BOARD OF DIRECTORS AGENDA

Friday, November 2, 2012
10 a.m. to 12 noon
SANDAG Board Room
401 B Street, 7th Floor
San Diego

AGENDA HIGHLIGHTS

• PRESENTATION BY CALIFORNIA AIR RESOURCES BOARD ON CAP AND TRADE

PLEASE TURN OFF CELL PHONES DURING THE MEETING

YOU CAN LISTEN TO THE BOARD OF DIRECTORS MEETING BY VISITING OUR WEB SITE AT WWW.SANDAG.ORG

MESSAGE FROM THE CLERK
In compliance with Government Code §54952.3, the Clerk hereby announces that the compensation for legislative body members attending the following simultaneous or serial meetings is: Executive Committee (EC) $100, Board of Directors (BOD) $150, and Regional Transportation Commission (RTC) $100. Compensation rates for the EC and BOD are set pursuant to the SANDAG Bylaws and the compensation rate for the RTC is set pursuant to state law.

MISSION STATEMENT
The 18 cities and county government are SANDAG serving as the forum for regional decision-making. SANDAG builds consensus, makes strategic plans, obtains and allocates resources, plans, engineers, and builds public transit, and provides information on a broad range of topics pertinent to the region's quality of life.
Welcome to SANDAG. Members of the public may speak to the Board of Directors on any item at the time the Board 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 the Clerk of the Board seated at the front table. Members of the public may address the Board 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 Board of Directors may take action on any item appearing on the agenda.

In order to keep the public informed in an efficient manner and facilitate public participation, SANDAG also provides access to all agenda and meeting materials online at www.sandag.org/meetings. Additionally, interested persons can sign up for e-notifications via our e-distribution list at either the SANDAG Web site or by sending an e-mail request to webmaster@sandag.org.

Public comments regarding the agenda can be forwarded to SANDAG via the e-mail comment form available on the Web site. E-mail comments should be received no later than 12 noon, two working days prior to the Board of Directors meeting. **Any handouts, presentations, or other materials from the public intended for distribution at the Board of Directors meeting should be received by the Clerk of the Committee no later than 12 noon, two working days prior to the meeting.**

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BOARD OF DIRECTORS  
Friday, November 2, 2012

ITEM #  

1. 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.

REPORTS (2)

2. PRESENTATION BY CALIFORNIA AIR RESOURCES BOARD ON CAP AND TRADE (James Goldstene, CARB; Rob Rundle, SANDAG)  

James Goldstene, Executive Officer of the California Air Resources Board (CARB), will present the work under way to implement a cap and trade system in California.

3. 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.


5. UPCOMING MEETINGS

The next Board Business meeting is scheduled for Friday, November 16, 2012, at 9 a.m. Please note this meeting will be held on the third Friday of the month due to the holiday schedule.

6. ADJOURNMENT

+next to an agenda item indicates an attachment  
* next to an agenda item indicates a San Diego County Regional Transportation Commission item
SANDAG CAP-AND-TRADE PRINCIPLES
Adopted by the Board of Directors on July 27, 2012

- **Dedicate the allocation revenues related to fuel to transportation investments.** Since the transportation sector contributes about 40 percent of the state’s greenhouse gas (GHG) emissions, a similar share of the allowance revenues should be dedicated to projects and programs that reduce GHG emissions from the transportation sector.

- **Ensure revenues are dedicated to public transportation.** In lawsuits filed on the 2050 Regional Transportation Plan and its Sustainable Communities Strategy (SCS), the Attorney General and other petitioners assert that SANDAG should accelerate investment in the region’s public transportation system. The state should dedicate cap-and-trade auction revenues to public transportation as a near-term source of state funds to advance the transit projects and programs included in regional plans.

- **Provide an equitable distribution of funds.** Each region’s share of allowance revenues should be allocated on a formula basis to reflect a geographically equitable distribution of funds.

- **Ensure revenues are invested consistent with regional plans and Sustainable Communities Strategies.** Eligible projects should be consistent with a California Air Resources Board (CARB) approved and regionally adopted SCS.

- **Ensure project eligibility criteria are created in collaboration with Metropolitan Planning Organizations.** Metropolitan Planning Organizations should collaborate with CARB to develop statewide eligibility thresholds that provide maximum flexibility for implementation at the regional level.
Sustainable Communities and Climate Protection Act of 2008
SENATE BILL 375

Sustainable Communities Act of 2008

- Helps achieve AB 32 goals
- Encourages regional integration of land use and transportation planning
- How the law works:
  - ARB sets regional GHG targets tied to reductions in vehicle trips in metro areas
  - Metro regions develop Sustainable Communities Strategies to meet targets
  - Streamlined environmental reviews for compatible development projects
Sustainable Communities Strategies (SCS)

- Strategy selection driven by local/regional government collaboration and public involvement
- Anticipates economic growth and demographic changes
- Enhances more livable, healthy communities
Regional Transportation Plan and Sustainable Communities Strategy

- First completed SCS
- Builds on long history of regional smart growth planning work
- Reflects transition to more compact transit-oriented land use
- Investments in smart growth areas

A Plan That Meets the Targets and More

- Meets GHG targets
- Meets health, sustainability, and economic goals
- Model public process
- Continued coordination among MPOs
Status of SCS Development

- Adopted SCSs (2012)
  - SANDAG, SCAG, and SACOG
- Ongoing Efforts
  - ARB Board update on SJV in January
  - Bay Area and SJV MPOs in (2013)
  - Remaining MPOs making progress
An Overview of the California Global Warming Solutions Act (AB 32)

Presented by the California Air Resources Board

California Environmental Protection Agency

Air Resources Board

<table>
<thead>
<tr>
<th>Year</th>
<th>Climate Action Registry (SB 1771, Sher)</th>
<th>Clean Cars Standard (AB 1493, Pavley)</th>
<th>Global Warming Solutions Act (AB 32, Núñez and Pavley)</th>
<th>Western Climate Initiative</th>
<th>AB 32 Scoping Plan</th>
<th>Low Carbon Fuel Standard</th>
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<td>2001</td>
<td>Nation’s first inventory of GHG emissions</td>
<td>Authorizes world’s first vehicle standard for GHG emissions</td>
<td>Nation’s most comprehensive and aggressive law to reduce GHG emissions. Authorizes ARB to use “market-based compliance mechanisms” to reduce GHG emissions.</td>
<td>Group of western U.S. states and Canadian provinces forms to coordinate development of cap-and-trade programs for potential linkage</td>
<td>Outlines suite of policies, incentives and measures to cut state’s total GHG emissions to 1990 levels by 2020. Strategies include cap-and-trade.</td>
<td>One of the first AB 32 measures, the standard requires refineries to cut by 30% the average life-cycle intensity of fuels by 2020</td>
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### Components of cap-and-trade

<table>
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<tr>
<th>Year</th>
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<tr>
<td>2010</td>
<td>Sustainable Communities Strategy</td>
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<td>2011</td>
<td>Improved planning for more livable towns and cities (SB 375, Steinberg)</td>
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<td>2012</td>
<td>Cap-and-trade: Air Board endorses program to reduce GHGs</td>
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<tr>
<td>2013</td>
<td>Advanced Clean Cars: Air Board approves emission rules for 2017–2025 models: Tighter limits on smog, soot, GHGs and greater numbers of ZEVs.</td>
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<td>2014</td>
<td>First compliance period begins Jan. 1</td>
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<tr>
<td>2015</td>
<td>First compliance period ends, industries turn in allowances.</td>
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#### Emissions cap broadens
- Includes distributors of transportation fuels and natural gas
- Program ends in 2020

### California Energy Efficiency

- **2005 Differences**
  - United States: $0.16/capita
  - California: $0.05/capita

![California Energy Efficiency Chart](chart.png)
High Global Warming Potential

Do-It-Yourself
MVAC
Recharge

High Global Warming Potential

Semi-Conductor
Regulations
High Global Warming Potential

Sulphur Hexafluoride

Low Carbon Fuel Standard

Reduces Carbon Intensity 10% By 2020
Advanced Clean Cars

Slash Greenhouse Gas by 35%
ZEV Mandate

1.4 Million ZEVs & Hybrid Plug-ins by 2025

Cap-and-Trade

Covers 85% of Industrial Emitters
Why Cap-and-Trade?

- Makes Carbon a Cost of Doing Business
- The Market Sets the Price

How Does Cap-and-Trade Work?

- Covers All Facilities Emitting At Least 25,000 Metric Tons of CO2
- One Allowance Equals One Metric Ton of CO2
Renewables Portfolio Standard

Requires Utilities Use 33% Renewable Fuel by 2020

GHG Emissions Reduction Targets
What About Local Communities?