EXECUTIVE COMMITTEE AGENDA

Friday, May 13, 2011
9 to 10 a.m.
SANDAG, 7th Floor Conference Room
401 B Street
San Diego

AGENDA HIGHLIGHTS

- PROPOSED FY 2012 PROGRAM BUDGET (including the Overall Work Program)
- FEDERAL AND STATE LEGISLATIVE STATUS REPORTS
- PLUG-IN ELECTRIC VEHICLE GRANT OPPORTUNITY

PLEASE TURN OFF CELL PHONES DURING THE MEETING

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.

San Diego Association of Governments  ·  401 B Street, Suite 800, San Diego, CA 92101-4231  
(619) 699-1900  ·  Fax (619) 699-1905  ·  www.sandag.org
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. Public speakers are limited to three minutes or less per person. 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. Any handouts, presentations, or other materials from the public intended for distribution at the Executive Committee meeting should be received by the Clerk of the Board no later than noon, two working days prior to the meeting.

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<table>
<thead>
<tr>
<th>ITEM #</th>
<th>RECOMMENDATION</th>
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<tbody>
<tr>
<td>+1.</td>
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|       | PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS  
Public comments under this agenda item will be limited to five public speakers. Members of the public shall have the opportunity to address the Executive Committee on any issue within the jurisdiction of the Committee that is not on this agenda. Other public comments will be heard during the items under the heading “Reports.” Anyone desiring to speak shall reserve time by completing a “Request to Speak” form and giving it to the Clerk prior to speaking. Public speakers should notify the Clerk if they have a handout for distribution to Committee members. Public speakers are limited to three minutes or less per person. Committee members also may provide information and announcements under this agenda item. |  

**REPORTS (3 through 6)**

<table>
<thead>
<tr>
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<th>RECOMMENDATION</th>
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<tbody>
<tr>
<td>+3.</td>
<td>RECOMMEND</td>
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<td>4.</td>
<td>DISCUSSION/POSSIBLE ACTION</td>
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**PROPOSED FY 2012 PROGRAM BUDGET (INCLUDING THE OVERALL WORK PROGRAM)**  
Lauren Warrem and Tim Watson  
SANDAG Bylaws require the Board of Directors to adopt a final budget by June 30 of each year. The proposed FY 2012 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. 2011-17 (Attachment 1), adopting the proposed FY 2012 Program Budget (including the Overall Work Program), in substantially the same form as shown in Attachment 2.

**FEDERAL AND STATE LEGISLATIVE STATUS REPORTS**  
Victoria Stackwick and Genevieve Morelos  
Periodic status reports on legislative activities are provided to the Executive Committee during the year. This status report provides an update on recent federal legislation pertaining to the FY 2011 and FY 2012 federal budgets and on pending state legislation, including Senate Bill 468 (Kehoe) and Assembly Bill 486 (Hueso).

**PLUG-IN ELECTRIC VEHICLE GRANT OPPORTUNITY**  
Susan Freedman  
The Executive Committee is asked to approve the submittal of a Letter of Intent to the US Department of Energy in support of a regionally focused plug-in electric vehicle (PEV) permit streamlining initiative that would serve all 19 jurisdictions in the region.
+6. REVIEW OF MAY 27, 2011, DRAFT BOARD AGENDA APPROVE
   (Renée Wasmund)

7. CONTINUED PUBLIC COMMENT

   If the five speaker limit for public comments was exceeded at the beginning
   of this agenda, other public comments will be taken at this time. Subjects of
   previous agenda items may not again be addressed under public comment.

8. UPCOMING MEETINGS INFORMATION

   The next meeting of the Executive Committee is scheduled for Friday,
   June 10, 2011, at 9 a.m.

9. ADJOURNMENT

+ next to an agenda item indicates an attachment
EXECUTIVE COMMITTEE DISCUSSION AND ACTIONS
APRIL 8, 2011

Chair Jerome Stocks (North County Coastal) called the Executive Committee meeting to order at 9:03 a.m. The attendance sheet for the meeting is attached.

1. APPROVAL OF MINUTES

Upon a motion by Supervisor Bill Horn (County of San Diego) and a second by Mayor Don Higginson (North County Inland), the minutes of the March 11, 2011, Executive Committee meeting were unanimously approved.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBERS COMMENTS

There was no public comment, communications, or member comments.

REPORTS (3 through 5)

3. MAYER HOFFMAN MCCANN P.C. INDEPENDENT AUDITOR PEER REVIEW REPORT (Information)

Lauren Warrem, Director of Finance, introduced this item.

The certified public accounting firm of Mayer Hoffman McCann P.C. (MHM) is the SANDAG independent auditor. MHM engaged an independent certified public accounting firm to evaluate the quality of the audit work performed by MHM with respect to its local government audit practice in California. This independent peer review report has been completed and is now available.

Jennifer Farr and Michael Harrison from MHM presented the results of the peer review.

Action: This item was presented for information only.

4. STATE LEGISLATIVE STATUS REPORT (DISCUSSION/POSSIBLE ACTION)

Periodic status reports on legislative activities are provided to the Executive Committee during the year. Genevieve Morelos, Senior Legislative Analyst, provided an update on the Governor’s FY 2011-2012 budget as well as information on pending state legislation, including Senate Bill 468 (Kehoe) and Assembly Bills 486 (Hueso) and 892 (Carter).
Chair Stocks noted there was one request to speak on this item.

Craig Scott, representing the Automobile Club of Southern California, spoke against SB 468 (Kehoe).

Committee discussion ensued on the various legislative bills.

**Action:** Upon a motion by Mayor Jerry Sanders (City of San Diego) and second by Supervisor Bill Horn (County of San Diego), the Executive Committee unanimously voted to oppose SB 468 (Kehoe).

**Action:** Upon a motion by Mayor Sanders and second by Second Vice Chair Jack Dale (East County), the Executive Committee unanimously voted to request that AB 486 (Hueso) become a two-year bill to allow SANDAG time to conduct an evaluation of the Graffiti Tracker pilot program.

5. **REVIEW OF APRIL 22, 2011, DRAFT BOARD AGENDA (APPROVE)**

Kim Kawada, TransNet and Legislative Affairs Program Director, reviewed the draft agenda for the April 22, 2011, SANDAG Board meeting and noted any changes since the mail-out.

**Action:** Upon a motion by Supervisor Horn, and a second by Second Vice Chair Dale, the Executive Committee voted unanimously to approve the agenda for the April 22, 2011, Board of Directors meeting.

6. **CONTINUED PUBLIC COMMENTS**

There were no continued public comments.

7. **UPCOMING MEETINGS**

The next meeting of the Executive Committee is scheduled for Friday, May 13, 2011, at 9 a.m.

8. **ADJOURNMENT**

Chair Stocks adjourned the meeting at 9:56 a.m.

Attachment: Attendance Sheet
# CONFIRMED ATTENDANCE
## SANDAG EXECUTIVE COMMITTEE MEETING
### APRIL 8, 2011

<table>
<thead>
<tr>
<th>GEOGRAPHICAL AREA</th>
<th>JURISDICTION</th>
<th>NAME</th>
<th>MEMBER/ALTERNATE</th>
<th>ATTENDING</th>
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<tr>
<td>North County Inland</td>
<td>City of Poway</td>
<td>Don Higginson</td>
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<td></td>
<td>City of San Marcos</td>
<td>Jim Desmond</td>
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<td>Lesa Heebner</td>
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<td>South County</td>
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<td></td>
<td>City of National City</td>
<td>Ron Morrison</td>
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<td>East County</td>
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</tr>
<tr>
<td></td>
<td>City of Lemon Grove</td>
<td>Mary Sessom</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>Tony Young</td>
<td>Alternate</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>David Alvarez</td>
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<tr>
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<td></td>
<td>Bill Horn</td>
<td>Member</td>
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<td></td>
<td></td>
<td>Ron Roberts</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>Greg Cox</td>
<td>2nd Alternate</td>
<td>No</td>
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San Diego Association of Governments

EXECUTIVE COMMITTEE

May 13, 2011

AGENDA ITEM NO.: 3

Action Requested: RECOMMEND

PROPOSED FY 2012 PROGRAM BUDGET (INCLUDING THE OVERALL WORK PROGRAM)

File Number 1500400

Introduction

The proposed FY 2012 Program Budget including the Overall Work Program (OWP) (Attachment 2) has been under development since last October. The Executive Committee has participated in two previous reviews, which included discussions on agency strategic goals and priorities, revenue projections, work element proposals, and other budget components. The Executive Committee and the Board of Directors reviewed the Draft FY 2012 Program Budget in March and approved the document for distribution to SANDAG funding agencies, member agencies, and other interested parties. The proposed FY 2012 Program Budget reflects direction received from the Executive Committee and Board of Directors during the last year and incorporates comments received from the funding agencies, member agencies, and the general public. The development of the annual OWP is done in accordance with Federal Transit Administration (FTA) and Federal Highway Administration (FHWA) guidelines. The OWP is one component of the SANDAG Program Budget.

Discussion

Current Funding Environment

Current revenue estimates indicate that SANDAG recurring revenue is increasing slightly, with modest increases in federal planning funds and local TransNet funds. Recurring revenue pays for approximately one-third of the OWP efforts, with the balance paid with dedicated funding.

Local Sales Tax Revenue - About half of the recurring transportation revenue that funds the OWP comes from sales tax-based sources (Transportation Development Act [TDA] and TransNet). Through the first three quarters of the current fiscal year (FY 2011), sales tax revenue received from the State Board of Equalization was approximately 8 percent higher than revenue received during the same period last year. The current Board-approved FY 2011 sales tax revenue estimates are 6 percent higher than actual FY 2010 receipts. This is the first projected increase in sales tax revenues after three consecutive years of declines, which started in FY 2008.

In the fourth quarter of FY 2011, there are continuing signs that the nation and the region are gradually rebounding from the effects of the Great Recession, which officially ended nearly two years ago. At this point, the most important signs of the recovery are the growth in jobs and easing of the unemployment rate. This signals that a recovery is underway, but as many economists have cautioned, the rebound and return to prerecession levels will be slow. For example, some

Recommendation

The Executive Committee is asked to recommend that the Board of Directors approve Resolution No. 2011-17 (Attachment 1), adopting the proposed FY 2012 Program Budget (including the Overall Work Program), in substantially the same form as shown in Attachment 2.
economists are suggesting that it may take four to six years (2015 to 2017) to get the unemployment rate back down to where it was prior to the start of the recession. In addition to correcting problems in the labor market, the recovery will need to address the damage to household balance sheets. Paying down household debt and recovering lost equity from the decline in asset values is expected to take time.

These lingering effects of the recession will set the pace for expected sales tax revenue growth over the coming years. SANDAG is forecasting an increase of 4 percent in sales tax revenue for FY 2012, which is below the 6 percent increase expected in FY 2011. There is concern that some of the growth experienced during FY 2011 was due to the federal stimulus program, which should be nearly exhausted by the end of the current fiscal year, as well as other more recent programs. These programs include the lowering of payroll taxes by 2 percent and increasing investment tax credits. Additionally, the Federal Reserve program purchased $600 billion of bonds to inject more money into the economy. These more recent stimulus programs will wind down halfway through FY 2012, which may affect the economy’s growth rate and job production capabilities. To account for this possible slow-down, the projected FY 2012 growth rate is below the projected FY 2011 rate. Over the longer term, sales tax receipts are expected to reach prerecession levels by 2014.

Federal and State Revenue - Federal and state recurring revenues comprise the remainder of the annual flexible transportation funding for the OWP. The revenue assumed is essentially flat based on preliminary estimates received from the federal and state governments, and are subject to both the federal and state governments approving the FY 2012 budgets. Funding changes since the March draft OWP budget include the identification by Caltrans in April of additional FHWA Metropolitan Planning carryover funds from FY 2011. This represents an increase of approximately $550,000 in FY 2012.

Planning and Program Monitoring (PPM) - PPM funding is received as part of the State Transportation Improvement Program (STIP) county share. State law allows counties to program up to 5 percent of the STIP county share for PPM. Historically, SANDAG has requested and used 1 percent ($705,000 in FY 2010) of the STIP county share to fund eligible activities. For FY 2011, the Board approved increasing the percentage share of PPM funds from 1 percent to 3 percent (from $705,000 to $2.1 million) in order to fund the increased work effort required to develop the 2050 Regional Transportation Plan (2050 RTP). Recognizing that the Draft 2050 RTP includes new transit services and other improvements, and that in FY 2013 SANDAG will begin the next major update of the Regional Comprehensive Plan (RCP), in March the Board of Directors approved a 2010 STIP amendment requesting 3 percent of PPM funds for FY 2012 ($2.1 million). The STIP amendment is scheduled for final approval by the California Transportation Commission (CTC) at its June 2011 meeting. Upon approval by the CTC, staff will return with more detailed options for the use of the funds, consistent with the Board of Directors priorities.

Discretionary Grants and Dedicated Funds - SANDAG has been able to respond quickly to multiple opportunities for federal and local grant funding, and successfully obtained grant awards have been included in the FY 2012 OWP. The current projected expenditures funded by discretionary grants and dedicated funds are approximately $39.6 million in FY 2012.
Member Assessments – SANDAG and Criminal Justice Division member agency assessment totals are currently proposed to remain unchanged at $547,426 and $200,000, respectively. Individual member assessments are based on each agency’s share of the San Diego County population. The individual member agency assessments for SANDAG and the Criminal Justice Division (Chapter 11 of the Program Budget) have been updated to reflect the latest U.S. Census estimates for San Diego County population statistics, as certified by the California Department of Finance. While the proposed Automated Regional Justice Information System (ARJIS) member assessments remain unchanged, the total assessment revenue is expected to increase slightly from $1,366,983 to $1,370,140, due to the addition of two ex-officio members: United States Department of Justice Drug Enforcement Agency and United States Office of Personnel Management (Chapter 11 of the Program Budget).

Contingency Reserve – The current available balance in the contingency reserve is approximately $7.8 million, of which approximately $1.8 million is committed for Board-approved uses, leaving a balance of approximately $6 million uncommitted and available for the use at the discretion of the Board. This balance represents approximately 10 percent of the proposed FY 2012 OWP Budget, which exceeds the minimum target of 5 percent as set forth in Board Policy No. 030 (Contingency Reserve Policy).

For comparison purposes and in response to comments expressed by the Executive Committee at its March 11, 2011, meeting regarding the Draft FY 2012 Program Budget, the following table represents the annual deposits to the Contingency Reserve and Executive Committee or Board approved commitments for the last five fiscal years. Board Policy No. 030 requires that any budgetary savings of discretionary funding be transferred into the reserve fund.

<table>
<thead>
<tr>
<th>Fiscal Year Ending</th>
<th>Beginning Balance</th>
<th>Deposits</th>
<th>Committed</th>
<th>Ending Balance</th>
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<td>$ 1,167,054</td>
<td>$ -</td>
<td>$ 1,167,054</td>
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<td>6/30/2007</td>
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<td>6/30/2008</td>
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<td>$ 1,641,203</td>
<td>$(463,799)</td>
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<td>6/30/2011</td>
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<td>TBD</td>
<td>$(1,325,000)</td>
<td>$ 6,083,752</td>
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Overview of the Program Budget

The Proposed FY 2012 OWP continues to focus on Board priorities, including the Strategic Goals and the Areas of Emphasis included in Chapter 1 of the Program Budget. The Strategic Goals are long-term areas of achievement that change minimally on an annual basis. The Areas of Emphasis are intended to be updated each year to highlight particular areas of focus for the coming year and are designed to support the Strategic Goals. The Strategic Goals and the six Areas of Emphasis have been used as the primary basis for prioritizing proposed projects. Work elements were developed using a cross functional approach that fosters interdepartmental collaboration. An overview of the main components of the proposed FY 2012 Program Budget is summarized in Attachment 3.

Overall, the OWP increased by approximately $1 million since March. Significant changes made to the Draft FY 2012 Program Budget released by the Board in March are provided below, with other minor changes to other projects based on new and updated information. This increase is funded by the additional $550,000 in available revenue announced by Caltrans in April, projected FY 2011 carryover project savings, and additional dedicated or program revenue for special projects.
- Increased Environmental Justice planning and coordination efforts (73006) to work with the transit agencies in the development of a Language Equivalency Plan as required by Title VI federal regulations. This plan will identify where language barriers exist and what compensating measures can be taken to provide equitable access to transportation planning and services. This effort has increased the OWP budget by approximately $700,000.

- In April, the Board approved funding the initial implementation of certain regional bicycle projects and programs utilizing dedicated TransNet bicycle program revenue. Based on Board action, $1.05 million is assumed in the OWP over a two-year period. For FY 2012, the OWP budget increased by approximately $500,000 from the March draft.

- In anticipation of the adoption of the 2050 RTP in fall 2012, the FY 2012 OWP budget increased by approximately $300,000 that would fund expedited planning efforts for the new 2050 RTP transit services in the new RTP Transit Plan Planning Studies project (31017).

- The offsetting decrease of approximately $500,000 is primarily due to a reduction in scope for some potential new Intelligent Transportation System (ITS) projects that were reduced to correspond with planning and pilot projects until more detailed modeling of the benefits can be assessed and preliminary coordination with appropriate jurisdictions for implementation agreements can be explored.

The following are the proposed FY 2012 OWP expense/revenue components. The same line items are provided for the previous FY 2011 OWP (as amended) for comparison purposes. The proposed FY 2012 OWP is $11.4 million less than the amended FY 2011 OWP, largely a result of the decrease in the amount of dedicated funds and grants assumed in the OWP budget:

<table>
<thead>
<tr>
<th>Application of Funds</th>
<th>FY 2012 (in millions)</th>
<th>FY 2011 (in millions)*</th>
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</thead>
<tbody>
<tr>
<td>OWP Expenses</td>
<td>$58.6</td>
<td>$70.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$58.6</strong></td>
<td><strong>$70.0</strong></td>
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<tr>
<td><strong>Sources of Funds</strong></td>
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<tr>
<td>Recurring Program Funds</td>
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<td>Carryover savings from previous year</td>
<td>0.7</td>
<td>$1.6</td>
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<td>Dedicated Funds &amp; Grants</td>
<td>$39.6</td>
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<td>Use of Contingency Reserve</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$58.6</strong></td>
<td><strong>$70.0</strong></td>
</tr>
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*as amended

The Administration and Board Budgets are detailed in Chapter 8 of the Program Budget. The proposed Administration budget is increasing by approximately $360,000 or 4 percent, compared to the amended FY 2011 budget, primarily due to project-related support costs, Disadvantaged Business Enterprise consultation and outreach, and financial system enhancements. The proposed Board Budget is decreasing by approximately $24,500 or 7 percent, primarily due to cost savings realized from a change in the procedure for validating parking.

The Capital Budget is detailed in Chapter 9 and includes the multi-year TransNet Early Action Program (EAP) as well as transit and other capital improvements for which SANDAG has the implementing authority. The proposed Capital Budget continues the Board direction to implement
the TransNet EAP and accelerate projects in the favorable bid environment that we continue to experience. The proposed FY 2012 Capital Budget is approximately $850 million and is funded with federal, state, and local revenues, including the TransNet 2008 and 2010 bond proceeds.

The TransNet EAP component of the FY 2012 Program Budget included a proposed increase of approximately $78.7 million, about three-fourths of which are federal and state matching funds and the remaining one-fourth consisting of additional TransNet funds to complete existing project phases, or to start new phases of work. On March 9, 2011, the Independent Taxpayer Oversight Committee (ITOC) reviewed and supported the proposed changes to the FY 2012 TransNet EAP budgets. Additional changes to the TransNet EAP budget, since the March draft budget, increase the TransNet EAP by $41.1 million. These changes include $2.9 million of budget adjustments approved by the Board since March, $14.3 million in G-12\(^1\) funds added to Caltrans expenditure plans on applicable projects, and $23.9 million (of which $3.9 million is TransNet) to add one new project (1200505) for the I-5/I-8 West to North Connector and I-5 Northbound Improvements to improve traffic operations at this interchange, as reviewed and supported by ITOC on April 13, 2011.

In addition to the TransNet EAP, the Capital Budget also includes major capital projects (projects with total budgets greater than $1 million) and minor capital projects. The proposed FY 2012 budget for these programs is approximately $90.3 million, which is $29.9 million higher than the FY 2011 Budget. Since the March release of the FY 2012 Draft Program Budget, additional changes to the Capital Budget include increases due to projects reclassified from the OWP and new project funding in the FY 2012 Capital Improvement Program; these total $9.6 million. These changes include the addition of $4 million in budget adjustments approved in accordance with SANDAG Board Policy No. 017 during the interim period, $3 million approved by the Board last month for new capital projects to support the Regional Bicycle Plan, $2 million approved by the Board for new SourcePoint capital projects in the City of Santee, and some minor additions for projects to be carried forward to the FY 2012 Capital Budget.

The TransNet Program is summarized in Chapter 10, showing the annual allocations by program and recipient agency. The TransNet Program summary also includes the debt service requirements for the 2008 and 2010 bonds and the pass-through grant awards as approved by the Board for the Senior Mini-Grant program, the Bicycle, Pedestrian, and Neighborhood Safety program, and the Smart Growth Incentive program.

**OWP and Capital Budget Five-Year Trends**

For comparison purposes and in response to comments expressed by the Executive Committee at its March 11, 2011, meeting, the following charts show the trends in the amended OWP and Capital budgets since FY 2008, with the projected budgets per the FY 2012 Program Budget.

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\(^1\) G-12 refers to the California Transportation Commission’s Resolution G-12, last amended in 2002, that delegates authority to Caltrans to adjust project allocations and modify project descriptions within certain limitations, including not modifying the Commission’s intent regarding the project’s principal purpose, location and program component, in order to reduce financial transactions brought to the CTC and to avoid delays in the award of construction contracts administered by Caltrans.
The OWP has grown modestly over the last five years, as additional annual funds and dedicated grant programs were implemented. The larger increase in FY 2011 was primarily due to new dedicated grant awards, including the Integrated Corridor Management (ICM) Initiative project of $4.6 million in FY 2011, which was transitioned into the Capital Budget in FY 2012.

The FY 2012 Capital Budget is a $6.9 billion multi-year program. The budget amounts in the chart above represent the annual expenditures for the capital program as projected for each fiscal year since FY 2008. The Capital Budget increased each year from FY 2008 to FY 2010 primarily as a result of new funding, including state Proposition 1B Trade Corridors Improvement Fund, monies for goods movement projects, and $76 million in federal American Recovery and Reinvestment Act of 2009 funds, as well as the spending of debt proceeds from the 2008 TransNet bond issuance. The annual budget for FY 2011 was lower than the prior year due to lower construction costs and lower bid prices, as well as the winding down of construction activities along the I-15 and State Route 52 (SR 52) corridors. The budget increase in FY 2012 is primarily due to the approval of the robust
TransNet EAP in July 2010, which occurred after the FY 2011 Program Budget was approved in May 2010, as well as projected spending of the debt proceeds from the 2010 bond issuance to support the robust TransNet EAP. Although the robust plan was approved in FY 2011, it did not significantly increase the investment level during that fiscal year since typical start-up activities include environmental and preliminary engineering and the more substantial expenditures will occur in later years.

**FY 2011 Accomplishments and FY 2012 Highlights**

Chapters 1 and 2 of the FY 2012 Program Budget provide a comprehensive description of accomplishments for each project work element through FY 2011 thus far and the key Areas of Emphasis in FY 2012. Following are some of the more significant accomplishments ongoing this current fiscal year and planned to continue into FY 2012:

- **2050 RTP and Sustainable Communities Strategy Development** – The Draft 2050 RTP was released in April 2011. Work on the 2050 RTP Environment Impact Report (EIR) also continues. During summer 2011 public outreach efforts will continue, with final approval of the 2050 RTP and its EIR scheduled for fall 2011.

- **TransNet Early Action Program Implementation** – Major TransNet EAP milestones during FY 2011 include the award of the Orange and Blue Line Trolley crossover and signal improvements, the award of the first contract to reconstruct the Orange and Blue Line stations to provide for low-floor service, and the start of construction for the Interstate 805 (I-805) High-Occupancy Vehicle Extension and Carroll Canyon Direct Access Ramps project. The SR 52 Extension project is now open for traffic. Engineering work efforts continue on other EAP projects so that they are shovel-ready and competitive for future federal or state discretionary funding. In addition, SANDAG expects to award the agency’s first design-build procurement for the Sabre Springs parking structure in the I-15 corridor. This will provide another project delivery tool to SANDAG, evaluating the benefits of design-build on a small scale before considering future design-build proposals.

- **TransNet Financing** – To support continued implementation of the TransNet EAP, the Board of Directors approved the 2010 TransNet Plan of Finance and issued $350 million in a combination of fixed rate Build America Bonds and tax-exempt bonds at a cost of 3.89 percent (net of the federal Build America Bonds subsidy of 35 percent). The next Plan of Finance update is planned for fall 2011.

- **Major Capital Program (Non-TransNet)** – The Trestle Bridge and Santa Margarita Bridge replacement projects are both under construction and expected to be completed in late FY 2012; the Blue Line contact wire replacement project is approximately 50 percent complete with completion expected in early FY 2012; and construction is progressing on the Grossmont Trolley Station and Pedestrian Overpass project, with completion expected in early FY 2012. Escondido Rapid Bus service route improvements are nearing completion with the new service scheduled to begin in June; the third phase of the Del Mar Bluffs Stabilization Project will start construction at the start of the fiscal year; and the next beach sand replenishment project is currently in the environmental phase, with construction scheduled to begin in March 2012.
• Regional Comprehensive Plan (RCP) - Notable progress in FY 2011 includes the development of the Sustainable Communities Strategy as an element of the 2050 RTP including enhanced social equity, environmental justice, and public health planning strategies; initial planning for the technical update to the Smart Growth Concept Map; completion of the RCP Monitoring report, and policy discussion on the Regional Housing Needs Assessment methodology and allocation. This progress will continue into FY 2012 with the additional efforts of developing a scope of work, funding strategies, and schedule for the next update of the RCP.

• Beach Sand Replenishment – The proposed Regional Beach Sand capital project is a beach nourishment project that would replenish between 1.8 million and 2.7 million cubic yards (depending on the alternative chosen) of clean beach-quality sand on up to 11 receiver sites in the San Diego region, primarily through a grant with the State of California Department of Boating and Waterways.

• Rail and Airport Multimodal Planning – Staff has been working with the California High-Speed Rail Authority (CHSRA), their consultant team, and our Southern California partners on the comprehensive environmental process for the Los Angeles to San Diego via Inland Empire section of the high-speed train system. The preliminary alternatives analysis for this section was released for public review by the CHSRA Board of Directors on March 3, 2011. Open houses are scheduled for the San Diego region in May and June of 2011. Staff continues to collaborate with the San Diego County Regional Airport Authority and Caltrans on airport ground access and site planning for the Intermodal Transportation Center at Lindbergh Field.

• Transportation Demand Management (TDM) – SANDAG has reorganized its TDM function to place more emphasis on promoting alternative ways of getting around. This increased emphasis will become more evident in FY 2012 with more visibility of each component of the program.

• Goods Movement – During FY 2011, SANDAG received a federal grant award of $20.2 million to complete the I-805/SR 905 interchange improvements to serve border traffic. Staff continues to work with Caltrans, the Port of San Diego, and other partners to ready the Proposition 1B Trade Corridor Improvement Fund projects in the San Diego region. Efforts also will continue to complete the Tier II environmental document and begin the design for the SR 11 and Otay Mesa East Port of Entry project.

• Regional Energy and Climate Action Planning – Through a partnership with the California Energy Commission, SANDAG has been working on implementation of the Board-approved Regional Energy Strategy as well as the Sustainable Region Program, an energy-saving program that provides technical assistance and staff support to member agencies, which will continue into FY 2012.

• Quality of Life Funding Strategy Development – The Quality of Life Ad Hoc Steering Committee and the Quality of Life Stakeholder Working Group have continued to evaluate the four elements being considered (shoreline preservation, habitat conservation, water quality, and public transit) for a possible initiative in November 2012. At the 2011 Annual Board of Directors Summit, staff was directed and has started to conduct some targeted research related to a proposed initiative; the survey research is expected to be completed and presented to the Board during FY 2011 to assist in determining future work efforts for FY 2012.
Transportation Modeling – Staff continues to update, improve, and add modules to the extensive menu of transportation modeling tools, both for fine-tuning the existing model for the 2050 RTP as well as to prepare the state-of-the-art activity-based model for use in the next cycle of long-range transportation planning.

Transportation Systems Management (TSM) – TSM Strategies have been identified in the 2050 RTP as a key area for improving mobility and efficiency. With the help of the activity-based model to measure the benefits of potential TSM investments, an assessment tool framework will be developed during FY 2012, and two new TSM projects – Connected Vehicle (formerly known as IntelliDrive) and Arterial Detection System Development – will be evaluated.

Public Safety – ARJIS has completed the acquisition and initial development of its new Enterprise system – implementing the new infrastructure, producing a project site portal, middleware, and data entry screens and identifying a transition strategy for the new ARJIS Enterprise system that must be in place by the end of FY 2011. Focus in FY 2012 will be on enhancing the system with additional data sources, integration of additional tools, and development of additional reports in response to user and member agency input.

Public Safety – The Criminal Justice (CJ) Clearinghouse continues to provide CJ Bulletins regarding crime and law enforcement response, including a new product examining how many arrests in the region involve an individual under probation supervision. Evaluation studies also were conducted that helped policy makers and practitioners better address the needs of returning ex-offenders and strategically target gangs around the region. These efforts will continue into FY 2012 with highlights including an evaluation of the Graffiti Tracker pilot project and cross-border efforts to address violent crime.

Service Bureau – The final report on the San Diego Region Aggregate Supply Study was completed in January 2011. The report documents issues surrounding the supply of construction aggregates and provides Geographic Information System (GIS) and other tools policymakers in this and other regions could use to help identify potential aggregate sources. Transportation modeling capabilities continue to be a mainstay of Service Bureau activity with nearly two-thirds of the projects concentrated in this area. Other services include demographic and economic data and analysis, GIS mapping, and development of strategic plans.

In response to comments received at the March 25, 2011, Board of Directors meeting, further explanation and description of the Healthy Works Center for Disease Control (CDC) Grant projects (33005) have been provided to show the budget, work plan, and staff involvement for each of the six programs. Two of the programs involve the administration and oversight for pass-through grants (33005.03 and 33005.04), as a portion of the total costs of the programs. Staff estimates that approximately $150,000 for the two programs (or 7.9 percent over the 2-year grant) is related to the administration and oversight of these grants.
33005.01 Health Impact Assessment and Forecasting, enhancing our existing planning and forecasting capabilities and building new tools to help SANDAG and local agencies better understand the health benefits and implications for local and regional planning decisions.

33005.02 Regional Comprehensive Planning Policies, developing a policy framework for incorporating public health considerations into SANDAG regional planning documents.

33005.03 Healthy Communities Campaign, developing an innovative program to provide incentives for local agencies to incorporate health considerations into local planning processes and encourage active transportation planning, which included developing a competitive grant program with project selection criteria and program guidelines to award these funds, then passing $850,000 in Healthy Works funds through to local agencies and tribal governments to support healthy communities planning and providing oversight of grant implementation. This project included the procurement of on-call consultant assistance to facilitate an early start to the projects awarded funding.

33005.04 Safe Routes to School, developing a regional Safe Routes to School strategy, developing and implementing two Safe Routes to School grant programs that pass $300,000 in Healthy Works funds through to public and private nonprofit organizations to do Safe Routes to School planning and program implementation. This project also will use the on-call consultants procured by SANDAG to ensure qualified technical assistance is available to the grantees as soon as grant funds are awarded.

33005.05 Active Commuter Transportation Campaign, enhancing SANDAG annual bike-to-work promotion and helping establish school-based walking and bicycling encouragement programs.

33005.06 Regional Bike Plan Implementation, initiating the development and installation of regional bikeway corridor signs and developing promotional materials for the regional bikeway network.

**FY 2012 Cost-Efficiency Initiatives and Staffing Strategy**

In order to achieve a balanced budget given the current economic climate and funding constraints, staff has continued with several cost-cutting activities, including a conservative staffing strategy for the upcoming fiscal year. Work program elements have been crafted to optimize the use of existing staff, foster closer interdepartmental collaboration, and result in cost-efficiencies.

SANDAG continued its comprehensive workforce planning efforts in FY 2011 with the goal of aligning current staff positions to the approved strategic goals. Although turnover in regular staff positions has been quite low during the past year, the agency's executive team has continued to evaluate each vacant position and determined the best use of each staffing opportunity to advance SANDAG core functions and strategic priorities. This has become an agency practice during the past several years and will continue into FY 2012.

During the course of FY 2011, SANDAG has added a net of seven full-time project-based, limited term positions. Five of these positions were added specifically to support the increased effort required for implementation of the Capital Improvement Program; the other two positions are supporting current agency initiatives, such as the development of regional transportation and land
use models and the 2050 RTP, or were hired as a result of new grants awarded to SANDAG. The decision to add a limited term position is coupled with a comprehensive analysis where the cost and benefit of in-house resources are compared against the use of consultant resources. Leveraging the skills and talents of limited term employees who are committed full-time to agency projects has been a successful and cost-effective strategy for the agency.

Proposed New Positions for FY 2012

As part of the FY 2012 Program Budget, staff is recommending the addition of two regular positions to support the delivery of major capital projects in the region, one of which would be offset by the elimination of a limited term position. Both positions would be fully budgeted to the Capital Improvement Program.

- **Principal Engineer**  
  (Class 26; salary range - $78,962 to $126,340 per year)  
  A Principal Engineer position is proposed to be converted from limited term status to regular status in the Engineering and Construction division to provide increased technical and project management expertise for the development and implementation of the Mid-Coast Corridor Transit Project. Existing staff resources in the team have been directed to the agency’s expanding rail program - which includes rehabilitation of the Blue and Orange Line Trolley infrastructure, various Los Angeles-San Diego-San Luis Obispo (LOSSAN) rail corridor projects, and the Mid-Coast project. Given the long-term nature of the Mid-Coast project, and the importance of continued leadership and management for this project, staff recommends the conversion of this position from limited term to regular status. Further, this action demonstrates to the FTA the commitment by SANDAG to increase its “technical capacity” to ensure the successful completion of the Mid-Coast project. This work is currently being performed by a limited term employee, and with Board approval of the FY 2012 Program Budget, the limited term position would be eliminated.

- **Project Control Manager**  
  (Class 22; salary range - $64,963 to $103,940 per year)  
  Since FY 2007, the TransNet EAP has grown from $3.7 billion to $6.5 billion and now represents more than 150 separate projects. As part of the agency’s efforts to ensure that these projects are completed in a timely and cost-efficient manner, staff is recommending the addition of a Project Control Manager to the TransNet Project Office. The Project Control Manager would develop and maintain the annual TransNet EAP budget, implement more robust procedures to increase the communication and accountability associated with the program, provide oversight for on-call engineering services contracts, and monitor trends, risks, issues, and progress utilizing the TransNet Dashboard.

Compensation and Benefits

The compensation and benefits portion of the Proposed FY 2012 Program Budget assumes no changes to the salary ranges for staff positions, no merit or cost of living increases, and no changes to the employee benefits program.
Next Steps

With the Executive Committee recommendation, the proposed FY 2012 Program Budget (including the OWP), and accompanying Resolution No. 2011-17 (Attachment 1), will be presented for approval at the May 27, 2011, Board of Directors meeting. Any comments and suggestions received by the Executive Committee at the May 13, 2011, meeting will be communicated to the Board.

LAUREN WARREM
Director of Finance

Attachments: 1. Resolution No. 2011-17: Adoption of FY 2012 Program Budget Including the Overall Work Program and Providing For All Authorizations Necessary and Pertinent Thereto
2. Proposed FY 2012 Program Budget (including the Overall Work Program) – Hard copies provided to Board members only; CD included for others, and the entire report is available by contacting the Public Information Office at (619) 699-1950 or at www.sandag.org/
3. Overview of the Main Components of the Proposed FY 2012 Program Budget

Key Staff Contacts: Tim Watson, (619) 699-1966, twa@sandag.org
Lauren Warrem, (619) 699-6931, lwa@sandag.org
RESOLUTION
NO. 2011-17

ADOPTION OF FY 2012 PROGRAM BUDGET, INCLUDING THE OVERALL WORK PROGRAM,
AND PROVIDING FOR ALL AUTHORIZATIONS
NECESSARY AND PERTINENT THERETO

WHEREAS, the San Diego Association of Governments (SANDAG) Bylaws stipulate that the Board of Directors shall adopt a Final Budget no later than June 30th of each year; and

WHEREAS, SANDAG serves as the San Diego County Regional Transportation Commission (Commission) and California Public Utilities Section 132104(a), which is part of the enabling legislation creating the Commission, requires the adoption of an annual budget; and

WHEREAS, the FY 2012 Program Budget, including the Overall Work Program (OWP), was reviewed and approved by the Board of Directors as the basis, through this budget, for carrying forward the FY 2012 Program Budget, including the OWP, for FY 2012; and

WHEREAS, the adopted FY 2012 Program Budget, including the OWP, anticipates reliance on federal, state of California, and other funds which require certification of nonfederal matching funds; and

WHEREAS, such required match is identified as being available from Transportation Development Act funds, member agency assessments, local assistance, and other local funds and in-kind services; and

WHEREAS, SANDAG Board Policy No. 017 delegates authority to the SANDAG Executive Director to execute or continue agreements to lease or purchase property, materials, supplies, services and equipment for the fiscal year consistent with the adopted FY 2012 Program Budget, including the OWP; and

WHEREAS, SANDAG Board Policy No. 017 delegates authority to the SANDAG Executive Director to execute or continue grant agreements or other agreements to accept funding or revenue anticipated in the approved SANDAG Budget for the fiscal year consistent with the adopted FY 2012 Program Budget, including the OWP; and

WHEREAS, it is necessary to authorize the SANDAG Executive Director to reimburse SANDAG for necessary administrative expenditures made on behalf of the Commission, including Board of Directors expenses, SANDAG staff services, and contractual services necessary to carry out the legal, administrative, auditing, and investment management responsibilities of the Commission;

NOW THEREFORE

BE IT RESOLVED by the Board of Directors of SANDAG, which also serves as the Board of Directors for the Commission, that:

a. The FY 2012 Program Budget, including the OWP, hereby incorporated by reference, is adopted in an amount estimated to be $1.17 billion, including the OWP in the amount of $58.6 million, and the annual portion of the Capital Program in the amount of $850.0 million. The SANDAG Director of Finance hereby is authorized to finalize the FY 2012 appropriations based on actual grant agreements/funding contracts executed, transfer of funds from consolidated transit agencies, actual sales tax revenues, sales tax-backed commercial paper proceeds, and interest earnings received pursuant to this budgetary authority, and the actual end-of-year carryover funds status as determined by the Director of Finance; and
b. Each member agency hereby is assessed its share of the amount shown in the adopted FY 2012 Program Budget for the base SANDAG membership, the Criminal Justice Clearinghouse assessment, and for the Automated Regional Justice Information System assessment; and

c. The SANDAG Director of Administration is authorized to make, if applicable, such personnel changes, Position Classification and Salary Range Table adjustments, and other employee compensation package adjustments for which funding is provided in the adopted FY 2012 Program Budget and as may be amended by the Board of Directors; and

d. The SANDAG Executive Director, or his/her designee, is hereby authorized to submit grant applications and revenue claims, and execute grant and revenue agreements in the amounts identified in this adopted FY 2012 Program Budget and as may be amended subject to the final agreement of the funding agencies; and

e. The SANDAG Executive Director, or his/her designee, is hereby authorized to execute grant agreements and all necessary documents and covenants required by granting agency laws, rules, and administrative regulations, and the Board of Directors hereby certifies the required nonfederal match to the above listed agencies and in the amounts necessary subject to SANDAG Director of Finance certification of funds availability; and

f. The SANDAG Executive Director is hereby authorized to enter into and/or continue agreements to purchase or lease property, materials, supplies, services, (including but not limited to legal, investment management, financial advisor, and independent auditing services), and facilities and equipment for the fiscal year as identified herein, subject to certification by the SANDAG Director of Finance of funds availability and approval by the SANDAG Office of General Counsel; and

g. The SANDAG Executive Director is hereby authorized to accept funds from member agencies and other entities for the performance of Service Bureau projects and is further authorized to enter into agreements for goods and services in any amount requested by the entities as may be necessary to carryout the project; and

BE IT FURTHER RESOLVED that a copy of this resolution and adopted FY 2012 Program Budget, including the OWP, be filed with the Clerk of each member agency.

PASSED AND ADOPTED this 27th day of May, 2011.

_____________________________       ________________________________
CHAIRPERSON                    ATTEST: ______________________________________

_____________________________       ________________________________
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: California Department of Transportation, Metropolitan Transit System, North County Transit District, Imperial County, U.S. Department of Defense, San Diego Unified Port District, San Diego County Water Authority, Southern California Tribal Chairmen’s Association, and Mexico.
Attachment 2

Proposed FY 2012 Program Budget (including the Overall Work Program)

Hard copies provided to Board members only; CD included for others, and the entire report is available by contacting the Public Information Office at (619) 699-1950 or at www.sandag.org/
Overview of the Main Components of the Proposed FY 2012 Program Budget

The Program Budget document includes the Overall Work Program (OWP), the Administration and Board Budgets, the Capital Budget, the TransNet Program, the Member Agency assessments, Prepaid Fare Media Sales, and the Personnel Summary information, as summarized on pages 1-27 of the Program Budget, or Attachment 2.

A brief outline of the main components of the proposed FY 2012 Program Budget follows:

Chapter 1 – Introduction – Describes the decision-making structure and the multiple agency designations co-existing under the SANDAG umbrella, how the OWP integrates the key regional planning activities, and how the state and federal planning emphasis areas are being addressed.

Chapter 2 – Detailed Work Element Descriptions – Describes the objectives, revenue and expense budget amounts, tasks, products, past accomplishments, and future activities for each OWP work element.

Chapter 3 – OWP Program Revenues and Expenses Summary (or Sources and Application of Funds) - Shows how funds will be used for each work element in terms of staff costs, contracted services, materials and equipment, and pass-through services. On the funding side, the Program Revenue table identifies the amount and type of funding for each work element.

Chapter 4 – Multi-Year Tables – For active OWP work elements, a growing number are multi-year, project-oriented activities with a definitive beginning and end, and largely paid for with dedicated funds. This section shows the total multi-year budgets and annual cash flows as currently projected, along with all funding sources known at this time.

Chapter 5 – Pending Discretionary Grants – This section describes the activities that have been submitted for additional grant awards. As part of a cost-saving strategy, grant applications submitted in April will help fund activities already included in the OWP. This will avoid the necessity of finding additional local fund matches for newly awarded grants mid-year. In addition, new grant awards will free up flexible transportation planning funds committed to these efforts.

Chapter 6 – Certifications and Resolutions – These are certifications and assurances required to be signed by SANDAG and Caltrans officials as part of the OWP approval process. The resolution will be approved in conjunction with Board approval of the FY 2012 Program Budget, and will serve as the control document for submitting amendments to the Board and the funding agencies.

Chapter 7 – Regionally Significant Planning Efforts – Also a requirement of the OWP, this chart outlines all of the active regional planning efforts being coordinated or monitored by Caltrans or SANDAG for the region.

Chapter 8 – Administration and Board Budgets – These budgets describe the cost of providing administrative services, including salaries and benefits, facility rental and insurance, contractual services, information systems, etc. The Board Budget shows the costs associated with conducting Board of Directors and related Policy Advisory Committee meetings and functions. The Administration expenses are funded by allocating the costs among the OWP and Capital Improvement Program projects.
Chapter 9 – Capital Budget - This Chapter includes a summary of regionally significant Capital Projects and applicable funding. With the TransNet Extension Ordinance passed by County voters in November 2004, SANDAG is partnering with several agencies on the transportation projects approved in the ordinance. This chapter is divided into two main sections: (1) TransNet Early Action Program, which includes the current budgets for the projects approved as part of the TransNet Program; and (2) Capital Projects, which identifies regionally significant capital investments.

Chapter 10 – TransNet Program - The TransNet Program summary shows the projected half-percent sales tax revenue for FY 2012, and the revenue allocation in accordance with the TransNet Extension Ordinance. The TransNet Program summary also includes the debt service requirements for the 2008 and 2010 bonds and the pass-through grant awards as approved by the Board for the Senior Mini-Grant program, the Bicycle, Pedestrian, and Neighborhood Safety program, and the Smart Growth Incentive program.

Chapter 11 – Member Agency Assessments - This chapter shows the SANDAG, Criminal Justice, and ARJIS member assessments. The tables show the assessments for each jurisdiction relative to the two most recent years. Individual member agency contributions have been updated to reflect the latest U.S. Census estimates for San Diego County population statistics, as certified by the California Department of Finance.

Chapter 12 – Personnel and Organization Structure - This chapter contains the agency’s organization charts, a summary of personnel-related costs, proposed changes to authorized positions, and the position classification table.

Appendices - Includes the Contracted Services report of professional services budgeted in the OWP, a listing of Policy Advisory Committee involvement relating to each OWP work element, milestones or achievements for SANDAG since its inception, a glossary defining acronyms used at SANDAG, and the list of OWP projects that utilize grants administered by Caltrans District 11.
FEDERAL AND STATE LEGISLATIVE STATUS REPORTS

Introduction

Periodic status reports on legislative activities are provided to the Executive Committee during the year. This status report provides an update on recent federal legislation pertaining to the FY 2011 and FY 2012 federal budgets and on pending state legislation, including Senate Bill 468 (Kehoe) and Assembly Bill 486 (Hueso).

Discussion

FY 2011 Federal Budget

On April 15, 2011, President Obama signed H.R. 1473, the Department of Defense and Full Year Continuing Appropriations Act of 2011 (P.L. 112-10), which funds government operations through the remainder of the federal fiscal year ending September 30, 2011. The legislation provides approximately one trillion dollars in non-emergency appropriations for FY 2011. This is $39.9 billion less than the comparable FY 2010 level and is $78.6 billion below President Obama’s FY 2011 budget request. A 0.2 percent rescission also was applied to all other non-defense general fund accounts.

Of the 12 appropriations subcommittees, Transportation, Housing and Urban Development, and Related Agencies experienced the largest reduction in funding. Its discretionary programs were reduced by $12.4 billion to $55.5 billion in FY 2011, compared to $67.9 billion in FY 2010. Trust fund programs, however, were not subject to the 0.2 percent across-the-board rescission.

Federal Highway Administration

The budget bill funds the highway program in FY 2011 at $41.1 billion, the same level as in FY 2010. Funding for the TIGER Grant II program was cut by $72 million from $600 million in FY 2010 to $528 million in FY 2011.

The bill rescinds $2.5 billion in existing contract authority that had been previously apportioned to states but was never funded. The measure allows states to determine the amount of the required rescission from each program. Caltrans has not announced how the rescission would impact its programs.

Federal Transit Administration

The measure funds the Federal Transit Administration (FTA) at $8.34 billion, the same level provided in FY 2010. The bill cuts the FY 2011 Capital Investment Grant (New Starts) program by $400 million, in addition to a $280 million rescission of FY 2010 New Starts funds. The FTA Transit Investments for
Greenhouse Gas and Energy Reduction program also was reduced by one-third, to $49.9 million in FY 2011.

Federal Railroad Administration

The legislation provides no funding for the High-Speed and Intercity Passenger Rail program in FY 2011. The program was funded at $2.5 billion in FY 2010, and the bill also rescinds $400 million of those FY 2010 funds. As a result, the Federal Railroad Administration (FRA) retains $2.1 billion of FY 2010 high-speed rail funds to distribute. Amtrak Capital and Debt Service Grants were cut by 8 percent to $921.8 million, while Amtrak Operating Subsidy Grants were reduced by the 0.2 percent across-the-board rescission. No funding is provided in FY 2011 for the Railroad Safety Technology Program, which was established to fund Positive Train Control grants. This funding was eliminated in a short-term continuing resolution passed earlier.

Department of Housing and Urban Development

The FY 2011 budget included $100 million for the U.S. Department of Housing and Urban Development Sustainable Communities Initiative. Of that amount, $70 million is allocated for regional planning grants (of which no less than $17.5 million will be made available to regions with populations of less than 500,000) and $30 million is available for Community Challenge planning grants.

House Budget Committee Proposed FY 2012 Budget

House Budget Committee Chairman Paul Ryan (R-WI) announced details of his plan to reform government budget priorities for FY 2012 and beyond in an effort to control spending and reduce deficits. The plan calls for significant spending reductions in discretionary programs including transportation as well as a significant slowing of spending growth in major entitlement programs like Medicare and Medicaid.

The Budget Committee Chairman’s plan is contained in a 73-page document titled “The Path to Prosperity,” which seeks to reduce overall government spending to below 20 percent of Gross Domestic Product, while reducing annual spending below FY 2008 levels and keeping it there for at least five years.

For transportation, the plan calls for a 30 percent reduction in spending from current levels, keeping the Highway Trust Fund solvent without a gas tax increase or other revenue enhancements or revenue assumptions (as are contained in the President’s transportation reauthorization proposal).

Specifically, the plan:

- Would eliminate funding for high-speed rail, stating such funding should be pursued only if (such projects) can be established as self-supporting commercial services. In comparison, President Obama proposed $53 billion over six years for high-speed rail without indicating a particular funding source.
- Would prohibit General Fund transfers to the Highway Trust Fund, stating that the current Highway Trust Fund as constituted must “live within its means.”
• Envisions consolidating dozens of separate highway programs that the General Accounting Office has identified as duplicative. The plan states that this would help focus every dollar on pursuing a targeted and cohesive national transportation policy.

• Expressly discounts the job-creation potential of transportation project spending, commenting that “however worthy some highway projects might be, their capacity as job creators has been vastly oversold.”

The Administration officially announced that President Obama would respond to the House Budget Committee plan with a new budget proposal of his own, addressing both entitlements and discretionary spending. The President’s prior FY 2012 Budget proposal released in February did not include a deficit reduction component.

**State Legislation**

Senate Bill 468 (Kehoe) Department of Transportation: Capacity-Increasing State Highway Projects: Coastal Zone

At its April 8, 2011, meeting, the Executive Committee approved an oppose position on Senate Bill 468 (SB 468). The bill was introduced by Senator Christine Kehoe (D-San Diego) on February 17, 2011, and last amended on April 26, 2011. SB 468 would place additional requirements on Caltrans for capacity-increasing state highway projects in the coastal zone.

The major amendments to the bill on April 26 were as follows:

• Includes new legislative findings regarding the Coastal Commission Act of 1976 and findings about integrating transportation and land use to achieve high levels of non-motorized travel and transit use, shorter trip length and advanced accessibility, social equity, and environmental justice.

• Includes new language that would apply the bill’s provisions to proposed capacity-increasing projects on the state highway system in the coastal zone “that would widen the existing paved highway.”

• Deletes various provisions that prohibit a highway project from proceeding to construction until a public transportation investment program in the corridor is complete; until a mitigation program for additional traffic on city and county streets and roads is identified, fully funded, and implemented; and until a project can demonstrate an overall reduction in vehicle miles travelled.

• Requires the evaluation and inclusion of multimodal transportation options in the project design; and defines multimodal as other transportation options, including but not limited to, double tracking, pedestrian walkways and bike lanes, extension of existing commuter transit services, and increased frequency of public transit services.

• Provides that construction of all or a portion of a highway project shall move forward concurrently with “multimodal transit projects.”
• Requires the environmental impact report for a highway project to evaluate and provide for mitigation of impacts on city and county streets and roads.

• Requires Caltrans to provide at least one public hearing for every 20 miles of project length included in the project design prior to the adoption of a public works plan by a transit agency.

As amended, the bill continues to contain provisions that are unnecessary because they either restate or potentially conflict with current environmental laws (NEPA and CEQA). The bill mandates that rail, commuter transit, bicycle, and pedestrian improvements be included in the design of any capacity-increasing highway project in the coastal zone, whether or not such improvements are necessary for the project’s purpose and need. Additionally, these provisions could conflict with federal environmental review processes, which are subject to separate modal requirements.

In its current form, SB 468 requires Caltrans to mitigate for all traffic impact on local streets and roads in the coastal zone. This provision conflicts with existing flexibility in CEQA laws that provide for the potential use of a statement of overriding considerations (SOC). CEQA permits adoption of an SOC, enabling lead agencies to balance multiple public objectives including environmental, legal, technical, social, and economic factors. SB 468 also continues to include terms and language that are undefined. For example, the bill does not define what it means for highway and transit projects to move forward concurrently, nor does it define a “Public Works Plan” (PWP).

SB 468 passed the Senate Natural Resources and Water Committee on April 12, 2011, by a vote of 5-3. On April 29, 2011, Board leadership and Senator Kehoe met to discuss SANDAG concerns with the bill as currently drafted and identified points of agreement on possible amendments to the bill.

SB 468 passed the Senate Transportation and Housing Committee on May 3, 2011, by a vote of 6-2. During the Transportation and Housing Committee hearing, Senator Kehoe informed and assured committee members that the bill would be amended in the Senate Appropriations Committee, and that the amendments would address SANDAG concerns with the bill. Several important points agreed upon by Senator Kehoe and SANDAG with regard to these amendments include:

• SANDAG support for an 8+4 Buffer alternative as the preferred alternative for the Interstate 5 (I-5) North Coast Corridor environmental documents being finalized by Caltrans and the Federal Highway Administration.

• Working towards completing current design and permitting efforts to allow an early phase of I-5 North Coast Corridor improvements to move forward by 2012 to help create jobs and enhance our local economy.

• Continuing to collaborate with the Coastal Commission, local jurisdictions, and other agencies on environmental review and coordination efforts and on the development of the North Coast Corridor Public Works Plan (PWP) that will include multimodal transportation options and evaluation of traffic impacts.

• Holding at least two public hearings on the PWP prior to Coastal Commission submittal.
• Using TransNet Regional Habitat Conservation Program funding to accelerate environmental enhancements in the corridor, once all necessary permits, including the coastal development permit, are obtained.

• Constructing transit and highway bridge improvements over each of the coastal lagoons concurrently in order to minimize environmental impacts.

The last day for bills to be heard in Senate Appropriations Committee is May 27, 2011, and the last day for each house to pass bills introduced in their house of origin is June 3, 2011. The Executive Committee is asked to discuss and consider the SANDAG position on this measure. Staff continues to work with Senator Kehoe on amendments and will provide an oral update to the Executive Committee at the meeting.

Assembly Bill 486 (Hueso) Graffiti Tracking System: Funding

Assembly Bill 486 (AB 486) was introduced by Assemblymember Ben Hueso on February 15, 2011, and was last amended on April 11, 2011. At its April 8, 2011, meeting, the Executive Committee directed staff to request that AB 486 become a two-year bill to allow SANDAG time to conduct an evaluation of the countywide graffiti tracking pilot program currently underway.

As amended, AB 486 would require the 18 cities and the County in the San Diego region to pay on an annual basis 10 percent of any restitution funds collected from graffiti crimes to SANDAG. The bill requires that funds collected by SANDAG be used exclusively for funding and administering a graffiti tracking system. The bill passed the Assembly Local Government Committee on April 13, 2011, by a vote of 8-0 and passed the Assembly Appropriations by a vote of 17-0. The bill will move to the Assembly Floor for a vote.

Next Steps

Staff will continue to monitor federal and state legislation as it makes its way through the legislative process and provide updates to the Executive Committee.

KIM KAWADA
TransNet and Legislative Affairs Program Director

Key Staff Contacts: Victoria Stackwick, (619) 699-6926, vst@sandag.org
Genevieve Morelos, (619) 699-1994, gmo@sandag.org
PLUG-IN ELECTRIC VEHICLE GRANT OPPORTUNITY

Introduction

The US Department of Energy (DOE) has released a grant to help ready communities for large numbers of plug-in electric vehicles (PEV) and PEV charging equipment. The DOE expects to award up to 15 regionally based planning grants of $250,000 to $500,000. Based on early experiences of the US DOE PEV Project in San Diego County, and recommended policy measures from regional and local clean transportation efforts, the Executive Committee is asked to consider supporting a proposal that would streamline the residential permitting through inspection process for PEV charging equipment. Support of this initiative would be consistent with Goal No. 13B of the 2011 SANDAG Legislative Program, which supports energy-related legislation, programs, and policies that are consistent with the Regional Energy Strategy.

Discussion

The Energy Working Group discussed this grant opportunity during its meeting on April 28, 2011. Members expressed their interest in a proposal that would assist each of the local jurisdictions with permitting and inspection of residential electric vehicle supply equipment (EVSE), or home-charging equipment.

A project aimed at streamlining the permit process would address adopted regional and local clean transportation policies from the SANDAG Regional Energy Strategy (2009) and Smart City San Diego initiative (2011). Smart City San Diego is a new collaborative among the City of San Diego, San Diego Gas & Electric (SDG&E), General Electric, University of California, San Diego (UCSD) and CleanTECH San Diego.

SANDAG would apply in partnership with the City of San Diego and others. SANDAG would serve as the project coordinator and help develop guidance materials on the permitting process. The City of San Diego would help develop and pilot the permit streamlining tools that could be used by local jurisdictions. Participation by the jurisdictions would be on a voluntary basis.

Project Summary

The project objective is to streamline the permit and inspection process for the installation of residential PEV home-charging equipment. The project would utilize a Web-based residential EVSE permit template developed by the DOE National Renewable Energy Laboratory. This effort is...
expected to reduce the costs and time associated with the EVSE installation process. A template for standardization could be achieved across the 19 jurisdictions in the San Diego region. It is expected that meeting this objective could lead to strong consideration for adoption by other regions in California and throughout the United States.

For the San Diego region, an implementation plan would be created that outlines the steps for jurisdictions to be able to employ the online tool on their municipal Web sites. A regionwide education and training Web site would be developed addressing residential EVSE permitting, installation and inspection. The Web site would include:

- Online tutorials addressing multiple scenarios, using a variety of PEV charging equipment providers and variety of PEV original equipment manufacturers (OEM)
- Resources for inspectors, contractors/electricians, homeowners, etc.
- Training videos
- OEM specification sheets for commercially available home-charging equipment
- Contacts for local permit agencies, utility, training venues, electric charging equipment suppliers, car dealerships, etc.
- The regionwide Web site also could serve as a venue to address barriers to PEV equipment permitting through inspection for multifamily units

Project Partners

The DOE encourages submittals that include multiple local government entities, utilities, local and regional planning entities, and regional transportation authorities. Thus far, this submittal would include a project team consisting of SANDAG, City of San Diego, SDG&E, California Center for Sustainable Energy (CCSE), and UCSD.

The federally designated Clean Cities Coalition is a required project participant. SANDAG, the City of San Diego, County of San Diego, SDG&E, CCSE, UCSD, Metropolitan Transit System, San Diego County Regional Airport Authority, San Diego Unified Port District, and American Lung Association serve on the Board of Directors of the San Diego region’s Clean Cities Coalition.

Proposal and Project Timelines

A nonbinding Letter of Intent is due to the DOE by 5 p.m. PST on May 13, 2011. The Letter of Intent should include the project title, responsible organization for submittal, list of project partners, and project idea. Final project applications are due by 5 p.m. PST on June 13, 2011. Award announcements are scheduled for September 2011 with projects starting by January 2012. Projects are to span one year.

CHARLES “MUGGS” STOLL
Director of Land Use and Transportation Planning

Key Staff Contact: Susan Freedman, (619) 699-7387, sfr@sandag.org
REVIEW OF MAY 27, 2011, DRAFT BOARD AGENDA

ITEM #

+1. APPROVAL OF MEETING MINUTES

+1A. APRIL 8, 2011, BOARD POLICY MEETING MINUTES

+1B. APRIL 22, 2011, BOARD BUSINESS MEETING MINUTES

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Public comments under this agenda item will be limited to five public speakers. 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. Other public comments will be heard during the items under the heading “Reports.” 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. Public speakers are limited to three minutes or less per person. 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 April 22, the Regional Planning Committee on May 6, the Executive Committee on May 13, and the Transportation and Public Safety Committees on May 20, 2011.

CONSENT (4 through X)

+4. FY 2012 WEIGHTED VOTING FORMULA (Lauren Warrem)*

On an annual basis, SANDAG is required to recompute the weighted vote of the Board of Directors based on updated population figures. The population figures used for this purpose have been certified by the California Department of Finance. The Board of Directors is asked to approve the FY 2012 weighted voting formula.
FY 2012 TRANSPORTATION DEVELOPMENT ACT PRODUCTIVITY IMPROVEMENT RECOMMENDATIONS (Phil Trom)

SANDAG is responsible for determining if the transit agencies have made a reasonable effort to implement the productivity improvement recommendations adopted by the Board of Directors for the current fiscal year. This item discusses the transit agency productivity improvements associated with the Transportation Development Act (TDA) claim for FY 2012. The Transportation Committee recommends that the Board of Directors find that the Metropolitan Transit System and North County Transit District made a reasonable effort to implement productivity improvements, and to approve continuing this program in FY 2012, which fulfills the requirements outlined in Section 99244 of the TDA law.

QUARTERLY INVESTMENT REPORT - PERIOD ENDING MARCH 31, 2010 (Lisa Kondrat-Dauphin)*

The SANDAG Investment Policy requires that the Board of Directors be provided a quarterly report of investments held by SANDAG. This report includes all money under the direction or care of SANDAG as of March 31, 2010.

QUARTERLY PROGRESS REPORT ON TRANSPORTATION PROJECTS - JANUARY TO MARCH 2011 (José A. Nuncio)*

This quarterly report summarizes the current status of major highway, transit, arterial, traffic management, and transportation demand management projects in the SANDAG five-year Regional Transportation Improvement Program for the period January to March 2011.

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 of Directors meeting.

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.
REPORTS (12 through XX)

+12. PROPOSED FY 2012 PROGRAM BUDGET (INCLUDING OVERALL WORK PROGRAM) (First Vice Chair Jack Dale; Lauren Warrem, Tim Watson)*

SANDAG Bylaws require the Board of Directors to adopt a final budget by June 30 of each year. The proposed FY 2012 Budget includes the Overall Work Program, Capital Improvement Program, TransNet Program, and Administrative and Board budgets. At its May 13, 2011, meeting, the Executive Committee recommended that the Board of Directors approve Resolution No. 2011-17 (Attachment 1), adopting the proposed FY 2012 Program Budget (including the Overall Work Program), in substantially the same form as shown in Attachment 2.

+13. ENVISION 2050 – AN INTERACTIVE VIEW OF THE 2050 REGIONAL TRANSPORTATION PLAN (Anne Steinberger)*

SANDAG has launched Envision 2050 - an interactive, Web-based, visualization tool to educate, communicate, and visually demonstrate the priorities, investments, transportation system, and other key elements and concepts in the Draft 2050 Regional Transportation Plan and its Sustainable Communities Strategy. The tool also provides the opportunity for public comment. Staff will conduct a live demonstration of Envision 2050, which is available at envision2050sd.com.

+14. CERTIFICATION OF FINAL ENVIRONMENTAL IMPACT REPORT FOR REGIONAL BEACH SAND PROJECT (Second Vice Chair Jim Janney, Regional Planning Committee Chair; Shelby Tucker)

The Board of Directors is asked to certify the Final Environmental Impact Report for the Regional Beach Sand Project (RBSP). The RBSP will place approximately 2 million cubic yards of beach quality material on regional beaches from Oceanside to Imperial Beach.

+15. DRAFT REGIONAL HOUSING NEEDS ASSESSMENT FOR THE 2013 – 2020 HOUSING ELEMENT CYCLE (Second Vice Chair Jim Janney, Regional Planning Committee Chair; Susan Baldwin)

The Regional Planning Committee recommends that the Board of Directors accept a draft Regional Housing Needs Assessment methodology and allocation for the January 1, 2013, to December 31, 2020, housing element cycle for distribution and a 60-day public review period.

16.

17.
18. **CONTINUED PUBLIC COMMENTS**

If the five speaker limit for public comments was exceeded at the beginning of this agenda, other public comments will be taken at this time. Subjects of previous agenda items may not again be addressed under public comment.

19. **CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL - PURSUANT TO GOVERNMENT CODE SECTIONS 54956.9(b) AND 54956.8**

One Potential Case - In re South Bay Expressway, L.P. and California Transportation Ventures, Inc., Case No. 10-04516 (Claims by debtor in bankruptcy) (Julie Wiley)
Property: State Route 125 Toll Road
SANDAG Negotiators: Gary L. Gallegos, Julie Wiley, Marney Cox
Property Owner Negotiators: South Bay Expressway, LP
Under Negotiation: Price and terms of payment for subject property

20. **UPCOMING MEETINGS INFORMATION**

The next Board Policy meeting is scheduled for Friday, June 10, 2011, at 10 a.m. The next Board Business meeting is scheduled from Friday, June 24, 2011, at 9 a.m.

21. **ADJOURNMENT**

+ next to an agenda item indicates an attachment
* next to an agenda item indicates a San Diego County Regional Transportation Commission item
Member Assessments – SANDAG and Criminal Justice Division member agency assessment totals are currently proposed to remain unchanged at $547,426 and $200,000, respectively. Individual member assessments are based on each agency’s share of the San Diego County population. The individual member agency assessments for SANDAG and the Criminal Justice Division (Chapter 11 of the Program Budget) have been updated to reflect the latest U.S. Census estimates for San Diego County population statistics, as certified by the California Department of Finance. While the proposed Automated Regional Justice Information System (ARJIS) member assessments remain unchanged, the total assessment revenue is expected to increase slightly from $1,366,983 to $1,370,140, due to the addition of two ex-officio members: United States Department of Justice Drug Enforcement Agency and United States Office of Personnel Management (Chapter 11 of the Program Budget).

Contingency Reserve – The current available balance in the contingency reserve is approximately $7.8 million, of which approximately $1.8 million is committed for Board-approved uses, leaving a balance of approximately $6 million uncommitted and available for the use at the discretion of the Board. This balance represents approximately 10 percent of the proposed FY 2012 OWP Budget, which exceeds the minimum target of 5 percent as set forth in Board Policy No. 030 (Contingency Reserve Policy).

For comparison purposes and in response to comments expressed by the Executive Committee at its March 11, 2011, meeting regarding the Draft FY 2012 Program Budget, the following table represents the annual deposits to the Contingency Reserve and Executive Committee or Board approved commitments for the last five fiscal years. Board Policy No. 030 requires that any budgetary savings of discretionary funding be transferred into the reserve fund.

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<tr>
<th>Fiscal Year Ending</th>
<th>Beginning Balance</th>
<th>Deposits</th>
<th>Committed</th>
<th>Ending Balance</th>
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<td>$ -</td>
<td>$ 1,167,054</td>
<td>$ -</td>
<td>$ 1,167,054</td>
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<td>6/30/2007</td>
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<td>$ 3,960,225</td>
<td>$ -</td>
<td>$ 5,127,279</td>
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<td>6/30/2010</td>
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<td>6/30/2011</td>
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<td>TBD</td>
<td>($ 1,325,000)</td>
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Overview of the Program Budget

The Proposed FY 2012 OWP continues to focus on Board priorities, including the Strategic Goals and the Areas of Emphasis included in Chapter 1 of the Program Budget. The Strategic Goals are long-term areas of achievement that change minimally on an annual basis. The Areas of Emphasis are intended to be updated each year to highlight particular areas of focus for the coming year and are designed to support the Strategic Goals. The Strategic Goals and the six Areas of Emphasis have been used as the primary basis for prioritizing proposed projects. Work elements were developed using a cross functional approach that fosters interdepartmental collaboration. An overview of the main components of the proposed FY 2012 Program Budget is summarized in Attachment 3.

Overall, the OWP increased by approximately $1 million since March. Significant changes made to the Draft FY 2012 Program Budget released by the Board in March are provided below, with other minor changes to other projects based on new and updated information. This increase is funded by the additional $550,000 in available revenue announced by Caltrans in April, projected FY 2011 carryover project savings, and additional dedicated or program revenue for special projects.
<table>
<thead>
<tr>
<th>Member Agency</th>
<th>Certified Population for FY 2011*</th>
<th>% of Region</th>
<th>Certified Population for FY 2012**</th>
<th>% of Region</th>
<th>FY 2012 Change</th>
<th>Actual FY 2010</th>
<th>Actual FY 2011*</th>
<th>Actual FY 2012**</th>
<th>Budget FY 2011*</th>
<th>Budget FY 2012**</th>
<th>Change in Columns</th>
<th>Over FY 2011**</th>
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<td>4,039</td>
<td>1,060</td>
<td>1,072</td>
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<td>DEL MAR</td>
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<td>0.1%</td>
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<td>792</td>
<td>791</td>
<td>735</td>
<td>210</td>
<td>209</td>
<td>194</td>
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<td>16,916</td>
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<td>4,465</td>
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<td>ENCINITAS</td>
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<td>11,064</td>
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<td>1,285</td>
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<td>2,606</td>
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<td>9,750</td>
<td>9,813</td>
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<td>31,085</td>
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<td>POWAY</td>
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<td>233,570</td>
<td>233,629</td>
<td>230,262</td>
<td>61,367</td>
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<td>16,555</td>
<td>16,575</td>
<td>4,390</td>
<td>4,370</td>
<td>4,378</td>
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<td>COUNTY</td>
<td>503,320</td>
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<td>490,139</td>
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<td>-2.6%</td>
<td>86,112</td>
<td>85,451</td>
<td>86,029</td>
<td>78,149</td>
<td>78,064</td>
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<td>163,505</td>
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<tr>
<td><strong>TOTAL REGION</strong></td>
<td><strong>3,224,432</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>3,118,876</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>0.2%</strong></td>
<td><strong>547,426</strong></td>
<td><strong>547,426</strong></td>
<td><strong>547,426</strong></td>
<td><strong>200,000</strong></td>
<td><strong>200,000</strong></td>
<td><strong>200,000</strong></td>
<td><strong>747,426</strong></td>
</tr>
</tbody>
</table>

*January 1, 2010, Population Estimates, from the State Department of Finance

*January 1, 2011, Population Estimates, from the State Department of Finance
Agreement Points on SB 468 between Senator Kehoe and SANDAG

- SANDAG would support the 8+4 Buffer Alternative as the preferred alternative for the EIR/EIS being finalized by Caltrans for the I-5 Corridor.

- All parties agree to work towards completing all design and permitting so that the 1st Phase (HOV Lanes) of the I-5 project could proceed as soon as possible, helping to create jobs and enhance our local economy. This could include a process whereby Caltrans, the Coastal Commission, and SANDAG could complete the permitting process by 2012 when the 1st Phase is expected to be ready to construct.

- SANDAG agreed to dedicate a portion of the TransNet Economic Benefits dollars for Regional Environmental Projects conditioned on obtaining all the necessary permits including the coastal permit.

- The VMT language in the intent portion of the bill would be amended to align with the intent language in SB 375 and the requirement for a Sustainable Communities Strategy and the reduction of greenhouse gases.

- The collaboration requirement of the bill would be amended to require that multimodal transportation options be considered and included where appropriate in the Public Works Plan (PWP).

- In an effort to reduce environmental impacts, SANDAG commits to constructing transit and highway bridges over lagoons concurrently.

- The requirement to construct capacity increasing and multimodal transit projects concurrently would be replaced with the above requirement to construct the bridges over the lagoons concurrently.

- The requirement to include parallel local street and road projects in the EIR would be amended to require that Caltrans consult with the local cities regarding parallel local street and road projects they are planning for, and that traffic impacts be considered.

- The requirement for monitoring would be amended to require that the monitoring be done in accordance with the permits.

- SANDAG agreed to partner with Caltrans to hold two public hearings on the PWP prior to submitting it to the Coastal Commission for adoption.

- Value Pricing would be included in the legislation, providing that net revenues generated will go to enhancing transit operations in the corridor.
AN ACT TO ADD SECTION 103 TO THE STREETS AND HIGHWAYS CODE, RELATING TO TRANSPORTATION.

LEGISLATIVE COUNSEL’S DIGEST

SB 468, as amended, Kehoe. Department of Transportation: capacity-increasing state highway projects: coastal zone.

Existing law provides that the Department of Transportation has full possession and control of the state highway system. Existing law imposes various requirements for the development and implementation of transportation projects.

This bill would impose additional requirements on the department with respect to proposed capacity-increasing state highway projects that would widen the existing paved highway in the coastal zone, including requiring the department to collaborate with local agencies, the California Coastal Commission, and countywide or regional transportation planning agencies to develop traffic congestion reduction goals, and other affected local, state, and federal agencies to ensure that multimodal transportation options are evaluated and included in project design. The bill would, for these projects, require the department to suspend a notice of determination relating to environmental impact, issued between January 1, 2011, and January 1, 2012, until it is determined that environmental documents for the projects satisfy the requirements of the bill. The bill would also make legislative findings and declarations.
SECTION 1. Section 103 is added to the Streets and Highways Code, to read:

103. (a) The Legislature finds and declares all of the following:

(1) The California coastal zone is a unique natural resource, the protection of which is recognized as a shared responsibility of the state, local governments, and regional entities. State, local, and regional agencies desiring to make investments in transportation infrastructure within the coastal zone have an affirmative obligation to ensure that investments do not compromise or diminish existing natural resources, including the coastal zone flora and fauna, water quality, and unique views.

(2) The coastal zone is also a unique economic resource with both its natural and built environment being a destination for individuals, families, and groups to enjoy the diversity of recreational opportunities.

(3) Contributing to these ends, the California Coastal Act of 1976 establishes policies for the protection and enhancement of resources in the coastal zone as a priority of statewide importance.

(4) Transportation investments to be made in the coastal zone should not erode the very qualities that make it an attractive setting in which to live, work, and recreate.

(5) The transportation sector of the economy is the largest contributor of greenhouse gases in California. To meet the reduction goals for greenhouse gas emissions described in Assembly Bill 32 (Ch. 488, Stats. 2006) and the objectives of Senate Bill 375 (Ch. 728, Stats. 2008), several activities are necessary, including the reduction of vehicle miles traveled and enhancing the balance between where jobs are located and residential housing. To this end, the California Coastal Act of 1976 establishes the protection and enhancement of resources in the coastal zone as a priority, including the preservation of wetlands and viewsheds, the mitigation of undesirable stormwater run-off.
protection of unique flora and fauna, and other similar conditions
integrating transportation and land use to achieve high levels of
nonmotorized travel and transit use, shorter average trip length,
and advanced accessibility, social equity, and environmental
justice. It is the intent of the Legislature to mitigate conflicts
relative to regional mobility investments and require construction
of mobility investments to demonstrate a reduction in total vehicle
miles traveled, a reduction in congestion, improvement in the safety
of the traveling public, improvement of air quality, the minimizing
of impacts to the environment, the offering of multimodal options,
and the support of jobs and housing balance within an identified
transportation corridor.
(b) For proposed capacity-increasing projects on the state
highway system that would widen the existing paved highway and
that are located, entirely or in part, in the coastal zone, as defined
by Section 30103 Sections 30103 and 66610 of the Public
Resources Code, the department shall comply with all of the
following requirements:
(1) (A) Collaborate with all stakeholders, including local
agencies through which the proposed project traverses, the
California Coastal Commission, and the countywide or regional
transportation planning agency to develop traffic congestion
reduction goals. After identifying the goals, identify how the
proposed project will achieve the goals without compromising the
unique features of the coastal zone, and other affected local, state,
and federal agencies to ensure that multimodal transportation
options are evaluated and included in the project design.
(B) “Multimodal” means other transportation options that are
part of the project design, including, but not limited to, double
tracking of existing rail, pedestrian walkways and bike lanes,
extension of existing commuter transit services, and increased
frequency of public transit services.
(2) Other proposed state highway projects or proposed local
street and road projects that are parallel to the proposed project
shall be included in the environmental analysis required for the
proposed project.
(3) If there is a public transportation service in the corridor
affected by the proposed project, including a commuter rail service,
for which there is a program of service and facility investments as
part of a corridor plan, the proposed highway project shall not
proceed to construction until the public transportation investment program is complete.

(4) If the proposed project will generate additional traffic on city and county streets and roads within the coastal zone, a program of improvements to mitigate the effects of additional traffic on the local facilities shall be identified, the cost of the necessary improvements shall be determined, and funding shall be made available to fund the improvements. The proposed project shall not proceed to construction until this mitigation program is implemented.

(5) To the extent that there are multiple proposed projects in a corridor that are part of a program of projects, construction shall be implemented, provided that the projects demonstrate an overall reduction in vehicle miles traveled and provided the requirements of paragraph (3) are not displaced.

(3) Construction of all or a portion of the capacity-increasing project shall move forward concurrently with multimodal transit projects.

(4) The environmental impact report shall evaluate the traffic impacts of the proposed capacity-increasing highway project on city and county streets and roads within the coastal zone, and provide for mitigation of those impacts.

(5) Environmental consequences of each any proposed highway expansion project constructed pursuant to paragraph (5) shall be monitored to ensure that the benefits from mitigation, as described in the project’s environmental documents, are being achieved. If the environmental benefits can only be achieved with the completion of a sequence of projects, the proportion of the benefits attributable to a specific project shall be identified.

(6) Prior to a public works plan being adopted by a local transit agency, the department shall provide at least one public hearing for every 20 miles of project length, or portion thereof, included in the project design.

(c) A notice of determination issued pursuant to Section 21108 or 21152 of the Public Resources Code after January 1, 2011, but prior to January 1, 2012, for a project subject to this section shall be suspended by the department until it is determined that the
project’s environmental documents are consistent with the provisions of this section.