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MEETING NOTICE AND AGENDA

TransNet INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE (ITOC)

The ITOC may take action on any item appearing on this agenda.

MEMBER AGENCIES

Cities of
 Carlsbad
 Chula Vista
 Coronado
 Del Mar
 El Cajon
 Encinitas
 Escondido
 Imperial Beach
 La Mesa
 Lemon Grove
 National City
 Oceanside
 Poway
 San Diego
 San Marcos
 Santee
 Solana Beach
 Vista
 and
 County of San Diego

ADVISORY MEMBERS

Imperial County
 California Department
 of Transportation
 Metropolitan
 Transit System
 North San Diego County
 Transit Development Board
 United States
 Department of Defense
 San Diego
 Unified Port District
 San Diego County
 Water Authority
 Mexico

Wednesday, November 9, 2011

9:30 a.m.

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

- **TransNet ENVIRONMENTAL MITIGATION PROGRAM**
- **MID-COAST CORRIDOR TRANSIT PROJECT UPDATE**
- **2011 TransNet PLAN OF FINANCE UPDATE**

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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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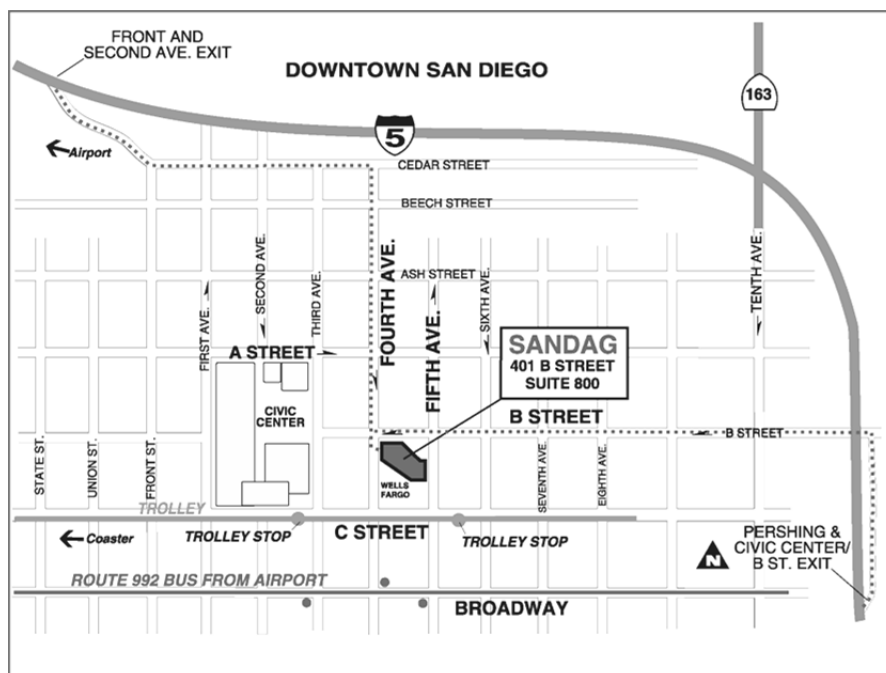
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INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

Wednesday, November 9, 2011

| ITEM # | | RECOMMENDATION |
|-------------------------------|---|--|
| +1. | MEETING SUMMARY FOR THE SEPTEMBER 14, 2011, ITOC MEETING A summary of the September 14, 2011, ITOC meeting has been prepared for the Committee's review and approval. | APPROVE Estimated Start Time: 9:30 a.m. |
| 2. | PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS 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. | INFORMATION Estimated Start Time: 9:35 a.m. |
| CONSENT (3 through 5) | | |
| +3. | 2012 ITOC MEETING CALENDAR (Ariana zur Nieden) The ITOC is asked to approve the meeting calendar for the upcoming year. | APPROVE Estimated Start Time: 9:40 a.m. |
| +4. | PROPOSED AMENDMENTS TO BOARD POLICY NO. 031 (John Kirk) As part of an annual review of Board Policies, SANDAG staff is proposing amendments to Board Policy No. 031, which contains the <i>TransNet</i> Ordinance and Expenditure Plan Rules. This report summarizes the proposed changes to Board Policy No. 031. | INFORMATION Estimated Start Time: 9:45 a.m. |
| +5. | FINANCIAL MARKET STATUS AND <i>TransNet</i> SUBSTITUTION OF LIQUIDITY PROVIDER (Marney Cox and Lauren Warrem) This quarterly report is intended to keep the ITOC informed about the latest developments in the financial markets, the economy, and sales tax revenues, and the strategies being explored and implemented to minimize possible impacts to the <i>TransNet</i> program. This report also provides information to the ITOC with respect to the recent replacement of Dexia as the underlying liquidity facility provider for half of the long-term variable rate debt and for the commercial paper program. | INFORMATION Estimated Start Time: 9:50 a.m. |
| REPORTS (6 through 15) | | |
| 6. | SUMMARY OF TRANSPORTATION COMMITTEE AND BOARD OF DIRECTORS ACTIONS ON <i>TransNet</i> -RELATED AGENDA ITEMS (Kim Kawada) This monthly briefing is intended to keep the ITOC informed about relevant SANDAG actions taken on <i>TransNet</i> -related projects and programs. Staff will provide a summary of Transportation Committee and Board of Directors actions on agenda items that the ITOC has reviewed. | INFORMATION Estimated Start Time: 9:55 a.m. |

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| 7. | +A. QUARTERLY <i>TransNet</i> FINANCIAL REPORTS FOR THE PERIOD ENDING SEPTEMBER 30, 2011, AND OTHER FINANCIAL DATA (Lisa Kondrat-Dauphin) | INFORMATION |
| | Staff provides certain <i>TransNet</i> financial information on a quarterly basis in accordance with requests from ITOC as well as in response to a recommendation from the first <i>TransNet</i> Triennial Performance Audit. | Estimated Start Time: 10:05 a.m. |
| | +B. CITY OF SAN DIEGO FUND BALANCE (Tony Heinrichs and James Nagelvoort, City of San Diego; Lisa Kondrat-Dauphin) | INFORMATION |
| | At its June 8, 2011, meeting, ITOC requested additional information regarding local jurisdiction fund balances. The City of San Diego staff will provide a report on the City's plan for spending down <i>TransNet</i> local street and road funds. | Estimated Start Time: 10:20 a.m. |
| +8. | <i>TransNet</i> ENVIRONMENTAL MITIGATION PROGRAM: ANNUAL STATUS REPORT (Keith Greer) | INFORMATION |
| | Staff will provide ITOC with background on the <i>TransNet</i> Environmental Mitigation Program and accomplishments for FY 2011. | Estimated Start Time: 10:45 a.m. |
| +9. | <i>TransNet</i> ENVIRONMENTAL MITIGATION PROGRAM IMPLEMENTATION RECOMMENDATIONS (Keith Greer) | DISCUSSION |
| | Staff will present two items related to the implementation of the <i>TransNet</i> Environmental Mitigation Program (EMP): (A) proposed allocation of FY 2012 funding for management and monitoring activities pursuant to the <i>TransNet</i> EMP Memorandum of Agreement with the federal and state resource agencies; and (B) the proposed award of FY 2011 land management grants. | Estimated Start Time: 11:05 a.m. |
| +10. | 2012 STATE TRANSPORTATION IMPROVEMENT PROGRAM (Sookyung Kim) | DISCUSSION |
| | The California Transportation Commission has released its fund estimate for the 2012 State Transportation Improvement Program (STIP). The Transportation Committee reviewed programming recommendations for the 2012 STIP in October. Staff will present the 2012 STIP recommendations that affect the <i>TransNet</i> Early Action Program for review by the ITOC. | Estimated Start Time: 11:25 a.m. |
| +11. | MID-COAST CORRIDOR TRANSIT PROJECT UPDATE (Greg Gastelum) | INFORMATION |
| | The Federal Transit Administration recently approved the entry of the Mid-Coast Corridor Transit Project into the preliminary engineering phase of project development under the New Starts program. Staff will provide a project status update, including budget and schedule revisions that are being incorporated into the 2011 Plan of Finance. | Estimated Start Time: 11:35 a.m. |

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| +12. | ITOC SUBCOMMITTEE REPORT ON USE OF <i>TransNet</i> FUNDS FOR POTENTIAL ACQUISITION OF STATE ROUTE 125 FRANCHISE AGREEMENT (David Demian, MFTB; and Jim Ryan, ITOC Chair) | DISCUSSION |
| | <p>At its September 14, 2011, meeting, ITOC reviewed the proposed financing options for the potential acquisition of the State Route 125 (SR 125) toll road franchise agreement, focusing its review on the eligibility of using <i>TransNet</i> funds for the potential acquisition. ITOC members formed a subcommittee to procure legal services for purposes of obtaining an independent opinion of whether the proposed <i>TransNet</i> loan/swap option would be permitted under applicable law. The firm of Marks, Finch, Thornton & Baird, LLP (MFTB) and the ITOC Chair will present the results of the legal analysis. ITOC is asked to discuss the results of the legal analysis conducted by MFTB; any comments provided by ITOC will be forwarded to the Board of Directors for consideration as part of Board deliberations on the potential acquisition of the SR 125 toll road in November/December 2011.</p> | Estimated Start Time: 11:55 a.m. |
| +13. | 2011 <i>TransNet</i> PLAN OF FINANCE UPDATE (Kim Kawada, Marney Cox, and Richard Chavez) | RECOMMEND |
| | <p>The <i>TransNet</i> Plan of Finance is updated on an annual basis, or more frequently as circumstances arise. The 2011 Plan of Finance continues to advance the SANDAG Early Action Program. This item summarizes the major revenue, project budget, and cash flow assumptions used in the 2011 update. ITOC is asked to recommend that the Board of Directors (1) approve the 2011 <i>TransNet</i> Plan of Finance update; and (2) authorize the Executive Director to amend the FY 2012 SANDAG Budget to incorporate the changes to the capital budgets for the Blue and Orange Line Trolley Improvement Project and the Mid-Coast Corridor Transit Project. These actions will support the pending issuance of \$250 million to \$300 million in long-term fixed-rate debt, the timing of which is subject to the Board's decision on the potential acquisition of the State Route 125 toll road.</p> | Estimated Start Time: 12:20 a.m. |
| +14. | 2010 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM: AMENDMENT NO. 12 (Michelle Merino) | INFORMATION |
| | <p>On September 24, 2010, the Board of Directors 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. Amendment No. 12 was approved by the Transportation Committee on October 21, 2011, and this report is provided to the ITOC for information, focusing on the <i>TransNet</i> Program of Projects.</p> | Estimated Start Time: 12:45 p.m. |

+15. 2010 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM: INFORMATION
AMENDMENT NO. 13 (Michelle Merino)

On September 24, 2010, the Board of Directors 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. Amendment No. 13 represents the regular quarterly RTIP amendment and reflects changes included in the recently approved 2050 Regional Transportation Plan. This report on Amendment No. 13, which was approved by the Board of Directors on October 28, 2011, is provided to the ITOC for information, focusing on the *TransNet* Program of Projects.

Estimated Start Time: 12:50 p.m.

16. FUTURE MEETING SCHEDULE INFORMATION

The next regular ITOC meeting is scheduled for Wednesday, December 14, 2011, at 9:30 a.m.

Estimated Start Time: 1 p.m.

17. ADJOURNMENT INFORMATION

+ next to an agenda item indicates an attachment