blue and Orange Line Trolley Improvement Corridor is one of the *TransNet* Early Action Program projects being implemented by SANDAG in cooperation with the Metropolitan Transit System (MTS).

John Haggerty, Division Director of Rail, introduced the item.

Paul Jablonski, MTS Chief Executive Officer, provided an update on the corridor work, which will provide for low-floor trolley service and freight capacity infrastructure improvements. During the course of project development, additional work has been identified, including adding additional power capacity, stringing additional catenary wire, and trenching fiber optic cables.

Mr. Haggerty reported on the additional work and the estimated costs for this work. The final costs and funding for this additional work will be included as a recommendation with the upcoming annual *TransNet* Plan of Finance update.

Action: This item was presented for information.

7. PROPOSITION 1B CORRIDOR MOBILITY IMPROVEMENT ACCOUNT PROGRAM STATUS, FUNDING OPPORTUNITY, AND BUDGET AMENDMENT (INFORMATION)

Sookyung Kim, Financial Programming Manager, provided a report on the Proposition 1B Corridor Mobility Improvement Account program status and described a funding opportunity for the Interstate 5 (I-5)/ Genesee Avenue Interchange and Widening project.

Allan Kosup, Caltrans Corridor Director, reviewed the I-5/Genesee project and its importance to the regional road network.

Action: This item was presented for information.

8. FUTURE MEETING SCHEDULE

The next regular ITOC meeting is scheduled for Wednesday, October 12, 2011, at 9:30 a.m.

9. ADJOURNMENT

Vice Chair Fromer adjourned the meeting at 11:46 a.m.