BOARD OF DIRECTORS
AGENDA

Friday, February 24, 2012
9 a.m. to 12 noon
SANDAG Board Room
401 B Street, 7th Floor
San Diego

AGENDA HIGHLIGHTS

• TransNet AND TRANSPORTATION DEVELOPMENT ACT REVENUE ESTIMATES
• FUNDING RECOMMENDATIONS FOR FEDERAL FISCAL YEAR 2011 JOB ACCESS AND REVERSE COMMUTE AND NEW FREEDOM GRANTS
• FIRST READING OF AMENDMENTS TO TransNet EXTENSION ORDINANCE

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ITEM #                        RECOMMENDATION

+1.  APPROVAL OF JANUARY 27, 2012, MEETING MINUTES            APPROVE

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                  APPROVE

This item summarizes the actions taken by the Borders Committee on January 27, the Executive and Regional Planning Committees on February 10, and the Transportation Committee on February 17, 2012.

CONSENT (4 through 11)

+4.  UCSD SUPERCOMPUTER CENTER AGREEMENT (Clint Daniels)      APPROVE

Staff is negotiating a scope of work for transportation Activity-Based Model (ABM) services with the San Diego Supercomputer Center at the University of California, San Diego (UCSD). This contract will utilize the cutting-edge computing resources and expertise at the Supercomputer Center to improve the ABM performance and execution. The Executive Committee recommends that the Board of Directors authorize the Executive Director to execute the UCSD Service Agreement in substantially the same form as attached to the report.

+5.  AMENDMENT TO FY 2012 BUDGET: RESOLUTION TO ACCEPT CALIFORNIA ENERGY COMMISSION FUNDS FOR REGIONAL PLUG-IN ELECTRIC VEHICLE READINESS (Susan Freedman) APPROVE

The Board of Directors is asked to adopt Resolution No. 2012-18, authorizing the Executive Director, on behalf of SANDAG, to enter into an Agreement with the California Energy Commission in order to prepare a regional electric vehicle readiness plan, supported by the creation of a multi-stakeholder working group named the San Diego Regional Electric Vehicle Infrastructure (REVI) Working Group, and to amend the FY 2012 Budget and Overall Work Program to complete the proposed project.
This report provides an update on the Enterprise Automated Regional Justice Information System (ARJIS) project. The legacy ARJIS mainframe was officially retired as of December 1, 2011.

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 December 31, 2011.

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 October to December 2011.

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.

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.

This item summarizes the voting and advisory members appointed to the Executive, Transportation, Regional Planning, Borders, and Public Safety Committees as well as the Committee Chairs and Vice Chairs appointed by the SANDAG Chair.

This report provides a summary of the discussion at the annual SANDAG Board of Directors Retreat held on February 1-3, 2012.
REPORTS (13 through 18)

+13. FY 2012 TransNet/TRANSPORTATION DEVELOPMENT ACT REVENUE REVISIONS AND FY 2013 TO FY 2017 TRANSIT REVENUE ESTIMATES (First Vice Chair Jack Dale, Transportation Committee Chair; Sookyung Kim and Marney Cox)*

By March 1 of each year, SANDAG provides revenue estimates for the upcoming fiscal year as well as a projection for the next four fiscal years to allow transit and local agencies to plan for capital projects and to determine operating subsidies. The Transportation Committee recommends that the Board of Directors: (1) approve the revision to the TransNet revenue estimate and Transportation Development Act (TDA) apportionment for FY 2012; (2) approve the FY 2013 allocation for TransNet and the apportionments for TDA, State Transit Assistance, and Federal Transit Administration (FTA) revenues; and (3) approve the transit revenue estimates for FY 2014 to FY 2017 for TDA, FTA, and TransNet.

+14. FUNDING RECOMMENDATIONS FOR FEDERAL FISCAL YEAR 2011 JOB ACCESS AND REVERSE COMMUTE AND NEW FREEDOM GRANTS (First Vice Chair Jack Dale, Transportation Committee Chair; Brian Lane)

The Transportation Committee recommends that the Board of Directors approve the Job Access and Reverse Commute and New Freedom projects proposed for selection as attached to the report.

+15. FIRST READING OF AMENDMENTS TO ORDINANCE NO. CO-04-01 (SAN DIEGO TRANSPORTATION IMPROVEMENT PROGRAM ORDINANCE AND EXPENDITURE PLAN) TO SWAP FUNDS ALLOCATED FOR TWO REVERSIBLE HIGH OCCUPANCY VEHICLE LANES ON A PORTION OF INTERSTATE 805 FOR A PORTION OF THE ACQUISITION COSTS OF THE STATE ROUTE 125 TOLL ROAD FRANCHISE LEASE AND RELATED ASSETS, AND TO EXTEND THE TIMEFRAME NECESSARY TO ALLOW A REGIONAL FUNDING BALLOT MEASURE TO BE CONSIDERED BY THE VOTERS (First Vice Chair Jack Dale; Kim Kawada and John Kirk)*

On December 16, 2011, the Board of Directors approved the acquisition and financing method for the State Route 125 (SR 125) asset purchase from South Bay Expressway, and directed staff to return with a proposed amendment to the TransNet Extension Ordinance to swap the funds allocated for two reversible high-occupancy vehicle lanes on Interstate 805 between SR 905 and SR 54 for the acquisition of the SR 125 franchise lease. On December 9, 2011, the Board of Directors also directed staff to return with an Ordinance amendment to extend the timeframe to act on an additional regional funding measure from 2012 to no later than 2016. The Board of Directors is asked to conduct the first reading of the attached amendments to the TransNet Extension Ordinance.
+16. **ANNUAL REVIEW AND PROPOSED AMENDMENTS TO BOARD POLICIES AND BYLAWS (First Vice Chair Jack Dale; John Kirk)**  

The Executive Committee recommends that the Board of Directors approve the proposed amendments to Board Policies attached to the report and renew the annual delegation of authority to the Executive Director pursuant to Board Policy No. 003: Investment Policy.

+17. **PROPOSED MEMORANDUM OF UNDERSTANDING WITH THE CALIFORNIA HIGH-SPEED RAIL AUTHORITY AND OTHER SOUTHERN CALIFORNIA TRANSPORTATION AGENCIES (Linda Culp)**  

The Board of Directors is asked to authorize the Executive Director to execute a Memorandum of Understanding (MOU) with the California High-Speed Rail Authority (CHSRA) and other Southern California transportation agencies in substantially the same form as attached to the report. The MOU outlines a process that would allow for up to $1 billion in early investments by the CHSRA for projects in the Southern California region that would improve the speed of existing regional rail services and improve interconnectivity with the future high-speed train system. These agencies have developed one master list of projects, which includes capacity and safety projects along the Los Angeles-San Diego-San Luis Obispo rail corridor in San Diego county.

+18. **TransNet REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM FEE ADJUSTMENT (Marney Cox and Ariana zur Nieden)**  

The TransNet Extension Ordinance requires that the Regional Transportation Congestion Improvement Program (RTCIP) fee charged by local jurisdictions be adjusted every year on July 1 in order to maintain the purchasing power of the program for improvements to the Regional Arterial System. The Board of Directors is asked to approve a 2 percent adjustment to the Regional Transportation Congestion Improvement Program, raising the minimum fee from $2,123 to $2,165 beginning July 1, 2012.

19. **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.

20. **UPCOMING MEETINGS**  

The next Board Policy meeting is scheduled for Friday, March 9, 2012, at 10 a.m.  
The next Board Business meeting is scheduled for Friday, March 23, 2012, 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
Chair Jerome Stocks (Encinitas) called the meeting of the SANDAG Board of Directors to order at 9:05 a.m. The attendance sheet for the meeting is attached.

1. **APPROVAL OF MEETING MINUTES (APPROVE)**

   **Action:** Upon a motion by Mayor Jim Wood (Oceanside), and a second by Councilmember Carrie Downey (Coronado), the Board of Directors approved the minutes from the December 2, 2011, December 9, 2011, and December 16, 2011, Board meetings.

2. **PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS**

   There were no public comments or member communications.

   Chair Stocks provided an update on the litigation related to our recently adopted Regional Transportation Plan. This past week the California Attorney General petitioned the court to intervene as an additional plaintiff. This is not a new lawsuit, and this action does not change the issues that will be examined and decided by the court. Our General Counsel will keep us informed of any significant developments in the substance of this case.

3. **ACTIONS FROM POLICY ADVISORY COMMITTEES (APPROVE)**

   This item summarized the actions taken by the Transportation and Regional Planning Committees on January 6, the Executive Committee on January 13, and the Transportation and Public Safety Committees on January 20, 2012.

   **Action:** Upon a motion by Mayor Mary Sessom (Lemon Grove) and second by Councilmember Downey, the Board of Directors approved the actions taken by the Policy Advisory Committees at the meetings noted above. Yes – 16 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – El Cajon, National City, and Vista.

**CONSENT ITEMS (4 through 8)**

4. **FEDERAL TRANSIT ADMINISTRATION SECTION 5311 PROGRAM OF PROJECTS (APPROVE)**

   The Federal Transit Administration (FTA) provides funding for capital and operating assistance to transit agencies providing rural transportation services through the Section 5311 Non-Urbanized Area Formula Program. Caltrans has published the estimated apportionment for
Federal Fiscal Year 2012 (FFY 2012). The Transportation Committee recommended that the Board of Directors approve the apportionment of FTA Section 5311 funds for FFY 2012.

5. FY 2012 BUDGET AMENDMENT: ACCEPTANCE OF ADDITIONAL FUNDING FOR REGIONAL BEACH SAND PROJECT (APPROVE)

The Regional Beach Sand Project will place approximately 1.4 million cubic yards of beach quality material on regional beaches from Oceanside to Imperial Beach. The Regional Planning Committee recommended that the Board of Directors approve an FY 2012 budget amendment to accept $5.2 million of additional funding from the City of Imperial Beach to enable additional sand to be placed in the City of Imperial Beach as part of the Regional Beach Sand Project.

6. EQUAL EMPLOYMENT OPPORTUNITY PROGRAM (INFORMATION)

Federal regulations require that the agency maintain an Equal Employment Opportunity (EEO) Program as a condition of receipt of federal funds. The SANDAG administrative policies and procedures mandate equal employment opportunities in recruitment, hiring, and employment for both applicants and employees. In accordance with SANDAG Board Policy No. 007: Equal Employment Opportunity Program, this report summarized employment results for 2011 and reviews EEO Program goals for the upcoming year.

7. REPORT SUMMARIZING DELEGATED ACTIONS TAKEN BY EXECUTIVE DIRECTOR (INFORMATION)

In accordance with SANDAG Board Policy Nos. 003 (Investment Policy), 017 (Delegation of Authority), and 024 (Procurement and Contracting-Construction), this report summarized certain delegated actions taken by the Executive Director since the last Board of Directors meeting.

8. REPORTS ON MEETINGS AND EVENTS ATTENDED ON BEHALF OF SANDAG (INFORMATION)

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.

Action: Upon a motion by Mayor Wood, and a second by Mayor Art Madrid (La Mesa), the Board of Directors approved Consent Items Nos. 4 through 8. Yes - 16. No - 0. Abstain - 0. Absent – El Cajon, National City, and San Marcos.

REPORTS (9 through 13)

9. PROPOSED 2012 LEGISLATIVE PROGRAM (APPROVE)

First Vice Chair Dale (Santee) introduced this item.

Genevieve Morelos, Senior Legislative Analyst, provided the staff report. Consistent with past programs, the proposed legislative program for calendar year 2012 includes policies and proposals for possible federal and state legislation and local activities. The Executive
Committee recommended that the Board of Directors approve the 2012 SANDAG Legislative Program.

**Action:** Upon a motion by Supervisor Ron Roberts (County of San Diego) and second by Mayor Sessom, the Board of Directors approved the 2012 SANDAG Legislative Program. Yes – 17 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – El Cajon and National City.

10. **UPDATE ON LOS ANGELES-SAN DIEGO-SAN LUIS OBISPO ACTIVITIES AND POSSIBLE GOVERNANCE INITIATIVE (APPROVE)**

First Vice Chair Dale, Transportation Committee Chair, introduced this item. He stated that last September the Board supported the concept of continuing to work with other Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor member agencies to explore local control of intercity rail service, specifically, Amtrak’s Pacific Surfliner service. The consensus at the January 20, 2012, Transportation Committee meeting was that it was too soon to seek legislation as important details have yet to be worked out. Ultimately, the Transportation Committee recommended against seeking legislation for a local authority for intercity rail service at this time. However, more recent events have occurred since the Transportation Committee’s discussion. On Wednesday, January 25, 2012, the LOSSAN Board voted to introduce a spot bill as a placeholder for future legislation. Both North County Transit District (NCTD) and Metropolitan Transit System (MTS) members of the LOSSAN Board abstained from voting on the spot bill. Given that the LOSSAN Board expects to continue to work on legislation this year, it’s important that SANDAG and our local partners have a place at the table to ensure that the San Diego region’s needs and concerns are addressed. With that, he moved to direct staff to work with the LOSSAN Joint Powers Agency to ensure that potential legislation to create a local authority for intercity service would be in a form that SANDAG could support.

John Chalker, a member of the public, expressed his support for consideration of a governance change for the LOSSAN corridor.

**Action:** Upon a motion by First Vice Chair Dale and second by Chair Stocks, the Board of Directors directed staff to work with the LOSSAN Joint Powers Agency to ensure that potential legislation to create a local authority for intercity service would protect the region’s interest. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – El Cajon.

11. **TECHNICAL UPDATE OF THE SMART GROWTH CONCEPT MAP (ACCEPT)**

Second Vice Chair Jim Janney, Regional Planning Committee Chair (Imperial Beach), introduced this item. He noted that the Smart Growth Concept Chair (Imperial Beach), introduced this item. He noted that the Smart Growth Concept Map is being updated to reflect the 2050 Regional Growth Forecast and the 2050 Regional Transportation Plan/Sustainable Communities Strategy adopted by the Board last October.

Carolina Gregor, Senior Planner, presented the staff report, and the Regional Planning Committee’s recommendation.
Action: Upon a motion by Councilmember Lesa Heebner (Solana Beach) and second by Second Vice Chair Janney, the Board of Directors accepted the updated Smart Growth Concept Map and corresponding Site Descriptions, in substantially the same form as Attachments 2 and 3 to the agenda report, for planning purposes and for use in SANDAG smart growth incentive programs. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – El Cajon.

12. PROPOSED AMENDMENTS TO BOARD POLICY NO. 033 (APPROVE)

Chair Stocks noted that the Ad Hoc Subcommittee on Board Policy No. 033 recommended that the Board of Directors approve the proposed amendments to Board Policy No. 033, in substantially the same form as attached to the agenda report.

Action: Upon a motion by Mayor Matt Hall (Carlsbad) and second by Mayor Jim Desmond (San Marcos), the Board of Directors approved proposed amendments to Board Policy No. 033. Yes – 18 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (weighted vote, 0%). Absent – El Cajon.

13. FINANCIAL MARKET STATUS (INFORMATION)

Lauren Warrem, Director of Finance, provided this quarterly briefing to keep the Board of Directors informed about the latest developments in the financial markets, the economy, and sales tax revenues, and the strategies being explored and implemented to minimize possible impacts to SANDAG.

Action: This item was presented for information only.

14. CONTINUED PUBLIC COMMENTS

Sean Wherley, San Diego Housing Federation, thanked the Board for the vote on the Policy No. 033, especially the housing component.

15. CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – PURSUANT TO GOVERNMENT CODE SECTION 54956.9(A) – SANDAG V. BOARD OF TRUSTEES OF CALIFORNIA STATE UNIVERSITY (CASE NO. 37-2007-00083768-CU-TT-CTL)

Chair Stocks convened the meeting into a closed session at 9:48 a.m. He reconvened the meeting into open session at 10:03 a.m.

John Kirk, General Counsel, reported the following out of closed session: the Board of Directors voted in favor of securing continued representation in the referenced matter by the Sohagi Law Group. All further proceedings in the matter are pending separate funding authorization to be discussed in open session.
16. REQUEST FOR USE OF CONTINGENCY RESERVES TO FUND CONTINUED APPELLATE REPRESENTATION REGARDING SANDAG V. BOARD OF TRUSTEES OF CALIFORNIA STATE UNIVERSITY

Mr. Kirk stated that it is recommended that the Board of Directors authorize the use of up to $45,000 in contingency reserves to fund continued representation as referenced in the previous item. The ending balance of the contingency reserves would be approximately $8.8 million, of which approximately $4 million is committed for Board of Directors-approved uses, leaving $4.8 million uncommitted and available for use at the discretion of the Board. The uncommitted balance represents approximately 8 percent of the FY 2012 Overall Work Program (OWP) Budget, which exceeds the minimum target of 5 percent as required by Board policy. Approximately $1.4 million is scheduled to be repaid by State Route 125 toll revenues within the next six months, which will bring the uncommitted balance to $6.2 million or 11 percent of the FY 2012 OWP Budget. Based on discussion of the previous item, which concerns litigation relating to the San Diego State University Master Plan Update, staff is requesting authorization to utilize up to $45,000 in contingency reserves to fund continued appellate representation by outside counsel.

Action: Upon a motion by Supervisor Bill Horn (County of San Diego) and second by Mayor Ron Morrison (National City), the Board of Directors approved the utilization of up to $45,000 in contingency reserves to fund continued appellate representation by outside counsel for litigation related to the San Diego State University Master Plan Update. Yes - 18 (weighted vote, 100%). No - 0 (weighted vote, 0%). Abstain - 0 (weighted vote, 0%). Absent - El Cajon.

17. UPCOMING MEETINGS

The Annual Board Retreat is scheduled to start on Wednesday, February 1, 2012, and conclude on Friday morning, February 3, 2012. The next Board Policy meeting is scheduled for Friday, February 10, 2012, at 10 a.m. The next Board Business meeting is scheduled for Friday, February 24, 2012, at 9 a.m.

18. ADJOURNMENT

The meeting was adjourned at 10:06 a.m.

DGunn/M/NGU/Board of Directors

Attachment: Attendance sheet
ATTENDANCE
SANDAG BOARD OF DIRECTORS MEETING
JANUARY 27, 2012

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ACTIONS FROM POLICY ADVISORY COMMITTEES

The following actions were taken by the Policy Advisory Committees since the last Board of Directors meeting.

BORDERS COMMITTEE MEETING (January 27, 2012)

The Borders Committee went on a tour of the international U.S.-Mexico border to view passenger vehicle and pedestrian inspection facilities.

EXECUTIVE COMMITTEE MEETING (February 10, 2012)

The Executive Committee took the following actions or recommended the following approvals:

• Approved an amendment to add $95,000 to the FY 2012 Budget to support the Community Transformation Grant Program, and authorized the Executive Director to enter into a multi-year grant agreement totaling $500,000 with the County of San Diego to implement the tasks identified.

• Recommended that the Board of Directors authorize the Executive Director to execute a Service Agreement, in the amount of approximately $50,000, for transportation Activity-Based Model services with the Supercomputer Center at the University of California, San Diego (UCSD).

• Approved the agenda for the February 24, 2012, Board of Directors meeting, as amended.

REGIONAL PLANNING COMMITTEE MEETING (February 10, 2012)

No actions were taken at this meeting.

TRANSPORTATION COMMITTEE MEETING (February 17, 2012)

The Transportation Committee is scheduled to take the following actions or recommend the following approvals:

• Approve revisions to the Social Services Transportation Advisory Committee Charter.

• Approve an addendum to the Mitigated Negative Declaration for the Mid-City Rapid project to address various design changes that have occurred to the project through the final design stage.
• Recommend that the Board of Directors approve proposed funding recommendations for the federal fiscal year 2011 Job Access and Reverse Commute and New Freedom programs.

• Recommend that the Board of Directors: (1) approve the revision to the TransNet revenue estimate and Transportation Development Act (TDA) apportionment for FY 2012; (2) approve the FY 2013 allocation for TransNet and the apportionments for TDA, State Transit Assistance, and Federal Transit Administration (FTA) revenues; and (3) approve the transit revenue estimates for FY 2014 to FY 2017 for TDA, FTA, and TransNet.

• Approve budget increases of $260,000 for the Bayshore Bikeway – Segments 7 and 8A, $230,000 for Sweetwater Bikeway – Plaza Bonita Segment, and $146,000 for Coastal Rail Trail Phase 2B. These increases would be funded from unallocated Active Transportation funds made up of TransNet and TDA monies.

PUBLIC SAFETY COMMITTEE MEETING (February 17, 2012)

This meeting was cancelled.

BORDERS COMMITTEE MEETING (February 24, 2012)

This meeting was cancelled.

Staff will update the Board of Directors if the actual actions taken by the Transportation Committee on February 17, 2012, differ from those described in this report.

GARY L. GALLEGOS
Executive Director
UCSD SUPERCOMPUTER CENTER AGREEMENT

Introduction

Staff is negotiating a scope of work with the San Diego Supercomputer Center at the University of California, San Diego (UCSD) to improve the performance for the Activity-Based Model (ABM). The UCSD Service Agreement mandates binding arbitration in place of any remedies in the court system. Using this agreement would result in a 10 percent cost savings to SANDAG by avoiding administrative overhead costs associated with the UCSD Office of Contracts and Grants. The total value of the proposed contract is approximately $50,000.

Discussion

Staff is negotiating a scope of work with the San Diego Supercomputer Center to leverage their cutting-edge computing resources and expertise to improve the ABM performance and execution for more agile analysis. Staff is developing the ABM as the next generation transportation model to enhance the evaluation of policy alternatives to be considered in the next update of the Regional Transportation Plan. An overview of this modeling framework was presented to the Board of Directors on March 11, 2011. Under the proposed agreement, SANDAG would have access to internationally identified experts in high-performance computing and software engineering to improve runtime and throughput of the region’s next transportation model.

The Supercomputer Center proposes using the existing UCSD Service Agreement as the legal framework for this project. The UCSD Service Agreement stipulates binding arbitration (Attachment 1, Section 26) in place of any remedies in the court system for disputes arising out of the Agreement. While the Board of Directors ordinarily directs the disposition of litigation matters, authorizing this Agreement in UCSD’s standardized format would constitute an advance deferral of that authority in favor of the binding arbitration process. The Office of General Counsel’s assessment is that the risk associated with agreeing to binding arbitration in this case is minimal due to the value of the contract and the type of work to be performed.

Recommendation

The Executive Committee recommends that the Board of Directors authorize the Executive Director to execute the UCSD Service Agreement in substantially the same form as attached to the report.
By agreeing to utilize UCSD’s Service Agreement in an unmodified format, including its binding arbitration provision, SANDAG can avoid the administrative overhead costs mandated by the UCSD Office of Contracts and Grants for all non-standard research contracts. Avoiding these additional overhead expenses would allow SANDAG to add an additional 50 hours of research time with experts at the Supercomputer Center.

GARY L. GALLEGOS  
Executive Director

Attachment: 1. UCSD Service Agreement

Key Staff Contact: Clint Daniels, (619) 699-6946, Clint.Daniels@sandag.org

Funds are budgeted in Work Element #2300200
SERVICE AGREEMENT

This Service Agreement ("Agreement") is entered into by and between The Regents of the University of California on behalf of the University of California, San Diego, a public, not-for-profit, educational institution located at 9500 Gilman Drive, La Jolla, California 92093 ("UCSD") and the Company whose name and address appear on Exhibit A, attached hereto and incorporated by reference herein ("Company").

In consideration of the mutual covenants set forth herein, the parties agree as follows:

1. **Scope of Work.** UCSD will perform the services set forth on Exhibit A, Services, attached hereto and incorporated by reference herein ("Services").

2. **Deliverables.** UCSD will provide to the Company the deliverables set forth on Exhibit A, incorporated by reference herein.

3. **Cost.** As consideration for UCSD’s performance of the Services, the Company will pay UCSD the costs set forth on Exhibit A, incorporated by reference herein.

4. **Payment.**
   4.1. **Schedule.** The Company shall pay UCSD the compensation on the dates or milestones set forth on Exhibit A, incorporated by reference herein.
   4.2. **Remittance.** Checks are to be made payable to The Regents of the University of California and sent to the address set forth in Exhibit A.

5. **Term of Agreement.** This Agreement will begin and end on the dates set forth on Exhibit A.

6. **UCSD Contact.** All inquiries and notices with respect to this Agreement shall be sent to the UCSD contact whose name and related information are set forth on Exhibit A.

7. **Responsibilities.** The Company shall provide to UCSD those items listed in Exhibit A, if any, in a timely and secure manner so as to allow UCSD to perform its work. The parties agree to comply with any and all applicable laws, rules, regulations, and policies.

8. **Termination.** Either party may terminate this Agreement upon thirty (30) days’ written notice. If the Company terminates this Agreement, the Company will pay UCSD for all costs and any non-cancelable obligations incurred up to the effective date of termination.

9. **Insurance.** Each party shall, at its sole cost, insure its activities and indemnification obligations in connection with this Agreement from its inception and shall keep in force and maintain insurance as follows: general liability, business automobile liability, and workers’ compensation and such other insurance as may be necessary to provide coverage for its performance under this Agreement. If the insurance is written on a claims-made form, it shall continue for a period of three years following termination of this Agreement. The coverage required herein shall not in any way limit the liability of either party.

10. **Indemnification.** Each party shall defend, indemnify and hold the other party, its officers, employees, and agents harmless from and against any and all liability, loss, expense (including attorneys’ fees), and claims for injury or damages arising out of the performance of this Agreement, but only in proportion to and to the extent such liability, loss, expense, attorneys’ fees, or claims for injury (including death) or damages are caused by or result from the negligent or intentional acts or omissions of the indemnifying party, its officers, employees, or agents.

11. **Patent Infringement Indemnification.** The Company shall indemnify, defend, and hold harmless UCSD, its officers, agents, and employees against all losses, damages, liabilities, costs, and expenses (including but not limited to attorneys’ fees) resulting from any judgment or proceeding in which it is determined, or any settlement agreement arising out of the allegation, that the Company’s furnishing or supplying UCSD with parts, goods, components, programs, practices, or methods under this Agreement or UCSD’s use of such parts, goods, components, programs, practices, or methods supplied by the Company under this Agreement constitutes an infringement of any patent, copyright, trademark, trade name, trade secret, or other proprietary or contractual right of any third party. UCSD shall inform the Company as soon as practicable of the suit or action alleging such infringement. The Company shall not settle such suit or action without the consent of UCSD. UCSD retains the right to participate in the defense against any such suit or action.

12. **Limitation of Liability.** EXCEPT WITH REGARD TO ITS INDEMNIFICATION OBLIGATIONS, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES, OR COSTS, INCLUDING, BUT NOT LIMITED TO, ANY LOST PROFITS OR REVENUES, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF THE LEGAL THEORY UNDER WHICH SUCH DAMAGES ARE SOUGHT. UCSD DISCLAIMS ALL WARRANTIES, EXPRESS AND IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL UCSD’S TOTAL LIABILITY UNDER THIS AGREEMENT EXCEED THE AMOUNT PAID BY THE COMPANY FOR THE SERVICES.

13. **Company’s Ownership of Deliverables.** The Company will own the deliverables upon payment in full of the cost of the Services.

14. **Use of UCSD Name.** California Education Code Section 92000 prohibits use of the University of California, San Diego’s name to suggest that UCSD endorses a product or service. The Company will not use The University of California’s name, or any acronym thereof, including UCSD, without UCSD’s prior written approval.
15. **Excusable Delay.** In the event of a delay caused by inclement weather, fire, flood, strike or other labor dispute, acts of God, acts of Governmental officials or agencies, or any other cause beyond the control of UCSD, UCSD's performance is excused hereunder for the periods of time attributable to such a delay, which may extend beyond the time lost due to one or more of the causes mentioned above. The Company's duty to pay for past or continuing costs is not suspended hereunder.

16. **Non-Interference.** Notwithstanding any other provision contained herein, the use of UCSD facilities and/or UCSD personnel in support of this Agreement can only be authorized to the extent that it will not interfere with work related to the prime missions of UCSD and/or the Department (e.g., education and research). Accordingly, Company's exclusive remedy for failure by either UCSD or persons acting on its behalf to perform services or furnish information or data hereunder at any particular time or in any specific manner, is limited to reimbursement of any unexpended payments under this Agreement.

17. **Non-Exclusive Nature of Services.** The Services herein are being offered to Company on a non-exclusive basis. Nothing herein shall be construed as granting Company any exclusive right(s) to the Service(s) referenced herein, and UCSD retains the right to offer and perform similar or identical Services for others.

18. **Notice.** Any notice or communication required by this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally, or sent by overnight mail, or prepaid registered mail, or confirmed facsimile transmission, addressed to the other party at the address set forth on Exhibit A, or at such other address as such party may hereafter specify in writing to the other party.

19. **Status of Parties.** This Agreement is not intended to create, nor shall it be construed to be, a joint venture, association, partnership, franchise, or other form of business relationship. Neither party shall have, nor hold itself out as having, any right, power or authority to assume, create, or incur any expenses, liability, or obligation on behalf of the other party, except as expressly provided herein.

20. **Third-Party Beneficiary.** There are no intended third-party beneficiaries to this Agreement.

21. **Severability.** If any provision of this Agreement is held invalid, illegal or unenforceable in any respect, such provision shall be treated as severable, leaving the remaining provisions unimpaired, provided that such does not materially prejudice either party in their respective rights and obligations contained in the valid terms, covenants, or conditions.

22. **Non-Waiver.** The failure of either party to require the performance of any of the terms of this Agreement or the waiver by either party of any default under this Agreement shall not prevent a subsequent enforcement of such term, nor be deemed a waiver of any subsequent breach.

23. **Modification of Agreement.** This Agreement shall be changed only by written agreement of the parties.

24. **Applicable Law.** This Agreement shall be governed by the laws of the State of California without regard to its conflict of laws provisions.

25. **Signatures, Counterparts and Copies.** This Agreement may be executed in counterparts, all of which, when taken together, shall constitute one contract with the same force and effect as if all signatures had been entered on one document. Signatures may be made electronically, and such electronic signatures shall be valid and binding upon the parties making them, and shall serve in all respects as original signatures. Signatures may be delivered among and between the parties by facsimile or electronic means. Thereafter, the parties further agree that electronic copies of this Agreement may be used for any and all purposes for which the original may have been used.

26. **Arbitration.** In the event of any dispute, claim, question, or disagreement arising from or relating to this Agreement or the breach thereof, the parties hereto shall use their best efforts to settle the dispute, claim, question, or disagreement. To this effect, they shall consult and negotiate with each other in good faith and recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties. If they do not reach solution within a period of sixty (60) days, then upon notice by either party to the other, all disputes, claims, questions, or disagreements shall be finally settled in accordance with the provisions of the American Arbitration Association (“AAA”) and proceed under the provisions of Title 9 of the California Code of Civil Procedure Sections 1280 through and including 1294.2. The discovery provisions of the California Code of Civil Procedure Section 1283.05 shall be applicable to this Agreement. Each party shall bear its own costs.

27. **Headings and Captions.** Headings and captions in this Agreement are to facilitate reference only, do not form a part of this Agreement, and shall not in any way affect the interpretation hereof.

28. **Authority.** Both parties represent that each has the full authority to perform its obligations under this Agreement and that the person executing this Agreement has the authority to bind it.

29. **Survival.** Provisions of this Agreement, which by their express terms, or by necessary implication, apply for period of time other than specified herein, shall be given effect, notwithstanding termination or expiration.

30. **Company's Representations and Warranties.** Company hereby represents and warrants that, except as expressly provided for herein, no obligations are imposed upon UCSD as a result of any other agreement(s) involving Company to which UCSD is not a party.

31. **Export Control.** No ITAR or export controlled materials shall be delivered to UCSD pursuant to this agreement.

32. **Entire Agreement.** This Agreement, including Exhibit A made a part hereof, sets forth the entire agreement of the parties with respect to the subject matter herein and supersedes any prior agreements, oral and written, and all other communications between the parties with respect to such subject matter. Any terms and conditions contained in the Company's purchase order, and any NDA or separate scope of work or similar document shall have no force and effect. Any changes or additions to Sections 1-32 inclusive, of this Agreement are invalid, unless approved in writing by the UCSD representative identified in Exhibit A, Paragraph 7.
IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth below.

THE REGENTS OF THE UNIVERSITY
OF CALIFORNIA ON BEHALF OF THE
SAN DIEGO CAMPUS

Company Name: SAN DIEGO ASSOCIATION OF
GOVERNMENTS

By:________________________________________________
Name: Steve Carter/Shelby Mayoral/Sheila Paul
Title: Asst Director/Senior Manager/Business Contracts
Date:______________________________________________

By:______________________________________________
Name:_________________________________________
Title:__________________________________________
Date:___________________________________________
1. **SCOPE OF WORK:**

   The Services will be performed as set forth below or in accordance with the attachment hereto and incorporated by reference herein. The Company may issue a purchase order for each Service, however, any terms and conditions set forth on the purchase order are of no force and effect and only the terms and conditions set forth in this Agreement shall apply to the Services hereunder.

   The following recitals are a substantive part of the Agreement:

   WHEREAS, SANDAG deals with many complex mobility issues facing the San Diego region, including the development of a long-range Regional Transportation Plan (RTP); and

   WHEREAS, transportation and land use models are the principal tools used for alternatives analysis, and they provide planners and decision makers with information to help them equitably allocate scarce resources; and

   WHEREAS, SANDAG currently uses four integrated models in its demographic, economic, and land use forecasts; and

   WHEREAS, SANDAG is transitioning from its existing 4-step transportation model to a more advanced activity-based model (ABM); and

   WHEREAS, SANDAG is in need of analysis for streamlining throughput for the existing code base of its new ABM model; and

   WHEREAS, the San Diego Supercomputer Center (SDSC) is an Organized Research Unit of UCSD with a staff of talented scientists, software developers, and support personnel; and

   WHEREAS, SDSC is considered a leader in data-intensive computing, providing resources, services and expertise to the national research community; and

   WHEREAS, the mission of SDSC is to extend the reach of scientific accomplishments by providing tools such as high-performance hardware technologies, integrative software technologies, and deep interdisciplinary expertise to these communities; and

   WHEREAS, the SDSC is capable of providing code-base analysis for SANDAG; and

   WHEREAS, the parties wish to memorialize their agreement to carry out the purposes set forth above;

   NOW THEREFORE, in consideration of the mutual promises set forth herein, in addition to the provisions of the Agreement, the parties further agree as follows:

   A. **SANDAG AGREES:**

      1. To review, provide support, and oversee the Scope of Work described herein. SANDAG will provide access to existing ABM code and configuration information and files.

      2. To pay UCSD the total amount of $49,745.96 for services rendered pursuant to the Agreement.

      3. “Maximum Cost of the Agreement.” For the performance of UCSD’s services, SANDAG shall pay UCSD following receipt and approval of deliverables. After approval by SANDAG of each deliverables, UCSD shall submit an invoice for payment based upon the percentage of total work completed as established in this Scope of Work. SANDAG shall pay the invoices within thirty (30) days of receipt. Checks shall be made payable to the Regents of the University of California and sent to the address set forth herein.
4. To review the deliverables listed below and provide feedback to SDSC within one week of receipt, according to the
delivery schedule outlined below. SDSC will address any comments and resubmit the deliverable to SANDAG. SANDAG
will then approve the final deliverable within one week of receipt from SDSC.

B. UCSD AGREES:

1. To perform the Scope of Work and supply the deliverables listed below.

C. THE PARTIES MUTUALLY AGREE:

1. All obligations of SANDAG under the terms of the Agreement are subject to the appropriation of the required resources
by SANDAG and the approval of the SANDAG Board of Directors.
2. That unless it is amended by the parties in writing, the Agreement shall be effective as of the date of the last signature
hereon, and shall terminate on June 30, 2012, or on such earlier or later date as the parties may agree to in writing. The
indemnification provisions of the Agreement shall survive termination of the Agreement.
3. All terms, conditions, and provisions hereof shall inure to and shall bind each of the parties hereto, and each of their
respective heirs, executors, administrators, successors, and assigns.

Goals and Objectives:
SANDAG will engage the University of California – San Diego (UCSD) Supercomputing Center (SDSC) to analyze the
existing SANDAG Activity Based Model (ABM) code base. SDSC analysis will provide recommendations for improving
software throughput without sacrificing substantially the theoretical underpinnings of the model. SDSC recommendations
may include, but are not limited to, algorithm changes, general software refactoring, distributed computing strategies,
hardware architecture, or more efficient software language use.

The following scope of work outlines the general tasks to be performed by SDSC to meet the goals and objectives described
previously.

Task 1: Setup of Environment
Percentage of Total Work: 20 percent; Cost: $10,000
The SDSC shall mimic the existing SANDAG environment to the best of their abilities including code setup, builds, and
establishing general environment settings. This initial implementation of the SANDAG ABM at SDSC shall provide the
foundation for all subsequent work.

Deliverables: None

Task 2: Review Existing Code Base and Benchmarking
Percentage of Total Work: 20 percent; Cost $10,000
The SDSC shall review the SANDAG ABM code. The review will include independent analysis and an overview with
SANDAG and its consultant, PB Americas, Inc. SDSC shall perform a series of benchmark runs in which to compare future
improved runs.

Deliverables:
Summary Statistics related to benchmark runs (e.g. total run time, I/O metrics, memory allocation, etc)

Task 3: Profile and Analyze
Percentage of Total Work: 30 percent; Cost $15,000
The SDSC shall identify the appropriate tools to test and analyze the performance of the existing ABM code. This profiling
and testing shall identify key bottlenecks in the code performance due to ineffective software architecture, hardware
constraints, or any other key constraint.

Deliverables:
Key Statistics on performance bottlenecks

Task 4: Refactoring and Recommendations
Percentage of Total Work: 30 percent; Cost $14,745.96
Based on its review and analysis of the ABM code base, SDSC shall identify the largest throughput bottlenecks in the ABM
code and provide sample code refactorings or a range of recommendations to improve code throughput. All
recommendations should also include estimated throughput savings.

Deliverables:
Written Summary of Recommendations
Examples of Refactorings (where appropriate)
Estimated Performance Impact of Each Recommendation

2. DELIVERABLES:
1. Summary Statistics related to benchmark runs (e.g. total run time, I/O metrics, memory allocation, etc)
2. Key Statistics on performance bottlenecks
3. Written Summary of Recommendations
4. Examples of Refactorings (where appropriate)
5. Estimated Performance Impact of Each Recommendation

3. **COST:** Total $49,745.96

4. **PAYMENT**

   4.1. **SCHEDULE:**
   
   0% of cost due upon signing of this Agreement.
   
   (Dates assume project start date of 3/1/2012)
   
   20% ($10,000) due upon completion of Task 1, on or about 3/12/2012
   
   20% ($10,000) due upon approval of Task 2 deliverables, on or about 3/30/2012
   
   30% ($15,000) due upon approval of Task 3 deliverable, on or about 4/27/2012
   
   30% ($14,745.96) due upon approval of Task 4 deliverable, on or about 5/25/2012
   
   4.1.1. Invoices will be submitted in accordance with the payment schedule.

   4.2. **REMITTANCE:** Checks are to be made payable to The Regents of the University of California and sent to:
   
   University of California, San Diego
   Attention: Kelly Hudson
   9500 Gilman Drive Mail Code 505
   La Jolla, California 92093-505

5. **TERM OF AGREEMENT:** This Agreement will begin on March 1, 2012 and end on June 30, 2012.

6. **UCSD CONTACT:**

   Name of UCSD Contact
   University of California, San Diego
   9500 Gilman Drive Mail Stop 0505
   La Jolla, California 92093-0505
   Telephone: (858) 534-5045
   Fax: ( )
   Email: rhawkins@sdsc.edu

7. **PER SECTION 32 OF THE AGREEMENT, THE UCSD REPRESENTATIVE RESPONSIBLE FOR APPROVING CHANGES OR ADDITIONS TO THIS AGREEMENT:** Ted Johnson, Steve Carter, Shelby Mayoral or Sheila Paul - MC 0914; buscom@ucsd.edu

   END OF EXHIBIT A
AMENDMENT TO FY 2012 BUDGET: RESOLUTION TO ACCEPT CALIFORNIA ENERGY COMMISSION FUNDS FOR REGIONAL PLUG-IN ELECTRIC VEHICLE READINESS

Introduction

The Executive Committee authorized staff to pursue regional plug-in electric vehicle (EV) grant opportunities during its meeting on May 13, 2011. At that meeting, the Executive Committee approved the SANDAG submittal of a letter of intent to the U.S. Department of Energy for a regional EV planning grant and was made aware of a subsequent California Energy Commission (CEC) grant opportunity for regional EV planning.

The CEC issued a solicitation under the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVT Program) to help regions prepare EV readiness plans and supported by formation of working groups composed of local governments, regional agencies, and other stakeholders. SANDAG applied for the CEC grant in partnership with the nonprofit organization, the California Center for Sustainable Energy (CCSE). The application included letters of support from the following member agencies: cities of Carlsbad, Chula Vista, Coronado, Del Mar, Escondido, San Diego, and Solana Beach, and the County of San Diego; and from regional stakeholders including the San Diego County Regional Airport Authority, San Diego County Air Pollution Control District, Unified Port District of San Diego, Regional Clean Cities Coalition, San Diego Gas & Electric, University of California, San Diego, Miramar College, Ecotality North America, and AeroVironment.

On February 8, 2012, the CEC unanimously approved a two-year San Diego regional EV readiness award of $199,379 with an in-kind match from SANDAG of $52,093 and a total project budget of $251,472. The CEC is accepting as in-kind match similar EV planning tasks already included in the FY 2012 OWP (3200300) for the Energy and Climate Change Planning program. The match is for EV planning work undertaken since the CEC issued its Notice of Proposed Award to SANDAG on September 28, 2011. The CEC requires a Board resolution from SANDAG (Attachment 1) before it enters into contract for the project.

Recommendation

The Board of Directors is asked to adopt Resolution No. 2012-18, authorizing the Executive Director, on behalf of SANDAG, to enter into an Agreement with the California Energy Commission in order to prepare a regional electric vehicle readiness plan, supported by the creation of a multi-stakeholder working group named the San Diego Regional Electric Vehicle Infrastructure (REVI) Working Group, and to amend the FY 2012 Budget and Overall Work Program to complete the proposed project.
Discussion

The San Diego region is at the forefront of plug-in EV deployment with the highest per capita amount of EV purchases and car charging equipment installations in the United States. The region’s early EV experiences have identified barriers to widespread EV adoption, which could best be addressed in a strategic and coordinated manner.

Assembly Bill 118 (Núñez, Chapter 750, Statutes of 2007) created the ARFVT Program. The statute authorizes the CEC to develop and deploy alternative and renewable fuels and advanced transportation technologies to help attain the state’s climate change policies. The ARFVT Program has an annual program budget of approximately $100 million and could become a funding source for other regional alternative fueling needs.

San Diego Regional Electric Vehicle Infrastructure Working Group

As part of the CEC contract, a multi-stakeholder group must be formed to advise on the development of a regional EV strategic readiness plan. The San Diego REVI Working Group, to be staffed by CCSE, would serve this purpose through bimonthly meetings at the CCSE offices in Kearny Mesa. SANDAG staff would participate as a member of this working group. The meetings would be open to the public and agenda materials would be made publicly available.

The San Diego REVI Working Group would provide periodic updates to the Regional Energy Working Group, and SANDAG staff would provide progress reports to the Regional Planning Committee and Board of Directors, as appropriate.

Next Steps

Staff has prepared a proposed FY 2012 budget amendment based on the multi-year project table prepared for this element (Attachment 2) as well as a proposed work element description for inclusion in the FY 2013 Budget and Overall Work Program (Attachment 3). The San Diego REVI Working Group is scheduled to hold its first meeting on March 15, 2012, at CCSE. Currently, SANDAG staff and CCSE are contacting regional stakeholders in preparation for the kickoff meeting. All member agencies are being invited to participate as advisory members of San Diego REVI. Meeting announcements and materials will be available on the CCSE and San Diego Regional Clean Cities Coalition event calendars, in addition to the SANDAG energy planning web page.

GARY L. GALLEGOS
Executive Director

Attachments: 1. Resolution No. 2012-18
   2. Multi-Year Project Table for 3200800
   3. FY 2013 Overall Work Program Element 3200800

Key Staff Contact: Susan Freedman, (619) 699-7387, Susan.Freedman@sandag.org

Funds are budgeted in Work Element #3200300 and #3200800
RESOLUTION OF THE SAN DIEGO ASSOCIATION OF GOVERNMENTS
APPROVING THE ACCEPTANCE OF GRANT AWARD ARV-11-004 FROM THE CALIFORNIA ENERGY COMMISSION TO PRODUCE A REGIONAL READINESS PLAN FOR PLUG-IN ELECTRIC VEHICLES

WHEREAS, the San Diego region is at the forefront of plug-in electric vehicle (PEV) deployment with the highest per capita amount of PEV purchases and electric vehicle supply equipment (EVSE) installations in the United States; and

WHEREAS, the San Diego region’s early PEV experiences have identified barriers to widespread PEV adoption, which could best be addressed in a strategic and coordinated manner; and

WHEREAS, the SANDAG Executive Committee authorized SANDAG to pursue regional PEV grant opportunities during its meeting on May 13, 2011. At that meeting, the Executive Committee approved SANDAG’s submittal of a letter of intent to the U.S. Department of Energy for a regional PEV planning grant and was made aware of a subsequent California Energy Commission (CEC) grant opportunity for regional PEV planning; and

WHEREAS, SANDAG applied for these grants in partnership with the non-profit organization, the California Center for Sustainable Energy (CCSE), and submitted an application to the CEC for the San Diego Regional PEV Readiness Project; and

WHEREAS, SANDAG submitted with its CEC application letters of support from member agencies: cities of Carlsbad, Chula Vista, Coronado, Del Mar, Escondido, San Diego, and Solana Beach, and County of San Diego; and from regional stakeholders including the San Diego County Regional Airport Authority, San Diego County Air Pollution Control District, Unified Port District of San Diego, Regional Clean Cities Coalition, San Diego Gas & Electric, University of California, San Diego, Miramar College, Ecotality North America, and AeroVironment; and

WHEREAS, the CEC unanimously approved this project, led by SANDAG with its partner CCSE, at its Business Meeting on February 8, 2012; and

WHEREAS, the CEC requires that public agencies provide an authorizing resolution approved by their governing authority to enter into an Agreement with the CEC, and that the PEV Readiness Plan be supported by the creation of a multi-stakeholder PEV Coordinating Council; and

WHEREAS, SANDAG will assist in the establishment, in partnership with CCSE, of a San Diego PEV Coordinating Council and that council will be referred to as the San Diego Regional Electric Vehicle Infrastructure Working Group or “San Diego REVI;” and
WHEREAS, SANDAG along with the member agencies and regional stakeholders named above, will participate in the San Diego REVI through bimonthly meetings hosted by the CCSE in Kearny Mesa; and

WHEREAS, SANDAG is to be awarded $199,379 and has provided an in-kind match of $52,093 from its FY 2012 Budget and Overall Work Program (OWP) for Energy and Climate Change Planning.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors:

1. Authorize the Executive Director, or designee, to enter into an agreement with the CEC, to accept and administer the CEC funds of up to $199,379 in the SANDAG FY 2012 Budget and OWP and subsequent budgets and OWPs to complete the proposed project.

2. Support the formation of San Diego REVI and the development of a regional PEV readiness plan.

PASSED AND ADOPTED this 24th day of February, 2012.

________________________________________           ATTEST: ________________________________________
CHAIRPERSON                   SECRETARY

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.
WORK ELEMENT: 32008.00  CEC Electric Vehicle Readiness Project

AREA OF EMPHASIS: Sustainable Development Strategies

BUDGET: $25,000

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Note: New grant to be authorized March 2012 - expiration date is 3/17/2014.

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Note: The total project includes in-kind match from OWP 3200300 in FY 2012. The CEC is accepting as in-kind match similar EV planning tasks already included in the FY 2012 OWP (3200300) for the Energy and Climate Change Planning program. The match is for EV planning work undertaken since the CEC issued its Notice of Proposed Award to SANDAG on September 28, 2011.
OBJECTIVE

The objective is for SANDAG, in collaboration with its project partner California Center for Sustainable Energy (CCSE), to develop a regional electric vehicle (EV) working group to create a regionally accepted comprehensive EV Readiness plan. The plan is to leverage earlier efforts and address emerging barriers and complexities through clear and easy to read best practices and recommendations across all domain areas. The goal also is to develop an on-going coordinated institutional body, which will function as a strategic clearinghouse and outreach entity to efficiently and effectively communicate best practices to all 19 jurisdictions and multiple stakeholders involved in EV readiness throughout the San Diego region. The working group will build on the EV Project and hold open meetings at the San Diego Energy Resource Center at CCSE, centrally located in San Diego County. Emphasis in FY 2013 will be to hold EV working group meetings, construct an outline for the San Diego regional EV readiness plan, and disseminate information to the public.

PREVIOUS ACCOMPLISHMENTS

This project, funded by the California Energy Commission (CEC), will have begun in the 2nd half of FY 2012. Initial tasks were for SANDAG to enter into contracts with the CEC and CCSE and develop the working group structure, including mission statement, objectives, and charter. The San Diego Regional Electric Vehicle Infrastructure Working Group (San Diego REVI) was expected to begin meeting in March 2012. SANDAG sought participation from a wide cross-section of regional stakeholders including local governments, other public agencies and universities, SDG&E, CCSE, and suppliers of EVs and/or EV chargers. The CEC is accepting as in-kind match similar EV planning tasks already included in the FY 2012 OWP (3200300) for the Energy and Climate Change Planning program. The match is for EV planning work undertaken since the CEC issued its Notice of Proposed Award to SANDAG on September 28, 2011.

JUSTIFICATION

The SANDAG Board of Directors adopted the 2050 Regional Transportation Plan (RTP)/Sustainable Communities Strategy (SCS) in 2011. This project helps SANDAG implement SCS actions to 1) support planning and infrastructure development for alternative fueling stations and plug-in EV chargers and 2) develop or facilitate a regional approach to long-term planning for alternative fuel infrastructure that includes the continued development of public-private strategic alliances. Without the CEC award, no forum will exist in the San Diego region to address barriers to acceptance of EVs and planning for the second wave of EVs to be introduced by several car Original Equipment Manufacturers (OEMs).

PROJECT MANAGER: Susan Freedman, Land Use / Transportation Planning Department
COMMITTEE(S): Regional Planning Committee
WORKING GROUP(S): Regional Energy Working Group
# PRODUCTS, TASKS, AND SCHEDULES

<table>
<thead>
<tr>
<th>Task No.</th>
<th>% of Effort</th>
<th>Task Description / Product / Schedule</th>
</tr>
</thead>
</table>
| 1        | 25          | **Task Description:** With CCSE, Hold bimonthly meetings of the San Diego Regional Electric Vehicle Infrastructure Working Group (San Diego REVI) at the California Center for Sustainable Energy (CCSE).  
**Product:** Meeting agendas and materials.  
**Completion Date:** 6/30/2013 |
| 2        | 50          | **Task Description:** With CCSE, develop regional EV readiness plan components that serve as best practice guidelines. Topics include infrastructure deployment, PEV-friendly buildings, consumer incentives, environmental benefits to the region, and EV charger installations along interregional transportation corridors.  
**Product:** Best practice fact sheets for all readiness components as they are accepted at EV working group meetings. Downloadable fact sheets for dissemination via the SANDAG, CCSE, and Clean Fuels Coalition Web sites. Presentations to SANDAG working groups and/or policy committees.  
**Completion Date:** 6/30/2013 |
| 3        | 25          | **Task Description:** With CCSE, begin development of a draft San Diego regional EV readiness plan based on the best practice guidelines and EV working group discussions. This task will continue into FY 2014.  
**Product:** Outline and components of draft EV readiness plan  
**Completion Date:** 6/30/2013 |

## FUTURE ACTIVITIES

The San Diego regional EV readiness plan will be published in FY 2014. The San Diego REVI will have meetings throughout the course of the CEC award. Prior to this project’s completion, a determination will be made among the participants regarding the continued need for a working group and ways to continue regional EV discussions and activities.
ENTERPRISE ARJIS PROJECT UPDATE

Introduction

The ARJIS division of SANDAG has completed the development of the Enterprise Automated Regional Justice Information System (eARJIS) System. This project, lasting two years and costing $12 million, was completed on budget and on schedule. This report summarizes the highlights of this successful project that is used daily by 8,500 public safety personnel from 82 member agencies.

Discussion

Project Goal

ARJIS is a complex criminal justice information system composed of millions of justice incidents and other related data, and is nationally recognized as a leader in regional information sharing and interagency cooperation. The goal of the Enterprise ARJIS project is to continue forward progress with multi-jurisdictional information sharing and to provide a single point of presence for the region’s criminal justice data.

The core of the legacy ARJIS System was a mainframe system driven by 2 million lines of outdated COBOL (COmmon Business Oriented Language) code. With the demand for continuously changing and more complex services and technology from its member agencies, ARJIS needed to move to a more flexible technology framework that offers the capacity for more types of data and interfaces, and the ability to make enhancements in a cost-effective and timely manner. ARJIS embarked on the Enterprise project to acquire and implement the “best of breed” technology equipment and services, to ensure the outcomes would meet the most critical public safety needs. Other major goals of the project included:

- Implement national justice standards;
- Develop a secure environment with role-based access to the different system components;
- Provide accurate and timely information to users – both public and justice-only;
- Guarantee minimal risk and no disruption of service;
- Utilize service-oriented architecture with web-based services;
- Migrate data from the mainframe to the new environment; and
- Ensure flexibility and adaptability for future expansion and enhancements.
Project Highlights

The Enterprise ARJIS System was in full operation on December 1, 2011. The infrastructure consists of 188 virtual servers that replaced the legacy mainframe hardware and software, with scalable storage, load balancers, and sophisticated back-up and disaster recovery processes. The following development tasks were completed by a team of ARJIS-SANDAG staff and service providers:

- 2 million lines of COBOL code rewritten with new software;
- 5.8 million records migrated;
- 323 batch programs eliminated;
- 95 validation tables created;
- Mandated monthly and annual Federal Bureau of Investigation reports and statistics completed, verified, and submitted on time;
- 49 data entry screens consolidated to 22; and
- 24 data interfaces implemented (including data feeds from court systems, records management data from the San Diego Sheriff and several police departments, etc.).

Personnel from various agencies participated in the design, development, and testing of Enterprise ARJIS, making it possible for staff to complete the project on time and on schedule. Users and member agencies have been thrilled with the newer technology, in spite of the significant changes and transition from the text-based green screens. Hands-on training sessions were offered in two locations, with more than 3,000 participants. Other agencies used a “train the trainer” approach, utilizing ARJIS provided “quick start” and user guides.

Text-based green screens with limited data and functionality, have been replaced with easy-to-use web based screens that now access multiple databases through a single log-on and query. With a single search an officer can locate information from warrants to crime cases, booking photos, maps, and alerts, among other functionality. Enterprise ARJIS also provides access to data in neighboring regions such as Imperial, Orange and Los Angeles counties, as well as Arizona agencies. This cross-jurisdictional sharing continues to expand with Las Vegas and the remainder of California agencies to be added in the coming months.

Another successful outcome of Enterprise ARJIS was the regional eWatch component. This allows citizens to create subscriptions and be notified every 24 hours of crimes and arrests that occur within a radius set by the subscriber for any address in the region. When this system was launched, the vendor noted that the region had the highest number of subscriptions nationally (approximately 6,000) in a 24-hour period and the most maps generated in that same time period.
Summary

The ARJIS Division will continue development of Enterprise ARJIS to include a sustained focus on system performance, expanding components for the COPLINK investigative tool (such as facial recognition capabilities); providing data to officers and investigators in the field using mobile devices; providing support to the San Diego County Probation Department and California Department of Corrections and Rehabilitation in compliance with Assembly Bill 109 (Committee on Budget), criminal justice realignment legislation enacted in 2011, which is resulting in early release of prisoners from state prisons to counties; and other priorities as set by ARJIS member agencies.

GARY L. GALLEGOS
Executive Director

Key Staff Contact: Pamela Scanlon, (619) 699-6971, Pamela.Scanlon@arjis.org
QUARTERLY INVESTMENT REPORT
FOR PERIOD ENDING DECEMBER 31, 2011

Introduction

Board Policy No. 003: 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 December 31, 2011, including funds of the San Diego County Regional Transportation Commission (RTC), SourcePoint, and the Automated Regional Justice Information System (ARJIS).

Discussion

Quarterly Investment Report - Period Ending December 31, 2011

The attached report shows, as of December 31, 2011, a summary of portfolio balances by institution (Attachment 1), a detail of portfolio balances by account (Attachment 2), and a detail of portfolio balances by investment type (Attachment 3).

As of December 31, 2011, a total of $671.2 million was held by SANDAG in a number of investment accounts, in comparison to $819.0 million held in the previous quarter. The $147.8 million decrease during the quarter is primarily due to the acquisition of the State Route 125 (SR 125) Toll Road franchise lease and other related assets from South Bay Expressway.

Approximately $8.1 million was held in six Bank of America accounts and $1.1 million in two Wells Fargo accounts at the end of the quarter. Funds in these accounts are used for operating purposes. Approximately $662.0 million was invested in nine institutions, as follows:

1. State of California Local Agency Investment Fund (LAIF) - State law allows local agencies (RTC and SANDAG) to invest up to $50 million per agency in LAIF. These funds hold excess operating funds for RTC and SANDAG. A total of approximately $59.9 million was invested in LAIF, of which RTC held approximately $48.9 million of sales tax funds, and SANDAG held approximately $11.0 million. These funds are highly liquid, and funds may be accessed easily for immediate operating needs.

2. California Asset Management Program (CAMP) - These are funds administered by one of the two SANDAG financial advisors, PFM Asset Management LLC (PFM). The Cash Reserve Portfolio, totaling $110.2 million, is used for the investment of the 2008 and 2010 TransNet bond proceeds needed for payment in the short-term, and excess operating funds for Interstate 15 FasTrak®, ARJIS, and TransNet sales tax funds not yet paid to other local
governmental agencies. In addition, CAMP uses the Individual Portfolio, totaling $263.7 million, for the investment of the 2008 and 2010 TransNet bond proceeds and TransNet sales tax funds not yet paid to other local governmental agencies.

3. US Bank – These funds, totaling approximately $40.7 million, were held by US Bank, Trustee for bond debt service payments and payment of interest on the short-term Commercial Paper (CP) program, as part of the TransNet program. Of this balance, $32.9 million of the investments held by US Bank is invested in North County Transit District auction rate securities purchased with CP.

4. The Bank of New York (BNY) Mellon – These are funds administered by one of the two SANDAG financial advisors, Cutwater Asset Management. The Cash Reserve Portfolio, totaling $3.0 million and the Individual Portfolio, totaling $129.5 million, are used for the investment of excess TransNet sales tax revenue not yet paid to other local governmental agencies.

5. San Diego County Treasurer’s Pooled Money Fund – These funds, totaling $52.7 million, were held by the San Diego’s County Treasurer’s Pooled Money Fund, which consist of the SourcePoint Reserve Account for the City of Santee, ARJIS, and TransNet sales tax revenues.

6. BofA Funds – These funds are invested in treasury reserves capital shares funds managed by BofA Global Capital Management, a division of Bank of America Corporation. These also are highly liquid and may be used for immediate cash needs. There was a total of $281,758 for Coronado Bridge Toll Funds held in trust by SANDAG that was invested in this mutual fund.

7. DWS Scudder Institutional Management Funds – This institution holds the funds received by SANDAG from the California Department of Boating and Waterways. There was a total of $295,658 in this mutual fund.

8. California Bank and Trust – There was $871,413 on deposit with California Bank and Trust pursuant to capital project escrow retention agreements with various contractors.

9. Union Bank – A total of $909,567 was on deposit with Union Bank pursuant to capital project escrow retention agreements with contractors.

As of December 31, 2011, the yield on cost of the portfolio was 0.57 percent with a weighted average maturity of 376 days, in comparison to 0.54 percent and 358 days in the prior quarter.

The Finance Department has continued to implement the Board’s investment objectives of safety, liquidity, and return on investment for the SANDAG investment portfolio. These will continue to be important investment objectives for the future.

This portfolio is in compliance with state law and Board Policy No. 003: Investment Policy.
Certifications

The Director of Finance reports that this investment portfolio, together with the authorized short-term CP program, will provide the necessary liquidity to meet the expenditure requirements of SANDAG, RTC, ARJIS, and SourcePoint for the next six months. This portfolio is in compliance with the state law.

GARY L. GALLEGOS
Executive Director

Attachments: 1. SANDAG Summary of Portfolio Balances (by Institution) as of December 31, 2011
2. SANDAG Detail of Portfolio Balances (by Account) as of December 31, 2011
3. SANDAG Detail of Portfolio Balances (by Investment Type) as of December 31, 2011

Key Staff Contact: Lisa Kondrat-Dauphin, (619) 699-1942, Lisa.Kondrat-Dauphin@sandag.org
### SANDAG

**Summary of Portfolio Balances (by Institution)**

as of December 31, 2011

<table>
<thead>
<tr>
<th>Institution</th>
<th>Book Value</th>
<th>Percent of Portfolio</th>
<th>Market Value</th>
<th>Market Price</th>
<th>Unrealized Gain/(Loss)</th>
<th>Yield on Cost</th>
<th>Wtd. Avg. Days to Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>BANK OF AMERICA</td>
<td>$8,057,509</td>
<td>1.20%</td>
<td>$8,057,509</td>
<td>100.00%</td>
<td>-</td>
<td>0.15%</td>
<td>1</td>
</tr>
<tr>
<td>WELLS FARGO BANK</td>
<td>1,121,246</td>
<td>0.17%</td>
<td>1,121,246</td>
<td>100.00%</td>
<td>-</td>
<td>N/A</td>
<td>1</td>
</tr>
<tr>
<td>STATE OF CALIF. LOCAL AGENCY INVEST. FUND (LAIF)</td>
<td>59,878,267</td>
<td>8.90%</td>
<td>59,878,267</td>
<td>100.00%</td>
<td>-</td>
<td>0.38%</td>
<td>256 **</td>
</tr>
<tr>
<td>CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP) INDIVIDUAL PORTFOLIO</td>
<td>265,050,227</td>
<td>39.42%</td>
<td>263,709,819</td>
<td>99.49%</td>
<td>(1,340,408)</td>
<td>0.64%</td>
<td>402</td>
</tr>
<tr>
<td>CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP) CASH RESERVE PORTFOLIO</td>
<td>110,155,833</td>
<td>16.37%</td>
<td>110,155,833</td>
<td>100.00%</td>
<td>-</td>
<td>0.16%</td>
<td>51 **</td>
</tr>
<tr>
<td>US BANK</td>
<td>40,731,432</td>
<td>6.08%</td>
<td>40,731,432</td>
<td>100.00%</td>
<td>-</td>
<td>0.16%</td>
<td>20</td>
</tr>
<tr>
<td>THE BANK OF NEW YORK (BNY) MELLON INDIVIDUAL PORTFOLIO</td>
<td>129,463,452</td>
<td>19.25%</td>
<td>129,544,614</td>
<td>100.06%</td>
<td>81,163</td>
<td>1.02%</td>
<td>839</td>
</tr>
<tr>
<td>THE BANK OF NEW YORK (BNY) MELLON CASH RESERVE PORTFOLIO</td>
<td>2,952,819</td>
<td>0.44%</td>
<td>2,952,819</td>
<td>100.00%</td>
<td>-</td>
<td>0.01%</td>
<td>1</td>
</tr>
<tr>
<td>SAN DIEGO COUNTY TREASURER’S POOLED MONEY FUND</td>
<td>52,673,927</td>
<td>7.83%</td>
<td>52,673,927</td>
<td>100.00%</td>
<td>-</td>
<td>0.52%</td>
<td>296 **</td>
</tr>
<tr>
<td>BoFA GLOBAL CAPITAL MANAGEMENT</td>
<td>281,758</td>
<td>0.04%</td>
<td>281,758</td>
<td>100.00%</td>
<td>-</td>
<td>0.00%</td>
<td>45 **</td>
</tr>
<tr>
<td>DWS MONEY MARKET SERIES INSTITUTIONAL FUNDS</td>
<td>295,658</td>
<td>0.04%</td>
<td>295,658</td>
<td>100.00%</td>
<td>-</td>
<td>0.08%</td>
<td>51 **</td>
</tr>
<tr>
<td>CALIFORNIA BANK AND TRUST</td>
<td>871,413</td>
<td>0.13%</td>
<td>871,413</td>
<td>100.00%</td>
<td>-</td>
<td>N/A</td>
<td>1</td>
</tr>
<tr>
<td>UNION BANK</td>
<td>909,567</td>
<td>0.14%</td>
<td>909,567</td>
<td>100.00%</td>
<td>-</td>
<td>N/A</td>
<td>1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$672,443,109</strong></td>
<td>100.00%</td>
<td><strong>$671,183,864</strong></td>
<td>99.81%</td>
<td><strong>$(1,259,245)</strong></td>
<td>0.57%</td>
<td><strong>376</strong></td>
</tr>
</tbody>
</table>

**Legend:**
- **Although average days to maturity is greater than one day, funds are available at par the same day.**

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### Summary of Portfolio Balances (by Agency)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>SANDAG FUNDS</td>
<td>$27,846,636</td>
<td>4.14%</td>
<td>$27,846,636</td>
<td>100.00%</td>
<td>-</td>
<td>0.24%</td>
<td>115</td>
</tr>
<tr>
<td>ARJIS FUNDS</td>
<td>4,895,319</td>
<td>0.73%</td>
<td>4,895,319</td>
<td>100.00%</td>
<td>-</td>
<td>0.45%</td>
<td>245</td>
</tr>
<tr>
<td>SOURCEPOINT FUNDS</td>
<td>734,269</td>
<td>0.11%</td>
<td>734,269</td>
<td>100.00%</td>
<td>-</td>
<td>0.40%</td>
<td>202</td>
</tr>
<tr>
<td>CORONADO BRIDGE TOLL FUNDS</td>
<td>281,758</td>
<td>0.04%</td>
<td>281,758</td>
<td>100.00%</td>
<td>-</td>
<td>0.00%</td>
<td>45</td>
</tr>
<tr>
<td>RTC FUNDS</td>
<td>638,685,127</td>
<td>94.98%</td>
<td>637,425,881</td>
<td>99.80%</td>
<td>(1,259,245)</td>
<td>0.58%</td>
<td>388</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$672,443,109</strong></td>
<td>100.00%</td>
<td><strong>$671,183,864</strong></td>
<td>99.81%</td>
<td><strong>$(1,259,245)</strong></td>
<td>0.57%</td>
<td><strong>376</strong></td>
</tr>
</tbody>
</table>

**Legend:**
- Automated Regional Justice Information System (ARJIS)
- San Diego County Regional Transportation Commission (RTC)
### SANDAG Detail of Portfolio Balances (by Account)
as of December 31, 2011

<table>
<thead>
<tr>
<th>Institution / Account</th>
<th>Book Value</th>
<th>Percent of Portfolio</th>
<th>Market Value</th>
<th>Market Price</th>
<th>Unrealized Gain/(Loss)</th>
<th>Yield on Cost</th>
<th>Wtd. Avg. Days to Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BANK OF AMERICA:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Checking - TransNet Sales Tax (RTC)</td>
<td>$1,511,239</td>
<td>0.22%</td>
<td>$1,511,239</td>
<td>100.00%</td>
<td>$ -</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Checking - SANDAG General</td>
<td>5,943,067</td>
<td>0.88%</td>
<td>5,943,067</td>
<td>100.00%</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Checking - SANDAG Interstate 15 (I-15) FasTrak®</td>
<td>329,360</td>
<td>0.05%</td>
<td>329,360</td>
<td>100.00%</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Checking - SourcePoint</td>
<td>5,468</td>
<td>0.00%</td>
<td>5,468</td>
<td>100.00%</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Checking - ARJIS</td>
<td>40,152</td>
<td>0.01%</td>
<td>40,152</td>
<td>100.00%</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Money Market - SourcePoint</td>
<td>228,222</td>
<td>0.03%</td>
<td>228,222</td>
<td>100.00%</td>
<td>-</td>
<td>-</td>
<td>0.15%</td>
</tr>
<tr>
<td><strong>TOTAL BANK OF AMERICA</strong></td>
<td>$8,057,509</td>
<td>1.20%</td>
<td>$8,057,509</td>
<td>100.00%</td>
<td>$ -</td>
<td>-</td>
<td>0.15%</td>
</tr>
<tr>
<td><strong>WELLS FARGO BANK:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Checking - SR125 Payment Account</td>
<td>$1,025,401</td>
<td>0.15%</td>
<td>$1,025,401</td>
<td>100.00%</td>
<td>$ -</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Checking - SR125 Collection Account</td>
<td>95,844.41</td>
<td>0.01%</td>
<td>95,844.41</td>
<td>100.00%</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>TOTAL WELLS FARGO BANK</strong></td>
<td>$1,121,246</td>
<td>0.17%</td>
<td>$1,121,246</td>
<td>100.00%</td>
<td>$ -</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>STATE OF CA LOCAL AGENCY INVESTMENT FUND (LAIF):</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TransNet Sales Tax (RTC)</td>
<td>$48,857,128</td>
<td>7.27%</td>
<td>$48,857,128</td>
<td>100.00%</td>
<td>$ -</td>
<td>-</td>
<td>0.38%</td>
</tr>
<tr>
<td>SANDAG (General)</td>
<td>11,021,139</td>
<td>1.64%</td>
<td>11,021,139</td>
<td>100.00%</td>
<td>-</td>
<td>-</td>
<td>0.38%</td>
</tr>
<tr>
<td><strong>TOTAL LAIF</strong></td>
<td>$59,878,267</td>
<td>8.90%</td>
<td>$59,878,267</td>
<td>100.00%</td>
<td>$ -</td>
<td>-</td>
<td>0.38%</td>
</tr>
<tr>
<td><strong>CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP):</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>INDIVIDUAL PORTFOLIO:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TransNet Sales Tax (RTC)</td>
<td>$114,468,470</td>
<td>17.02%</td>
<td>$114,777,177</td>
<td>100.27%</td>
<td>$308,707</td>
<td>0.75%</td>
<td>677</td>
</tr>
<tr>
<td>TransNet 2008 Bond Proceeds (RTC)</td>
<td>17,116,280</td>
<td>2.55%</td>
<td>17,090,525</td>
<td>99.85%</td>
<td>(25,755)</td>
<td>1.03%</td>
<td>160</td>
</tr>
<tr>
<td>TransNet 2010 Bond Proceeds (RTC)</td>
<td>133,465,477</td>
<td>19.85%</td>
<td>131,842,117</td>
<td>98.78%</td>
<td>(1,623,360)</td>
<td>0.50%</td>
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<tr>
<td><strong>TOTAL INDIVIDUAL PORTFOLIO</strong></td>
<td>$265,050,227</td>
<td>39.42%</td>
<td>$263,709,819</td>
<td>99.49%</td>
<td>$(1,340,408)</td>
<td>0.64%</td>
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<tr>
<td><strong>CASH RESERVE PORTFOLIO:</strong></td>
<td></td>
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<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>I-15 FasTrak®</td>
<td>$616,971</td>
<td>0.09%</td>
<td>$616,971</td>
<td>100.00%</td>
<td>$ -</td>
<td>-</td>
<td>0.16%</td>
</tr>
<tr>
<td>ARJIS</td>
<td>963,126</td>
<td>0.14%</td>
<td>963,126</td>
<td>100.00%</td>
<td>-</td>
<td>-</td>
<td>0.16%</td>
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<tr>
<td>California Coastal Commission</td>
<td>1,496,723</td>
<td>0.22%</td>
<td>1,496,723</td>
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<td>-</td>
<td>-</td>
<td>0.16%</td>
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<tr>
<td>Low Floor Vehicles - PTMISEA</td>
<td>4,868,491</td>
<td>0.72%</td>
<td>4,868,491</td>
<td>100.00%</td>
<td>-</td>
<td>-</td>
<td>0.00%</td>
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<tr>
<td>2008 Bond Series A/B/C/D Reserve Fund (RTC)</td>
<td>257,782</td>
<td>0.04%</td>
<td>257,782</td>
<td>100.00%</td>
<td>-</td>
<td>-</td>
<td>0.16%</td>
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<tr>
<td>2008 Bond Series A - Principal (RTC)</td>
<td>2,307,831</td>
<td>0.34%</td>
<td>2,307,831</td>
<td>100.00%</td>
<td>-</td>
<td>-</td>
<td>0.16%</td>
</tr>
<tr>
<td>2008 Bond Series B - Principal (RTC)</td>
<td>2,307,830</td>
<td>0.34%</td>
<td>2,307,830</td>
<td>100.00%</td>
<td>-</td>
<td>-</td>
<td>0.16%</td>
</tr>
<tr>
<td>2008 Bond Series C - Principal (RTC)</td>
<td>2,307,830</td>
<td>0.34%</td>
<td>2,307,830</td>
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<td>-</td>
<td>0.16%</td>
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<tr>
<td>2008 Bond Series D - Principal (RTC)</td>
<td>2,307,830</td>
<td>0.34%</td>
<td>2,307,830</td>
<td>100.00%</td>
<td>-</td>
<td>-</td>
<td>0.16%</td>
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<tr>
<td>2010 Bond Series A - Project (RTC)</td>
<td>62,119,601</td>
<td>9.24%</td>
<td>62,119,601</td>
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<tr>
<td>2010 Bond Series B - Project (RTC)</td>
<td>3,151,326</td>
<td>0.47%</td>
<td>3,151,326</td>
<td>100.00%</td>
<td>-</td>
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<td>0.16%</td>
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<tr>
<td>2010 Bond Series A - San Marcos Fund (RTC)</td>
<td>6,792,800</td>
<td>1.01%</td>
<td>6,792,800</td>
<td>100.00%</td>
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<td>-</td>
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</tr>
<tr>
<td>2010 Bond Series B - Principal (RTC)</td>
<td>420,269</td>
<td>0.06%</td>
<td>420,269</td>
<td>100.00%</td>
<td>-</td>
<td>-</td>
<td>0.16%</td>
</tr>
</tbody>
</table>
### SANDAG
#### Detail of Portfolio Balances (by Account)
##### as of December 31, 2011

<table>
<thead>
<tr>
<th>Institution / Account</th>
<th>Book Value</th>
<th>Percent of Portfolio</th>
<th>Market Value</th>
<th>Market Price</th>
<th>Unrealized Gain/(Loss)</th>
<th>Yield on Cost</th>
<th>Wtd. Avg. Days to Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010 Bond Series B - Interest (RTC)</td>
<td>104,241</td>
<td>0.02%</td>
<td>104,241</td>
<td>100.00%</td>
<td>-</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>2010 Bond Series A - Interest (RTC)</td>
<td>5,011,536</td>
<td>0.75%</td>
<td>5,011,536</td>
<td>100.00%</td>
<td>-</td>
<td>0.16%</td>
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<tr>
<td>2008 Sales Tax Account - TransNet Extension (RTC)</td>
<td>14,760,414</td>
<td>2.20%</td>
<td>14,760,414</td>
<td>100.00%</td>
<td>-</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>Wetland Mitigation TransNet Sales Tax (RTC)</td>
<td>289,765</td>
<td>0.04%</td>
<td>289,765</td>
<td>100.00%</td>
<td>-</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>Sage Hill Endowment (RTC)</td>
<td>71,466</td>
<td>0.01%</td>
<td>71,466</td>
<td>100.00%</td>
<td>-</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td><strong>TOTAL CASH RESERVE PORTFOLIO</strong></td>
<td>$110,155,833</td>
<td>16.37%</td>
<td>$110,155,833</td>
<td>100.00%</td>
<td>$</td>
<td>-</td>
<td>16%</td>
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<tr>
<td><strong>TOTAL CAMP</strong></td>
<td>$375,206,060</td>
<td>55.79%</td>
<td>$373,865,652</td>
<td>99.64%</td>
<td>$ (1,340,408)</td>
<td>0.50%</td>
<td>299</td>
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</table>

<table>
<thead>
<tr>
<th>US BANK:</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>SANDAG Toll Road Project</td>
<td>$373,000</td>
<td>0.06%</td>
<td>$373,000</td>
<td>100.00%</td>
<td>$</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>2008 Bond Series A/B/C/D Main Interest (RTC)</td>
<td>1,766,167</td>
<td>0.26%</td>
<td>1,766,167</td>
<td>100.00%</td>
<td>-</td>
<td>0.05%</td>
<td>1</td>
</tr>
<tr>
<td>2008 Bond Series B Revenue CP (RTC)</td>
<td>228,581</td>
<td>0.03%</td>
<td>228,581</td>
<td>100.00%</td>
<td>-</td>
<td>0.05%</td>
<td>1</td>
</tr>
<tr>
<td>NCTD Certificates of Participation</td>
<td>32,900,000</td>
<td>4.89%</td>
<td>32,900,000</td>
<td>100.00%</td>
<td>-</td>
<td>0.19%</td>
<td>25</td>
</tr>
<tr>
<td>2010 Bonds Series A Interest</td>
<td>24</td>
<td>0.00%</td>
<td>24</td>
<td>100.00%</td>
<td>-</td>
<td>0.04%</td>
<td>1</td>
</tr>
<tr>
<td>2010 Bonds Series A - Project Fund - San Marcos</td>
<td>2,579</td>
<td>0.00%</td>
<td>2,579</td>
<td>100.00%</td>
<td>-</td>
<td>0.05%</td>
<td>1</td>
</tr>
<tr>
<td>2010 Bonds Series A - Project Fund - Solana Beach</td>
<td>5,461,081</td>
<td>0.81%</td>
<td>5,461,081</td>
<td>100.00%</td>
<td>-</td>
<td>0.05%</td>
<td>1</td>
</tr>
<tr>
<td><strong>TOTAL US BANK</strong></td>
<td>$40,731,432</td>
<td>6.08%</td>
<td>$40,731,432</td>
<td>100.00%</td>
<td>$</td>
<td>-</td>
<td>0.16%</td>
</tr>
</tbody>
</table>
## SANDAG

**Detail of Portfolio Balances (by Account)**

### as of December 31, 2011

<table>
<thead>
<tr>
<th>Institution / Account</th>
<th>Percent of Portfolio</th>
<th>Market Value</th>
<th>Market Price</th>
<th>Unrealized Gain/(Loss)</th>
<th>Yield on Cost</th>
<th>Wtd. Avg. Days to Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>THE BANK OF NEW YORK MELLON:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>INDIVIDUAL PORTFOLIO:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TransNet Extension (RTC)</td>
<td>$129,463,452</td>
<td>19.25%</td>
<td>$129,544,614</td>
<td>100.06%</td>
<td>$81,163</td>
<td>1.02%</td>
</tr>
<tr>
<td><strong>TOTAL INDIVIDUAL PORTFOLIO</strong></td>
<td>$129,463,452</td>
<td>19.25%</td>
<td>$129,544,614</td>
<td>100.06%</td>
<td>$81,163</td>
<td>1.02%</td>
</tr>
<tr>
<td><strong>CASH RESERVE:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TransNet Extension (RTC)</td>
<td>$2,952,819</td>
<td>0.44%</td>
<td>$2,952,819</td>
<td>100.00%</td>
<td>-</td>
<td>0.01%</td>
</tr>
<tr>
<td><strong>TOTAL CASH RESERVE</strong></td>
<td>$2,952,819</td>
<td>0.44%</td>
<td>$2,952,819</td>
<td>100.00%</td>
<td>-</td>
<td>0.01%</td>
</tr>
<tr>
<td><strong>TOTAL THE BANK OF NEW YORK MELLON</strong></td>
<td>$132,416,271</td>
<td>19.69%</td>
<td>$132,497,434</td>
<td>100.06%</td>
<td>$81,163</td>
<td>1.00%</td>
</tr>
<tr>
<td><strong>SAN DIEGO COUNTY TREASURER’S POOLED MONEY FUND:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SourcePoint Cash Reserve Fund</td>
<td>$500,578</td>
<td>0.07%</td>
<td>$500,578</td>
<td>100.00%</td>
<td>-</td>
<td>0.52%</td>
</tr>
<tr>
<td>TransNet Extension (RTC)</td>
<td>48,281,308</td>
<td>7.18%</td>
<td>48,281,308</td>
<td>100.00%</td>
<td>-</td>
<td>0.52%</td>
</tr>
<tr>
<td>ARJIS</td>
<td>3,892,041</td>
<td>0.58%</td>
<td>3,892,041</td>
<td>100.00%</td>
<td>-</td>
<td>0.52%</td>
</tr>
<tr>
<td><strong>TOTAL SAN DIEGO COUNTY TREASURER’S POOLED MONEY FUND</strong></td>
<td>$52,673,927</td>
<td>7.83%</td>
<td>$52,673,927</td>
<td>100.00%</td>
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<td>0.52%</td>
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<tr>
<td><strong>BoFA FUNDS (BANK OF AMERICA CORPORATION):</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>TREASURY RESERVES CAPITAL SHARES FUND:</strong></td>
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<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Coronado Bridge Toll Funds</td>
<td>$281,758</td>
<td>0.04%</td>
<td>$281,758</td>
<td>100.00%</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>TOTAL BOFA FUNDS (BANK OF AMERICA CORPORATION)</strong></td>
<td>$281,758</td>
<td>0.04%</td>
<td>$281,758</td>
<td>100.00%</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>DWS MONEY MARKET SERIES INSTITUTIONAL FUNDS:</strong></td>
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<td></td>
</tr>
<tr>
<td>California Boating &amp; Waterways</td>
<td>$295,658</td>
<td>0.04%</td>
<td>$295,658</td>
<td>100.00%</td>
<td>-</td>
<td>0.08%</td>
</tr>
<tr>
<td><strong>TOTAL DWS MONEY MARKET SERIES INSTITUTIONAL FUNDS</strong></td>
<td>$295,658</td>
<td>0.04%</td>
<td>$295,658</td>
<td>100.00%</td>
<td>-</td>
<td>0.08%</td>
</tr>
<tr>
<td><strong>CALIFORNIA BANK AND TRUST</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Project Retention Accounts</td>
<td>$871,413</td>
<td>0.13%</td>
<td>$871,413</td>
<td>100.00%</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>TOTAL CALIFORNIA BANK AND TRUST</strong></td>
<td>$871,413</td>
<td>0.13%</td>
<td>$871,413</td>
<td>100.00%</td>
<td>-</td>
<td>N/A</td>
</tr>
</tbody>
</table>
### SANDAG

#### Detail of Portfolio Balances (by Account)

as of December 31, 2011

<table>
<thead>
<tr>
<th>Institution / Account</th>
<th>Book Value</th>
<th>Percent of Portfolio</th>
<th>Market Value</th>
<th>Market Price</th>
<th>Unrealized Gain/(Loss)</th>
<th>Yield on Cost</th>
<th>Wtd. Avg. Days to Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UNION BANK</strong></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Capital Project Retention Accounts</td>
<td>$909,567</td>
<td>0.14%</td>
<td>$909,567</td>
<td>100.00%</td>
<td>$-</td>
<td>N/A</td>
<td>1</td>
</tr>
<tr>
<td><strong>TOTAL UNION BANK</strong></td>
<td>$909,567</td>
<td>0.14%</td>
<td>$909,567</td>
<td>100.00%</td>
<td>$-</td>
<td>N/A</td>
<td>1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$672,443,109</td>
<td>100.00%</td>
<td>$671,183,864</td>
<td>99.81%</td>
<td>$(1,259,245)</td>
<td>0.57%</td>
<td>376</td>
</tr>
</tbody>
</table>

Legend:
- Automated Regional Justice Information System (ARJIS)
- Commercial Paper (CP)
- State of California Local Agency Investment Fund (LAIF)
- North County Transit District (NCTD)
- San Diego County Regional Transportation Commission (RTC)


### SANDAG

Detail of Portfolio Balances (by Investment Type)

as of December 31, 2011

<table>
<thead>
<tr>
<th>Investment</th>
<th>Purchase Date</th>
<th>Maturity Date</th>
<th>Book Value</th>
<th>Market Value</th>
<th>Unrealized Gain / (Loss)</th>
<th>Par Value</th>
<th>Yield on Cost</th>
<th>Wtd. Avg. Days to Maturity</th>
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</thead>
<tbody>
<tr>
<td>Cash and cash equivalents:</td>
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<td></td>
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<tr>
<td>Demand deposits:</td>
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<tr>
<td>Checking - TransNet Sales Tax (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>$1,511,239</td>
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<tr>
<td>Checking - SANDAG General</td>
<td>N/A</td>
<td>N/A</td>
<td>5,943,067</td>
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<td>N/A</td>
<td>N/A</td>
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<td>Checking - SANDAG Interstate 15 (I-15) FasTrak®</td>
<td>N/A</td>
<td>N/A</td>
<td>329,360</td>
<td>329,360</td>
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<td>N/A</td>
<td>N/A</td>
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<tr>
<td>Checking - SR125 Payment Account</td>
<td>N/A</td>
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<td>Checking - SR125 Collection Account</td>
<td>N/A</td>
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<td>95,844</td>
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<td>N/A</td>
<td>N/A</td>
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<tr>
<td>Checking - SourcePoint</td>
<td>N/A</td>
<td>N/A</td>
<td>5,468</td>
<td>5,468</td>
<td>-</td>
<td>N/A</td>
<td>N/A</td>
<td>1</td>
</tr>
<tr>
<td>Checking - ARJIS</td>
<td>N/A</td>
<td>N/A</td>
<td>40,152</td>
<td>40,152</td>
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<td>N/A</td>
<td>N/A</td>
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<tr>
<td>Capital Project Retention Accounts</td>
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<td>N/A</td>
<td>1,780,981</td>
<td>1,780,981</td>
<td>-</td>
<td>N/A</td>
<td>N/A</td>
<td>1</td>
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<td><strong>Total demand deposits</strong></td>
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<td>N/A</td>
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<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Money Market (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>$1,766,167</td>
<td>$1,766,167</td>
<td>-</td>
<td>N/A</td>
<td>0.05%</td>
<td>1</td>
</tr>
<tr>
<td>Money Market (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>228,581</td>
<td>228,581</td>
<td>-</td>
<td>N/A</td>
<td>0.05%</td>
<td>1</td>
</tr>
<tr>
<td>San Diego County Treasurer’s Pooled Fund - SourcePoint</td>
<td>N/A</td>
<td>N/A</td>
<td>500,578</td>
<td>500,578</td>
<td>-</td>
<td>N/A</td>
<td>0.52%</td>
<td>296</td>
</tr>
<tr>
<td>San Diego County Treasurer’s Pooled Money Fund (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>48,281,308</td>
<td>48,281,308</td>
<td>-</td>
<td>N/A</td>
<td>0.52%</td>
<td>296</td>
</tr>
<tr>
<td>San Diego County Treasurer’s Pooled Money Fund (ARJIS)</td>
<td>N/A</td>
<td>N/A</td>
<td>3,892,041</td>
<td>3,892,041</td>
<td>-</td>
<td>N/A</td>
<td>0.52%</td>
<td>296</td>
</tr>
<tr>
<td>Money Market - SANDAG Toll Road Project</td>
<td>N/A</td>
<td>N/A</td>
<td>373,000</td>
<td>373,000</td>
<td>-</td>
<td>N/A</td>
<td>0.00%</td>
<td>1</td>
</tr>
<tr>
<td>Money Market (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>24</td>
<td>24</td>
<td>-</td>
<td>N/A</td>
<td>0.04%</td>
<td>1</td>
</tr>
<tr>
<td>Money Market (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>2,579</td>
<td>2,579</td>
<td>-</td>
<td>N/A</td>
<td>0.05%</td>
<td>1</td>
</tr>
<tr>
<td>Money Market (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>5,461,081</td>
<td>5,461,081</td>
<td>-</td>
<td>N/A</td>
<td>0.05%</td>
<td>1</td>
</tr>
<tr>
<td>Money Market - SourcePoint</td>
<td>N/A</td>
<td>N/A</td>
<td>228,222</td>
<td>228,222</td>
<td>-</td>
<td>N/A</td>
<td>0.15%</td>
<td>1</td>
</tr>
<tr>
<td>BofA Treasury Res Cap Shares - Coronado Bridge Toll Funds</td>
<td>N/A</td>
<td>N/A</td>
<td>281,758</td>
<td>281,758</td>
<td>-</td>
<td>N/A</td>
<td>0.00%</td>
<td>45</td>
</tr>
<tr>
<td>DWS Money Mkrt Srs Institution - CA Boating &amp; Waterways</td>
<td>N/A</td>
<td>N/A</td>
<td>295,658</td>
<td>295,658</td>
<td>-</td>
<td>N/A</td>
<td>0.08%</td>
<td>51</td>
</tr>
<tr>
<td>CAMP Cash Reserve Portf - ARJIS</td>
<td>N/A</td>
<td>N/A</td>
<td>963,126</td>
<td>963,126</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>CAMP Cash Res Portf - CA Coastal Commission</td>
<td>N/A</td>
<td>N/A</td>
<td>1,496,723</td>
<td>1,496,723</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>CAMP Cash Reserve Portf - Low Floor Vehicles PTM/SEA</td>
<td>N/A</td>
<td>N/A</td>
<td>4,868,491</td>
<td>4,868,491</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>CAMP Cash Reserve Portf - I-15 FasTrak®</td>
<td>N/A</td>
<td>N/A</td>
<td>616,971</td>
<td>616,971</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>CAMP Cash Reserve Portf (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>257,782</td>
<td>257,782</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>CAMP Cash Reserve Portf (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>2,307,831</td>
<td>2,307,831</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>CAMP Cash Reserve Portf (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>2,307,830</td>
<td>2,307,830</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>CAMP Cash Reserve Portf (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>2,307,830</td>
<td>2,307,830</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
</tbody>
</table>
**SANDAG**  
**Detail of Portfolio Balances (by Investment Type)**  
as of December 31, 2011

<table>
<thead>
<tr>
<th>Investment</th>
<th>Purchase Date</th>
<th>Maturity Date</th>
<th>Book Value</th>
<th>Market Value</th>
<th>Unrealized Gain / (Loss)</th>
<th>Par Value</th>
<th>Yield on Cost</th>
<th>Wtd. Avg. Days to Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAMP Cash Reserve Portf (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>2,307,830</td>
<td>2,307,830</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>CAMP Cash Reserve Portf (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>62,119,601</td>
<td>62,119,601</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>CAMP Cash Reserve Portf (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>3,151,326</td>
<td>3,151,326</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>CAMP Cash Reserve Portf (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>6,792,800</td>
<td>6,792,800</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>CAMP Cash Reserve Portf (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>420,269</td>
<td>420,269</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>CAMP Cash Reserve Portf (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>104,241</td>
<td>104,241</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>CAMP Cash Reserve Portf (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>5,011,536</td>
<td>5,011,536</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>CAMP Cash Reserve Portf - Wetland Mitigation (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>289,765</td>
<td>289,765</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>CAMP Cash Reserve Portf - Sage Hill Endowment (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>71,466</td>
<td>71,466</td>
<td>-</td>
<td>N/A</td>
<td>0.16%</td>
<td>51</td>
</tr>
<tr>
<td>BNY Mellon Cash Reserve (RTC)</td>
<td>N/A</td>
<td>N/A</td>
<td>2,952,819</td>
<td>2,952,819</td>
<td>-</td>
<td>N/A</td>
<td>0.01%</td>
<td>1</td>
</tr>
</tbody>
</table>

**Total money market accounts and funds**  
$174,419,649 | $174,419,649 | - | N/A | 0.26% | 122 |

**Total cash and cash equivalents**  
$185,151,163 | $185,151,163 | - | N/A | N/A | 115 |

**Investments:**  
**State of CA Local Agency Investment Fund:**  
LAIF - TransNet (RTC)  
N/A | N/A | $48,857,128 | $48,857,128 | - | N/A | 0.38% | 256 |

LAIF - SANDAG  
N/A | N/A | 11,021,139 | 11,021,139 | - | N/A | 0.38% | 256 |

**Total State of CA Local Agency Investment Fund**  
$59,878,267 | $59,878,267 | - | N/A | 0.38% | 256 |

**U.S. Agencies:**  
FHLB Tap Bonds  
6/11/2010 | 6/8/2012 | $17,116,280 | $17,090,525 | (25,755) | $17,000,000 | 1.03% | 160 |

US Treasury Notes  
12/9/2010 | 10/31/2011 | 10,047,656 | 10,010,940 | (36,716) | 10,000,000 | 0.28% | 61 |

US Treasury Notes  
11/23/2010 | 12/31/2011 | 10,077,344 | 10,010,940 | (60,238) | 10,000,000 | 0.31% | 123 |

US Treasury Notes  
11/23/2010 | 1/31/2012 | 10,067,188 | 10,026,950 | (39,475) | 10,000,000 | 0.31% | 152 |

US Treasury Notes  
11/23/2010 | 3/23/2012 | 10,071,875 | 10,032,400 | (39,475) | 10,000,000 | 0.31% | 152 |

FHLMC Global Notes  
11/23/2010 | 3/23/2012 | 10,231,800 | 10,204,120 | (96,180) | 10,000,000 | 0.46% | 259 |

FNMA Benchmark Notes  
11/23/2010 | 4/20/2012 | 10,206,900 | 10,104,120 | (96,180) | 10,000,000 | 0.46% | 259 |

FNMA Global Benchmark Notes  
11/23/2010 | 5/18/2012 | 10,655,600 | 10,535,273 | (120,327) | 10,000,000 | 0.66% | 268 |

FHLMC Global Notes  
11/23/2010 | 6/15/2012 | 10,200,300 | 10,145,120 | (65,180) | 10,000,000 | 0.65% | 538 |

FHLMC Global Notes  
11/23/2010 | 7/27/2012 | 10,108,800 | 10,056,680 | (52,120) | 10,000,000 | 0.57% | 445 |

FHLMC Global Notes  
12/3/2010 | 3/23/2012 | 4,494,279 | 4,419,690 | (74,589) | 4,400,000 | 0.48% | 174 |

FNMA Global Notes  
12/3/2010 | 6/22/2012 | 4,495,524 | 4,473,434 | (22,090) | 4,450,000 | 0.59% | 174 |

FNMA Notes  
12/3/2010 | 9/24/2012 | 4,517,378 | 4,535,273 | 17,895 | 4,520,000 | 0.66% | 268 |

FHLMC Global Bonds  
12/3/2010 | 3/20/2013 | 678,273 | 675,587 | (2,686) | 665,000 | 0.75% | 445 |

FHLMC Global Bonds  
12/3/2010 | 6/21/2013 | 677,081 | 674,754 | (2,327) | 660,000 | 0.85% | 538 |

FHLMC Global Reference Notes  
12/3/2010 | 9/27/2013 | 673,729 | 659,809 | (13,920) | 620,000 | 1.00% | 636 |

US Treasury Notes  
11/7/2011 | 11/15/2012 | 7,947,205 | 7,933,712 | (13,493) | 7,850,000 | 0.16% | 320 |
<table>
<thead>
<tr>
<th>Investment</th>
<th>Purchase Date</th>
<th>Maturity Date</th>
<th>Book Value</th>
<th>Market Value</th>
<th>Unrealized Gain / (Loss)</th>
<th>Par Value</th>
<th>Yield on Cost</th>
<th>Wtd. Avg. Days to Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Treasury Notes</td>
<td>2/11/2011</td>
<td>12/31/2012</td>
<td>7,526,701</td>
<td>7,585,394</td>
<td>58,693</td>
<td>7,550,000</td>
<td>0.79%</td>
<td>366</td>
</tr>
<tr>
<td>US Treasury Notes</td>
<td>11/10/2010</td>
<td>9/15/2013</td>
<td>3,443,329</td>
<td>3,454,301</td>
<td>10,972</td>
<td>3,425,000</td>
<td>0.56%</td>
<td>624</td>
</tr>
<tr>
<td>US Treasury Notes</td>
<td>10/7/2010</td>
<td>9/15/2013</td>
<td>4,494,054</td>
<td>4,513,284</td>
<td>193</td>
<td>4,475,000</td>
<td>0.60%</td>
<td>624</td>
</tr>
<tr>
<td>US Treasury Notes</td>
<td>11/3/2010</td>
<td>10/15/2013</td>
<td>1,455,682</td>
<td>1,461,309</td>
<td>5,627</td>
<td>1,455,000</td>
<td>0.48%</td>
<td>654</td>
</tr>
<tr>
<td>San Francisco City &amp; CNTY GO Muni Notes</td>
<td>11/30/2011</td>
<td>6/15/2014</td>
<td>1,579,855</td>
<td>1,578,758</td>
<td>(1,097)</td>
<td>1,425,000</td>
<td>0.68%</td>
<td>897</td>
</tr>
<tr>
<td>FNMA Global Notes</td>
<td>2/16/2010</td>
<td>2/22/2013</td>
<td>5,023,500</td>
<td>5,082,160</td>
<td>58,660</td>
<td>5,000,000</td>
<td>1.59%</td>
<td>419</td>
</tr>
<tr>
<td>FNMA Notes</td>
<td>2/11/2011</td>
<td>2/26/2013</td>
<td>8,998,200</td>
<td>9,050,256</td>
<td>52,056</td>
<td>9,000,000</td>
<td>0.76%</td>
<td>423</td>
</tr>
<tr>
<td>FNMA Notes</td>
<td>2/4/2011</td>
<td>2/26/2013</td>
<td>3,584,376</td>
<td>3,620,102</td>
<td>35,726</td>
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<td>0.97%</td>
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<tr>
<td>FNMA Notes Callable</td>
<td>7/21/2011</td>
<td>8/31/2013</td>
<td>4,542,425</td>
<td>4,659,441</td>
<td>11,016</td>
<td>4,540,000</td>
<td>0.76%</td>
<td>606</td>
</tr>
<tr>
<td>FNMA Notes Callable</td>
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<td>9/19/2013</td>
<td>4,000,000</td>
<td>4,085,756</td>
<td>(8,756)</td>
<td>4,000,000</td>
<td>0.58%</td>
<td>628</td>
</tr>
<tr>
<td>Freddie Mac Global Notes</td>
<td>10/21/2011</td>
<td>10/15/2013</td>
<td>923,686</td>
<td>923,614</td>
<td>(722)</td>
<td>925,000</td>
<td>0.52%</td>
<td>654</td>
</tr>
<tr>
<td>FNMA Global Benchmark Notes</td>
<td>8/3/2011</td>
<td>10/15/2013</td>
<td>4,379,195</td>
<td>4,484,397</td>
<td>(10,202)</td>
<td>4,170,000</td>
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<td>654</td>
</tr>
<tr>
<td>Federal Home Loan Bank Global Notes</td>
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<td>11/27/2013</td>
<td>3,489,575</td>
<td>3,491,638</td>
<td>2,063</td>
<td>3,500,000</td>
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<td>8/9/2013</td>
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<td>2,004,718</td>
<td>6,618</td>
<td>2,000,000</td>
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<td>9/9/2010</td>
<td>9/9/2013</td>
<td>2,999,250</td>
<td>3,001,370</td>
<td>2,120</td>
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</tr>
<tr>
<td>FHLMC</td>
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<td>9/17/2013</td>
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<td>3,004,191</td>
<td>4,191</td>
<td>3,000,000</td>
<td>1.33%</td>
<td>626</td>
</tr>
<tr>
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<td>6/27/2011</td>
<td>9/27/2013</td>
<td>3,000,000</td>
<td>3,004,254</td>
<td>4,254</td>
<td>3,000,000</td>
<td>0.70%</td>
<td>636</td>
</tr>
<tr>
<td>FHLMC</td>
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<td>11/4/2013</td>
<td>3,000,000</td>
<td>3,001,734</td>
<td>1,734</td>
<td>3,000,000</td>
<td>0.70%</td>
<td>704</td>
</tr>
<tr>
<td>FFCA</td>
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<td>1/24/2014</td>
<td>2,998,800</td>
<td>3,002,061</td>
<td>3,261</td>
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<td>755</td>
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<td>1/27/2014</td>
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<td>3,001,995</td>
<td>(5,505)</td>
<td>3,000,000</td>
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<td>758</td>
</tr>
<tr>
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<td>3/28/2014</td>
<td>2,992,410</td>
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</tr>
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<td>Purchase Date</td>
<td>Maturity Date</td>
<td>Book Value</td>
<td>Market Value</td>
<td>Unrealized Gain / (Loss)</td>
<td>Par Value</td>
<td>Yield on Cost</td>
<td>Wtd. Avg. Days to Maturity</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------------</td>
<td>---------------</td>
<td>------------</td>
<td>--------------</td>
<td>--------------------------</td>
<td>-----------</td>
<td>---------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>FNMA</td>
<td>1/21/2010</td>
<td>4/21/2014</td>
<td>3,007,500</td>
<td>3,039,633</td>
<td>32,133</td>
<td>3,000,000</td>
<td>1.25%</td>
<td>842</td>
</tr>
<tr>
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<td>4/29/2014</td>
<td>2,989,920</td>
<td>3,055,116</td>
<td>65,196</td>
<td>3,000,000</td>
<td>1.46%</td>
<td>850</td>
</tr>
<tr>
<td>FNMA</td>
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<td>7/18/2014</td>
<td>3,099,535</td>
<td>3,100,884</td>
<td>1,349</td>
<td>3,000,000</td>
<td>1.13%</td>
<td>930</td>
</tr>
<tr>
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<td>7/18/2011</td>
<td>7/18/2014</td>
<td>3,000,000</td>
<td>3,012,384</td>
<td>12,384</td>
<td>3,000,000</td>
<td>1.38%</td>
<td>1,271</td>
</tr>
<tr>
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<td>9/6/2011</td>
<td>9/20/2014</td>
<td>3,037,470</td>
<td>3,018,966</td>
<td>(18,504)</td>
<td>3,000,000</td>
<td>0.57%</td>
<td>963</td>
</tr>
<tr>
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<td>10/17/2011</td>
<td>8/20/2014</td>
<td>3,020,010</td>
<td>3,040,026</td>
<td>(1,044)</td>
<td>3,000,000</td>
<td>0.76%</td>
<td>963</td>
</tr>
<tr>
<td>FNMA</td>
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<td>9/8/2014</td>
<td>2,041,940</td>
<td>2,040,026</td>
<td>9,084</td>
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<td>962</td>
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<td>12/19/2014</td>
<td>3,000,000</td>
<td>3,010,923</td>
<td>10,923</td>
<td>3,000,000</td>
<td>0.90%</td>
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<tr>
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<tr>
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<td>8/11/2011</td>
<td>6/12/2015</td>
<td>2,156,240</td>
<td>2,142,298</td>
<td>(13,942)</td>
<td>3,000,000</td>
<td>1.38%</td>
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</tr>
<tr>
<td>FNMA</td>
<td>7/29/2011</td>
<td>7/25/2014</td>
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<td>3,012,384</td>
<td>12,384</td>
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<tr>
<td>FNMA</td>
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<td>9/8/2014</td>
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<tr>
<td>FNMA</td>
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<tr>
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<td>1.00%</td>
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<td>FNMA</td>
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<td>0</td>
<td>3,000,000</td>
<td>1.00%</td>
<td>1,287</td>
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<tr>
<td>Total Corporate Medium Notes</td>
<td></td>
<td></td>
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<td>($631,350)</td>
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</table>

**Corporate Medium Term Notes:**
- General Electric Capital Corp Notes: $2,496,225 $2,530,793 $34,568 $2,500,000 1.93% 625
- Caterpillar Financial Notes: $349,228 $348,761 (467) $315,000 1.00% 1,082
- Caterpillar Financial Notes: $466,607 $465,014 (1,593) $420,000 1.07% 1,082
- IBM Corp Global Notes: $5,494,830 $5,562,530 67,700 $5,500,000 1.28% 863
- Johnson & Johnson Global Note: $314,833 $318,943 4,110 $315,000 1.39% 866
- Caterpillar Financial Notes: $1,365,700 $1,365,700 0 $1,000,000 1.26% 315
- TIAA Global Markets: $3,159,150 $3,095,265 (63,885) $3,000,000 0.46% 284
- New York Life Global: $3,052,560 $3,039,786 (12,774) $3,000,000 0.50% 349
- GE Capital: $3,102,030 $3,049,551 (52,479) $3,000,000 1.82% 226
- Berkshire Hathaway Fin Corp: $3,139,150 $3,095,265 (63,885) $3,000,000 0.46% 284
- GE Capital: $1,363,296 $1,614,323 (8,973) $1,600,000 1.39% 713
- Bank of New York: $1,133,140 $1,063,966 (69,174) $1,000,000 1.27% 605
- Wal-Mart: $3,109,437 $3,159,272 49,890 $3,000,000 1.80% 765
- Google Inc.: $2,999,130 $3,045,144 46,014 $3,000,000 1.26% 870
- US Bancorp: $3,082,440 $3,074,535 (7,905) $3,000,000 1.84% 1,304
- Procter & Gamble: $1,145,143 $1,145,923 7,780 $1,140,000 1.10% 1,323
- Procter & Gamble: $1,145,143 $1,145,923 7,780 $1,140,000 1.10% 1,323
- Procter & Gamble: $1,145,143 $1,145,923 7,780 $1,140,000 1.10% 1,323
- Procter & Gamble: $1,145,143 $1,145,923 7,780 $1,140,000 1.10% 1,323
- Procter & Gamble: $1,145,143 $1,145,923 7,780 $1,140,000 1.10% 1,323
- Procter & Gamble: $1,145,143 $1,145,923 7,780 $1,140,000 1.10% 1,323
- Procter & Gamble: $1,145,143 $1,145,923 7,780 $1,140,000 1.10% 1,323

**Total Corporate Medium Notes:**
<p>| $61,046,394 | $60,519,498 | ($526,895) | $58,618,000 | 1.31% 688 |</p>
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<th>Purchase Date</th>
<th>Maturity Date</th>
<th>Book Value</th>
<th>Market Value</th>
<th>Unrealized Gain / (Loss)</th>
<th>Par Value</th>
<th>Yield on Cost</th>
<th>Wtd. Avg. Days to Maturity</th>
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</table>

Legend:
- Automated Regional Justice Information System (ARJIS)
- Commercial Paper (CP)
- State of California Local Agency Investment Fund (LAIF)
- North County Transit District (NCTD)
- San Diego County Regional Transportation Commission (RTC)
QUARTERLY PROGRESS REPORT ON TRANSPORTATION PROJECTS – OCTOBER THROUGH DECEMBER 2011

Introduction

This quarterly report summarizes the current status of major highway, transit, arterial, traffic management, and transportation demand management (TDM) projects in the SANDAG five-year Regional Transportation Improvement Program. The TransNet one-half cent local sales tax and other local, state, and federal revenue sources fund the projects. The projects contained in this report have been previously prioritized and are included in the 2050 Regional Transportation Plan. This item is presented to the Board of Directors for information.

Discussion

TransNet Program

Attachment 1 (TransNet Program) indicates sales tax revenue available for allocation was approximately $60.1 million in the second quarter of FY 2012. Revenue for the second quarter of the fiscal year was 4.5 percent higher compared to the first quarter of FY 2012 ($57.5 million), and is approximately 6.4 percent higher than the first quarter of last fiscal year ($56.5 million). Offsetting the increase in revenues are higher construction costs. The California Highway Construction Price Index is currently 9 percent higher than last year at this time.

Highway Projects

Attachment 2 (Highway Projects) provides cost and schedule information on the major highway projects in the San Diego region. The accompanying map (Attachment 3 – Major Highway Projects) locates these projects.

A grand opening ceremony for the Interstate 15 (I-15) Express Lanes North Segment project (Project No. 7) was held on January 7, 2012, with the lanes officially opening to the public on January 17, 2012. This opening celebrated the completion of the last four miles of this TransNet Early Action Program (EAP) project completing the $1.3 billion, 20-mile stretch of Express Lanes. The I-15 Express Lanes are the first adaptable, high-tech transportation facility configured to meet diverse traveling needs in the San Diego region. The facility features a movable barrier that allows Caltrans to make up to three lanes available to drivers during rush-hour in the peak direction and also includes Direct Access Ramps (DARs), which enable buses and high-occupancy vehicles to enter the Express Lanes without yielding to traffic in the general purpose lanes.

The final environmental impact report for the State Route 76 (SR 76) East Widening project (Project No. 9) was released to the public on January 31, 2012. This TransNet EAP project will widen the SR 76 from two lanes to four lanes between Mission Road and I-15, including the interchange.
The **Eastbound SR 78 Auxiliary Lane** project (Project No. 10) in the City of San Marcos will construct an eastbound auxiliary lane between Woodland Parkway/Barham Drive and Nordahl Road and an additional auxiliary lane between the Barham Drive eastbound on-ramp and Nordahl Road eastbound off-ramp to aid in relieving congestion in that area. The construction contract for this project was awarded on September 27, 2011, and work began on January 3, 2012. This project is anticipated to be open to traffic by spring 2013.

An opening ceremony for the **SR 905/I-805 Interchange** Project (Project No. 17) was held on February 16, 2012. In February 2010, the U.S. Department of Transportation awarded $20.2 million of Transportation Investment Generating Economic Recovery (TIGER) grant funding. This project improved the interchange linking SR 905 to I-805 by providing auxiliary lanes and was completed ahead of schedule due to the additional TIGER funding.

**Transit and Bikeway Projects**

Attachment 4 (Transit and Bikeway Projects) provides cost and schedule information on the major transit and bikeway projects in the San Diego region. The accompanying map (Attachment 5 – Major Transit and Bikeway Projects) locates these projects.

The **Del Mar Bluffs 3** project (Project No. 36) was completed in January 2012. This project was funded for construction and installation of soldier piles with tiebacks at various locations along the bluffs in order to stabilize the bluffs and maintain use of the existing railroad tracks.

The **Bayshore Bikeway Segments 7 & 8A** (Project No. 58) is scheduled to be open to cyclists in early March 2012. The completion date was delayed due to recent weather events, such as rain, which caused some unfavorable conditions for construction. This project will complete the 1.8-mile segment between H Street and Palomar Street in the City of Chula Vista. On February 17, 2012, the Transportation Committee approved a $260,000 budget increase for this project to incorporate necessary adjustments to strengthen the roadbed design, due to unexpected, poor soil conditions encountered during construction.

The **Encinitas Pedestrian Crossing** project (Project No. 60) is now under construction. The contract which was awarded on January 3, 2012, will consist of construction of a rail bridge, a paved walkway, a new crosswalk, and a traffic signal to be added to Highway 101 at Santa Fe Drive. This project is scheduled to be open to users in fall 2012.

The **I-15 Mira Mesa DAR** project (Project No. 62) was advertised on January 3, 2012. This TransNet EAP project will construct a DAR to connect the I-15 Managed Lanes facility with the local street system and transit facilities in the Mira Mesa and Scripps Miramar Ranch communities in order to encourage public transit use, carpooling, and vanpooling. The contract is scheduled to be awarded in April 2012, with construction beginning in summer 2012 and an estimated open to traffic date in 2014.

**Arterial and Freeway Interchange Projects**

Attachment 6 (Arterial and Freeway Interchange Projects) provides cost and schedule information on the major arterial and interchange projects in the San Diego region. The accompanying map (Attachment 7 – Major Arterial and Interchange Projects) locates these projects.
The construction contract has been awarded for the Nordahl Road/SR 78 project (Project No. 70). This project will widen the interchange between Mission Avenue and Montiel Road to aid in relieving congestion in that area; it is expected to be open to traffic in fall 2012.

Traffic and Demand Management

Attachment 8 (Traffic Management and Intelligent Transportation System Projects) provides cost and schedule information on the major traffic management and intelligent transportation system projects in the San Diego region.

The FasTrak® project (Project No. 80) along the I-15 Corridor, now has all segments open to traffic. During the second quarter of FY 2012, the I-15 Express Lanes facility recorded approximately 624,000 FasTrak® trips, which is a decrease of 3 percent from the previous quarter (645,000) and approximately $926,000 in toll revenues was generated, which remained at the same level as last quarter ($926,000). Currently revenues from FasTrak® are used to cover operational costs first, with the remaining funds supporting transit service and other improvements along the I-15 corridor.

Attachment 9 (Incident Management) summarizes monthly activities in those functional areas. Attachment 10 (Freeway Service Patrol Assists) summarizes the number of assists by the Freeway Service Patrol.

iCommute Program: iCommute is the TDM program of SANDAG. The iCommute program provides convenient transportation choices that reduce auto dependency, vehicle energy consumption, and polluting emissions, while saving commuters time and money. iCommute provides free ride-matching services, a vanpool program, transit solutions, bicycle encouragement programs, the Guaranteed Ride Home program, SchoolPool and support for teleworking. During the second quarter, iCommute programs contributed to reducing approximately 31 million pounds of CO₂ and saving an estimated 1.5 million gallons of fuel.

Regional Vanpool Program: The participation rate decreased 2 percent from 768 to 754 vanpools for this quarter. This decrease can be attributed to military deployments, the reduction in the levels provided by the federal Transportation Incentive Program, and the transition to a “destination based” vanpool program, meaning that vanpools originating in San Diego County and terminating in a different County were given the choice to join the vanpool program serving the region of their commute destination. This allowed those vanpoolers the opportunity to take advantage of the Guaranteed Ride Home program.

Employer and Community Outreach: iCommute staff attended 31 outreach events during the second quarter. The number of new and active iCommute members remained steady. There were 2,162 new members, bringing the cumulative total to 19,975 members, of which 7,814 are actively tracking their trips. The number of employer networks in iCommute remained the same at 175 total networks, of which 122 are active networks.¹

¹ Active employer networks have at least two employee members affiliated with that network.
During the month of October, Rideshare 2011 was celebrated with Corporate and Commuter Challenges that generated significant environmental benefits. Nearly 66,000 alternative commute trips were taken, resulting in 1.5 million vehicle miles not traveled, which translated into approximately 67,000 gallons of gasoline saved.

Sponsored by the iCommute SchoolPool program, the Walk, Ride, and Roll to School Campaign was launched on October 5, 2011, in celebration of International Walk to School Day with more than 5,000 students participating. The purpose of the campaign was to raise awareness of the health and environmental benefits of walking and biking to school, highlighting the importance of pedestrian and bicycle safety.

**511 Services:** During the second quarter of FY 2012, 511 received approximately 224,000 calls. The most requested option continues to be “Traffic Conditions,” which accounted for approximately 24 percent of total calls this quarter. The 511 service continues to be utilized as a one-stop resource that consolidates the San Diego region’s transportation information into easily accessible phone and Web site systems. The transit page continues to be the most heavily visited 511 related page, amounting to 80 percent of total visits.

**SchoolPool Program:** SchoolPool is a free and secure online ride-matching service for parents of children who attend the same school anywhere in the region. As part of the regional Safe Routes to School initiative, SchoolPool added walking and biking to its list of transportation options for online ride-matching. Participation in SchoolPool grew from 64 schools and 631 parents at the end of the first quarter of FY 2012, to 68 schools and 1,059 parents participating through the end of the second quarter of FY 2012.

**Downtown San Diego Carshare Demonstration Project:** Last quarter the City of San Diego launched an electric vehicle (EV) carshare pilot project with Car2Go. This is the first EV carshare program in the country. The service provides a free-floating network of 100 Smart for two EVs, which are available on-demand for one-way trips. The carshare program was initiated based on recommendations from the SANDAG study, “On-Street Parking Carshare Demonstration Project.”

GARY L. GALLEGOS  
Executive Director

Attachments: 1. TransNet Extension Quarterly Report  
2. Highway Projects  
3. Major Highway Projects (Map)  
4. Transit and Bikeway Projects  
5. Major Transit and Bikeway Projects (Map)  
6. Arterial and Freeway Interchange Projects  
7. Arterial and Interchange Projects (Map)  
8. Traffic Management and Intelligent Transportation System Projects  
9. Incident Management  
10. Freeway Service Patrol Assists (Map)

Key Staff Contact: Michelle Merino, (619) 595-5608, Michelle.Merino@sandag.org
### TransNet Extension Quarterly Report

**Fiscal Year:** FY 2012  
**Quarter:** 2

#### TransNet Allocations

<table>
<thead>
<tr>
<th>PROGRAM &amp; RECIPIENT</th>
<th>Sales Tax Allocations</th>
<th>Other Income ¹</th>
<th>Total Allocation</th>
<th>Program Disbursements ²</th>
<th>Debt Service ³</th>
<th>Total Disbursements</th>
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<tbody>
<tr>
<td></td>
<td>This Quarter</td>
<td>FY to Date</td>
<td>Program to Date</td>
<td>This Quarter</td>
<td>FY to Date</td>
<td>Program to Date</td>
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</table>

#### Local Streets and Roads

- City of Carlsbad: $581,364, $1,137,749, $7,420,269, $7,627,843, $15,048,112, $(324), $(776), $(3,004,976)
- City of Chula Vista: $1,161,330, $2,272,214, $14,411,199, $3,799,609, $18,210,808, $(2,131,156), $(2,132,068), $(7,889,070)
- City of Coronado: $126,021, $247,057, $1,614,753, $787,210, $2,401,963, $(469,959), $(1,139,950), $(1,505,786)
- City of Del Mar: $44,898, $88,374, $591,273, $13,337,970, $752,506, $(149,019), $(201,290), $(9,019)
- City of El Cajon: $496,296, $971,347, $6,380,817, $2,176,666, $8,557,483, $(276), $(605,660), $(5,594,270)
- City of Encinitas: $355,719, $696,367, $4,574,582, $3,398,993, $7,973,575, $(1,225,196), $(1,225,468), $(4,084,128)
- City of Escondido: $738,166, $1,444,466, $9,391,830, $4,447,779, $13,839,609, $(2,238,179), $(4,615,455), $(4,620,796)
- City of Imperial Beach: $152,780, $299,400, $1,971,596, $536,514, $2,508,110, $(188,565), $(528,876), $(2,389,158)
- City of La Mesa: $323,759, $633,851, $4,154,443, $3,134,160, $7,288,603, $(967,178), $(1,512,425), $(2,703,080)
- City of Lemon Grove: $149,544, $293,071, $1,931,950, $495,213, $2,427,163, $(78), $(263,135), $(560,253)
- City of National City: $285,378, $558,774, $3,785,709, $1,037,310, $4,823,019, $(811,156), $(811,373), $(1,013,497), $(97,401), $(193,184), $(5,084,350), $(6,097,847)
- City of Oceanside: $990,201, $1,937,427, $12,413,270, $8,041,997, $20,455,267, $(4,000,557), $(6,501,334), $(12,988,391), $(12,988,391)
- City of Poway: $323,773, $633,877, $4,171,921, $1,129,367, $5,301,288, $(290,177), $(600,424), $(4,888,650), $(4,888,650)
- City of San Diego: $6,759,343, $13,222,430, $85,760,389, $23,095,124, $108,855,513, $(3,656,501), $(23,518,693), $(43,637,758), $(43,637,758)
- City of San Marcos: $429,526, $840,741, $5,491,388, $2,824,206, $8,315,594, $(2,347,868), $(6,092,919), $(6,116,997), $(196,538), $(605,731), $(1,494,939), $(7,611,936)
- City of Santee: $311,091, $609,070, $3,905,616, $996,824, $4,902,440, $(1,449,352), $(1,649,589), $(2,981,032), $(148,276), $(295,143), $(4,846,388), $(7,827,420)
- City of Solana Beach: $94,960, $186,298, $1,233,369, $398,923, $1,632,292, $(47), $(113), $(50,729), $(23,887), $(104,203), $(308,470), $(359,199)
## TransNet Allocations

<table>
<thead>
<tr>
<th>PROGRAM &amp; RECIPIENT</th>
<th>This Quarter</th>
<th>FY to Date</th>
<th>Program to Date</th>
<th>Other Income</th>
<th>Total Allocation</th>
<th>This Quarter</th>
<th>FY to Date</th>
<th>Program to Date</th>
<th>Program to Date</th>
<th>This Quarter</th>
<th>FY to Date</th>
<th>Program to Date</th>
<th>Program to Date</th>
<th>This Quarter</th>
<th>FY to Date</th>
<th>Program to Date</th>
<th>Program to Date</th>
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<td>($5,709,630)</td>
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<tr>
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<td>($336,282)</td>
<td>($726,167)</td>
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<td>($64,260,048)</td>
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### Transit Services

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<th>Program to Date</th>
<th>Other Income</th>
<th>Total Allocation</th>
<th>This Quarter</th>
<th>FY to Date</th>
<th>Program to Date</th>
<th>Program to Date</th>
<th>This Quarter</th>
<th>FY to Date</th>
<th>Program to Date</th>
<th>Program to Date</th>
<th>This Quarter</th>
<th>FY to Date</th>
<th>Program to Date</th>
<th>Program to Date</th>
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<td>$312,253</td>
<td>$610,987</td>
<td>$3,973,604</td>
<td>$35,250</td>
<td>$4,008,854</td>
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<td>Total Transit Services</td>
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<td>$122,264,727</td>
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<td>$122,572,567</td>
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<td>($8,873)</td>
<td>($42,257)</td>
<td>($247,096)</td>
<td>($177,224,583)</td>
<td>($8,873)</td>
<td>($42,257)</td>
<td>($247,096)</td>
<td>($177,224,583)</td>
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<td>New Major Corridor Transit Operations</td>
<td>$4,716,548</td>
<td>$9,228,894</td>
<td>$60,020,866</td>
<td>$804,755</td>
<td>$60,825,621</td>
<td>($13,085)</td>
<td>($33,469)</td>
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<td>($3,918,873)</td>
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### 2008 ABCD Sales Tax Revenue Bond Activity - $600,000,000

<table>
<thead>
<tr>
<th>PROGRAM &amp; RECIPIENT</th>
<th>Bond Proceeds Disbursements</th>
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<th></th>
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<tbody>
<tr>
<td></td>
<td>Prior Years</td>
<td>This Quarter</td>
<td>FY to Date</td>
<td>Program to Date</td>
</tr>
<tr>
<td>San Diego County</td>
<td>$22,600,000</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>Major Corridor Capital Projects</td>
<td>$462,650,990</td>
<td>$63,342,694</td>
<td>$63,342,694</td>
<td>$525,993,684</td>
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<tr>
<td>Major Corridor Project EMP</td>
<td>$58,038,117</td>
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<td>$63,342,694</td>
<td>$63,342,694</td>
<td>$606,631,801</td>
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### 2008 Bond Proceeds Disbursements

#### Prior Years

- **San Diego County**: $22,600,000
- **Major Corridor Capital Projects**: $462,650,990
- **Major Corridor Project EMP**: $58,038,117

#### This Quarter

- **San Diego County**: $0
- **Major Corridor Capital Projects**: $63,342,694
- **Major Corridor Project EMP**: $0

#### FY to Date

- **San Diego County**: $0
- **Major Corridor Capital Projects**: $63,342,694
- **Major Corridor Project EMP**: $0

#### Program to Date

- **San Diego County**: $22,600,000
- **Major Corridor Capital Projects**: $525,993,684
- **Major Corridor Project EMP**: $58,038,117

### Data shown in prior reports may have been modified to include additional data received after submission of the report.

### 2010 A Sales Tax Revenue Bond Activity - $338,960,000

<table>
<thead>
<tr>
<th>PROGRAM &amp; RECIPIENT</th>
<th>Bond Proceeds Disbursements</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Prior Years</td>
<td>This Quarter</td>
<td>FY to Date</td>
<td>Program to Date</td>
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<tr>
<td>City of San Marcos</td>
<td>$247,320</td>
<td>$1,864,701</td>
<td>$3,295,421</td>
<td>$3,542,741</td>
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<td>City of Solana Beach</td>
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<td>$0</td>
<td>$45,342</td>
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<tr>
<td>Major Corridor Capital Projects</td>
<td>$23,248,752</td>
<td>$181,521,536</td>
<td>$190,533,529</td>
<td>$213,782,281</td>
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<td>Major Corridor Project EMP</td>
<td>$9,547,618</td>
<td>$18,685,538</td>
<td>$19,175,173</td>
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<td>Total 2010 A Bond Disbursement</td>
<td>$33,089,032</td>
<td>$202,071,775</td>
<td>$213,004,123</td>
<td>$246,093,155</td>
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### 2010 B Sales Tax Revenue Bond Activity - $11,040,000

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<td></td>
<td>Prior Years</td>
<td>This Quarter</td>
<td>FY to Date</td>
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<tr>
<td>City of National City</td>
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<td>Total 2010 B Bond Disbursement</td>
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<td>$1,359,182</td>
<td>$1,359,182</td>
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### Other Activity

#### Sales Tax Revenue Transfers for EMP Debt Service Payments

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<tr>
<td></td>
<td>Prior Years</td>
<td>This Quarter</td>
<td>FY to Date</td>
<td>Program to Date</td>
</tr>
<tr>
<td>Major Corridor Capital Projects</td>
<td>$(23,250,061)</td>
<td>$(2,027,030)</td>
<td>$(7,870,883)</td>
<td>$(31,120,944)</td>
</tr>
<tr>
<td>Major Corridor Project EMP</td>
<td>$23,250,061</td>
<td>$2,027,030</td>
<td>$7,870,883</td>
<td>$31,120,944</td>
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<tr>
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### Commercial Paper Program Activity

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<th>Commercial Paper Disbursements</th>
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<tr>
<td></td>
<td>FY to Date</td>
<td>Program to Date</td>
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</tr>
<tr>
<td>City of National City</td>
<td>$0</td>
<td>$(4,500,000)</td>
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</tr>
<tr>
<td>City of Santee</td>
<td>$0</td>
<td>$(3,950,000)</td>
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<tr>
<td>NCTD</td>
<td>$0</td>
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<tr>
<td>Total CP Disbursements</td>
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<td>$(42,450,000)</td>
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### Commercial Paper Program Availability

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<td>Program to Date</td>
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<td>$1,100,000</td>
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### FOOTNOTES:

1. Other income includes interest revenue, transfers from TransNet I, other non-sales tax revenue, and the one-time swap of Major Corridor Sales Tax Revenue (to LSI Cities and County) for ARRA funds.
2. Program Disbursements include payments to TransNet recipient agencies and program costs, including payments made for Early Action Projects in prior years, and return of funds.
3. Debt Service includes principal and interest payments, including debt payments beginning in March 2008 upon issuance of the 2008 ABCD Sales Tax Revenue Bond, and other debt service costs net of interest earnings.
4. Major Corridor Program disbursements this quarter include the TransNet portion of the SR-125 purchase.
5. 2008 Bond Proceeds have been fully disbursed, net of Reserve Requirement of $17.1 million. The Program to Date total includes interest earnings.

Data shown in prior reports may have been modified to include additional data received after submission of the report.
## Highway Projects

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Current Phase</th>
<th>Total Project</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Sponsor Agency</td>
<td>Phase</td>
</tr>
<tr>
<td>2 I-5 Widening (Southbound) Genesee Avenue to Sorrento Valley Overhead Interchange and South Bound Aux Lanes</td>
<td>Caltrans</td>
<td>Design</td>
</tr>
<tr>
<td>3 I-5 High Occupancy Vehicle (HOV)/Managed Lanes La Jolla Village Drive to Vandergrift Boulevard</td>
<td>Caltrans</td>
<td>Final Environmental</td>
</tr>
<tr>
<td>4 I-5 HOV Lanes North Coast - Manchester Road to SR 78 2 HOV Lanes and Noise Barriers</td>
<td>Caltrans</td>
<td>Design</td>
</tr>
<tr>
<td>5 I-5/ SR 78 Connectors South to East Connector and West to South</td>
<td>Caltrans</td>
<td>Feasibility Study</td>
</tr>
<tr>
<td>6 SR 11 4-Lane Freeway and East Otay Mesa Border Crossing Freeway Access to New Border Crossing</td>
<td>Caltrans</td>
<td>Tier II EIR/EIS</td>
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<tr>
<td>7 I-15 Express Lanes North Segment Centre City Parkway to SR 78</td>
<td>Caltrans</td>
<td>Complete</td>
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<tr>
<td>8 SR 76 Middle Widening Melrose Drive to Mission Road</td>
<td>Caltrans</td>
<td>Construction</td>
</tr>
<tr>
<td>9 SR 76 East Widening Mission Road to I-15 - Phase I</td>
<td>Caltrans</td>
<td>Advertisement</td>
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<tr>
<td>10 Eastbound SR 78 Aux Lanes Woodland Parkway/Barham Drive Interchange and Nordahl Road</td>
<td>Caltrans</td>
<td>Construction</td>
</tr>
<tr>
<td>11 SR 94/ SR 125 Interchange Add North to East and West to South Connectors Widen SR 125 from SR 94 to Lemon Avenue</td>
<td>Caltrans</td>
<td>Environmental</td>
</tr>
<tr>
<td>12 SR 94 I-5 to I-805 2 HOV Lanes &amp; Connectors at SR 94/I-805</td>
<td>Caltrans</td>
<td>Draft Environmental</td>
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<tr>
<td>Project Title</td>
<td>Current Phase</td>
<td>Total Project</td>
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<td>Phase</td>
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<td>Agency</td>
<td>Completion</td>
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<td>Contract Mar-12</td>
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<tr>
<td>I-805 HOV Lanes - North</td>
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<td>SR 52 to Mira Mesa Boulevard</td>
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<td>Award Mar-12</td>
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<td>I-805 Managed Lanes - South</td>
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<tr>
<td>Palomar Street to SR 94</td>
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<td>Direct Access Ramps</td>
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<td>15</td>
<td>Caltrans</td>
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<tr>
<td>I-805 HOV Lanes and</td>
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<td>Carroll Canyon Road Extension</td>
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<td>Carroll Canyon Road to I-5 “Merge”</td>
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<td>16</td>
<td>Caltrans</td>
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<td>SR 905 4-Lane Freeway</td>
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<td>I-805 to Britannia Boulevard</td>
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<td>17</td>
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<tr>
<td>SR 905A-805 Interchange</td>
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<tr>
<td>West to North Connector</td>
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<tr>
<td>I-805 Aux Lanes</td>
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**Totals**

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<tr>
<th>Approved Budget ($1,000's)</th>
<th>Funded Budget ($1,000's)</th>
<th>Cost to Complete ($1,000's)</th>
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<td><strong>Transit and Bikeway Projects</strong></td>
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<tr>
<td><strong>Description/Limits</strong></td>
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<td>Mid-Coast Light Rail Transit (LRT)</td>
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<td>Draft SEIS/SEIR</td>
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<td>Old Town to University Towne Centre</td>
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<td><strong>SuperLoop</strong></td>
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<td>Phase 1</td>
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<td><strong>South Bay Bus Rapid Transit</strong></td>
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<td>Otay Mesa to Downtown Bus Rapid Transit Guideway</td>
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<td>Maintenance and Operation Facility</td>
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<td><strong>Santa Margarita River Bridge Replacement &amp; 2nd Track</strong></td>
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<td>Construction</td>
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<td><strong>Sorrento-Miramar Curve Realignment &amp; 2nd Track - Phase I</strong></td>
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<td><strong>Sorrento-Miramar Curve Realignment &amp; 2nd Track - Phase II</strong></td>
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<td>Vehicle Delivery</td>
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<td><strong>Mid City Rapid Bus Downtown to SDSU</strong></td>
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TransNet funded projects in bold
Underlined items changed from last report
Baseline established when construction is funded
<table>
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<tr>
<th>Project Title</th>
<th>Sponsor Agency</th>
<th>Current Phase</th>
<th>Total Project</th>
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<td>Double Tracking/Platform Extension</td>
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<tr>
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<td>Jun-13</td>
<td>$6,000</td>
</tr>
<tr>
<td>Carlsbad Village</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Double Tracking</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>52 Coastal Rail Corridor</td>
<td>SANDAG</td>
<td>Environmental</td>
<td>Jan-13</td>
<td>$9,550</td>
</tr>
<tr>
<td>San Dieguito</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Double Tracking</td>
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<tr>
<td>53 Coastal Rail Corridor</td>
<td>SANDAG</td>
<td>Design</td>
<td>Dec-12</td>
<td>$80,000</td>
</tr>
<tr>
<td>Elvira to Morena</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Double Tracking</td>
<td></td>
<td></td>
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<tr>
<td>54 Coastal Rail Trail</td>
<td>SANDAG</td>
<td>Environmental</td>
<td>Sep-12</td>
<td>$400</td>
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<tr>
<td>South of SR 52 to Mission Bay</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Along Rose Creek</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

TransNet funded projects in bold
Underlined items changed from last report
‡Baseline established when construction is funded
Feb 2012
<table>
<thead>
<tr>
<th>Project Title</th>
<th>Description/Limits</th>
<th>Sponsor Agency</th>
<th>Current Phase</th>
<th>Current Completion</th>
<th>Cost and Budget</th>
<th>Total Project</th>
<th>Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Phase</td>
<td></td>
<td>Approved Budget</td>
<td>Funded Budget</td>
<td>Cost to Complete</td>
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<tr>
<td>55 Inland Rail Trail Vista Design Mar-13 $1,445 $1,445 $20,500</td>
<td>2014 On Schedule</td>
<td></td>
<td></td>
<td></td>
<td>$1,445</td>
<td>$1,445</td>
<td>$20,500</td>
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<td>56 Inland Rail Trail SANDAG Environmental Mar-12 $1,597 $1,597 $11,200</td>
<td>2014 On Schedule</td>
<td></td>
<td></td>
<td></td>
<td>$1,597</td>
<td>$1,597</td>
<td>$11,200</td>
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<tr>
<td></td>
<td>Phases IIA, IIB, IIIA and IIIB Melrose Drive to N. Pacific Street</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Segments 4 &amp; 5 National City Limits to Sweetwater River</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>58 Bayshore Bikeway SANDAG Construction Mar-12 $1,452 $1,452 $1,452</td>
<td>2012 Behind</td>
<td></td>
<td></td>
<td></td>
<td>$1,452</td>
<td>$1,452</td>
<td>$1,452</td>
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<tr>
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<td>Segments 7 &amp; 8A Lagoon Drive to Palomar</td>
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<tr>
<td>59 Bayshore Bikeway SANDAG Environmental Feb-13 $451 $451 $2,600</td>
<td>2013 On Schedule</td>
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<td></td>
<td></td>
<td>$451</td>
<td>$451</td>
<td>$2,600</td>
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<tr>
<td></td>
<td>Segment 8B Palomar to Main Street</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>60 Encinitas Pedestrian Crossing SANDAG Construction Oct-12 $6,448 $6,448 $6,448</td>
<td>2012 On Schedule</td>
<td></td>
<td></td>
<td></td>
<td>$6,448</td>
<td>$6,448</td>
<td>$6,448</td>
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<tr>
<td>Santa Fe Drive</td>
<td></td>
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<tr>
<td>61 I-15 BRT Sabre Springs SANDAG Notice to Proceed Jun-12 $22,000 $22,000 $22,000</td>
<td>2013 On Schedule</td>
<td></td>
<td></td>
<td></td>
<td>$22,000</td>
<td>$22,000</td>
<td>$22,000</td>
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<tr>
<td>Parking Structure and Transit Center</td>
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<tr>
<td>Direct Access Ramp</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TransNet funded projects in bold</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Underlined items changed from last report</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>#Baseline established when construction is funded</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Approved Budget</td>
<td>Funded Budget</td>
<td>Cost to Complete</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
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<td></td>
<td>($1,000’s)</td>
<td>($1,000’s)</td>
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<td></td>
<td></td>
<td>$2,257,688</td>
<td>$2,257,688</td>
<td>$2,631,807</td>
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</tbody>
</table>
Mid-Coast LRT Old Town–UTC
SuperLoop
South Bay BRT
East County Bus Maintenance Facility
San Ysidro Intermodal Freight Facility and Mainline Kearny Mesa Transit Center
Santa Margarita River Bridge
Sorrento-Miramar Curve
Blue Line Station Improvements
Mid City Rapid Bus
Camp Pendleton/San Onofre Double Track
Oceanside Station Stub Tracks & Crossover
Poinsettia Station/Carlsbad Run-Through Track
San Elijo Lagoon Double Track
Sorrento Valley Double Track
Tecolote–Washington St/SD Crossovers
Eastbrook to Shell Double Track
Carlsbad Village Double Track
San Diego–Double Track
Elvira to Morena Double Track
Coastal Rail Trail
Inland Rail Trail
Inland Rail Trail - Melrose Dr–N. Pacific St
Bayshore Bikeway - Segments 4 & 5
Bayshore Bikeway - Segments 7 & 8A
Bayshore Bikeway - Segment 8B
Encinitas Pedestrian Crossing - Santa Fe Dr
I-15 BRT Sabre Springs Parking Structure and Transit Center.
I-15 Mira Mesa Direct Access Ramp

Project number refers to Project ID in Attachment 4
## Arterial and Freeway Interchange Projects

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Sponsor Agency</th>
<th>Current Phase</th>
<th>Total Project</th>
<th>Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>70 Nordahl Road/SR 78 Interchange</td>
<td>Escondido</td>
<td>Construction Dec-12</td>
<td>Approved Budget: $10,300</td>
<td>2012 Ahead</td>
</tr>
<tr>
<td>Widening, Mission Avenue to Montiel Road</td>
<td></td>
<td>Funded Budget: $7,286</td>
<td>Cost to Complete: $10,300</td>
<td></td>
</tr>
<tr>
<td>71 Plaza Boulevard Widening</td>
<td>National City</td>
<td>Design &amp; Right of Way May-12</td>
<td>$11,140</td>
<td>TBD TBD</td>
</tr>
<tr>
<td>Highland Avenue to Euclid Avenue</td>
<td></td>
<td></td>
<td>Funded Budget: $3,392</td>
<td></td>
</tr>
<tr>
<td>72 Espola Road Widening</td>
<td>Poway</td>
<td>Environmental Dec-12</td>
<td>Cost to Complete: $6,401</td>
<td>2015 On Schedule</td>
</tr>
<tr>
<td>Twin Peaks Road to 900 feet South of Titan Way</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>73 Friars Road/SR 163 Interchange</td>
<td>San Diego</td>
<td>Design Mar-13</td>
<td>Total Project: $136,000</td>
<td>2016 On Schedule</td>
</tr>
<tr>
<td>Fashion Valley Road to Frazee Road</td>
<td></td>
<td></td>
<td>Approved Budget: $136,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Funded Budget: $6,914</td>
<td></td>
</tr>
<tr>
<td>74 El Camino Real</td>
<td>San Diego</td>
<td>Final Dec-12</td>
<td>Cost to Complete: $30,000</td>
<td>2016 Behind</td>
</tr>
<tr>
<td>Via de la Valle to San Dieguito Road</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>75 West Vista Way Widening</td>
<td>Vista</td>
<td>Advertisement Mar-12</td>
<td>$4,085</td>
<td>2013 On Schedule</td>
</tr>
<tr>
<td>Thunder Drive to Melrose Drive Phase 1</td>
<td></td>
<td></td>
<td>Funded Budget: $4,085</td>
<td></td>
</tr>
<tr>
<td>76 South Santa Fe Avenue</td>
<td>Co. of San Diego</td>
<td>Construction Oct-12</td>
<td>Total Project: $32,991</td>
<td>2012 Behind</td>
</tr>
<tr>
<td>Phase I: City Limits of Vista to South of Woodland</td>
<td></td>
<td></td>
<td>Approved Budget: $32,991</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Funded Budget: $27,731</td>
<td></td>
</tr>
<tr>
<td>77 Bradley Avenue/SR 67 Interchange</td>
<td>Co. of San Diego</td>
<td>Design &amp; Right of Way May-12</td>
<td>$32,000</td>
<td>2013 Ahead</td>
</tr>
<tr>
<td>Reconstruct and widen interchange</td>
<td></td>
<td></td>
<td>Funded Budget: $6,725</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Cost to Complete: $32,000</td>
<td></td>
</tr>
</tbody>
</table>

### Totals

<table>
<thead>
<tr>
<th>Approved Budget ($1,000's)</th>
<th>Funded Budget ($1,000's)</th>
<th>Cost to Complete ($1,000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$252,457</td>
<td>$75,350</td>
<td>$262,917</td>
</tr>
</tbody>
</table>

TransNet funded projects in **bold**
Underlined items changed from last report
Modify Friars Rd. Interchange
Widen Espola Road
Widen El Camino Real
Widen W. Vista Way
Widen South Santa Fe Ave.
Modify Nordahl Rd. Interchange
Modify Bradley Ave. Interchange
Widen Plaza Blvd.
Widen Friars Rd. Interchange

Arterial and Interchange Projects
October – December 2011

- Arterial Under Development
- Arterial Under Construction
- Interchange Under Development
- Interchange Under Construction

MILES
0 3 6
0 3.1 9.6
KILOMETERS

SANDAG

United States
Mexico

Tijuana, B.C.
Imperial Beach
National City
Chula Vista
La Mesa
Santee
Poway
San Marcos
Vista
Escondido
Oceanside
Camp Pendleton
San Diego
La Jolla
Del Mar
San Dieguito
Encinitas
Solana Beach
Carlsbad
PACIFIC OCEAN

16
## Traffic Management and Intelligent Transportation System Projects

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Sponsor Agency</th>
<th>Description/Limits</th>
<th>Current Phase</th>
<th>Total Project</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Phase</td>
<td>Completion</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>80 FasTrak®</td>
<td>SANDAG</td>
<td>Launch Dec-12</td>
<td>Full</td>
<td>Dec-12</td>
</tr>
<tr>
<td>81 Centralized Train Control - Phase 1</td>
<td>SANDAG</td>
<td>Implementation Feb-12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>82 Regional Arterial Management System Arterial System - Phase II</td>
<td>SANDAG</td>
<td>Operations Ongoing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>83 511 Commercial Vehicle Operations (CVO)</td>
<td>SANDAG</td>
<td>Operations Ongoing</td>
<td></td>
<td></td>
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</tbody>
</table>

### Totals

<table>
<thead>
<tr>
<th>Approved Budget ($1,000's)</th>
<th>Funded Budget ($1,000's)</th>
<th>Cost to Complete ($1,000's)</th>
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</thead>
<tbody>
<tr>
<td>$17,907</td>
<td>$17,907</td>
<td>$17,907</td>
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</table>
## Incident Management
October - December 2011 Progress Report

<table>
<thead>
<tr>
<th></th>
<th>This Quarter</th>
<th>Last Quarter</th>
<th>Fiscal Year To Date</th>
<th>Last Fiscal Year To Date</th>
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<tbody>
<tr>
<td><strong>Freeway Service Patrol (FSP)</strong></td>
<td></td>
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<tr>
<td>Total Assists</td>
<td>11,916</td>
<td>14,205</td>
<td>26,121</td>
<td>26,563</td>
</tr>
<tr>
<td><em>(Includes FSP for Traffic Management Plans on Interstate 15 [I-15], I-805, and SR-163)</em></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td><strong>Freeway Incident Advisories</strong></td>
<td></td>
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<tr>
<td>Sg Alerts</td>
<td>166</td>
<td>128</td>
<td>294</td>
<td>323</td>
</tr>
<tr>
<td>Sg Alert Duration (total minutes)</td>
<td>75,558</td>
<td>20,085</td>
<td>95,643</td>
<td>37,006</td>
</tr>
</tbody>
</table>
REPORT SUMMARIZING DELEGATED ACTIONS 
TAKEN BY EXECUTIVE DIRECTOR 

File Number 8000100

Introduction

Board Policy Nos. 003, 017, and 024 require the Executive Director to report certain actions to the Board of Directors on a monthly basis.

Discussion

Board Policy No. 003

Board Policy No. 003: Investment Policy states a monthly report of all investment transactions shall be submitted to the Board. Attachment 1 contains the reportable investment transactions for December 2011.

Board Policy No. 017

Board Policy No. 017: Delegation of Authority requires the Executive Director to report to the Board certain actions taken at the next regular meeting.

Section 4.1 of the policy authorizes the Executive Director to enter into agreements not currently incorporated in the budget and make other modifications to the budget in an amount up to $100,000 per transaction, so long as the overall budget remains in balance. Attachment 2 contains the reportable actions since the report made at the last meeting.

Board Policy No. 024

Board Policy No. 024: Procurement and Contracting-Construction requires the Executive Director to report to the Board the granting of (1) Relief from Maintenance and Responsibility over $25,000, and (2) Acceptance of Work for construction contracts over $25,000. There are no delegated action items to report since the report made at the last meeting.

GARY L. GALLEGOS
Executive Director

Attachments: 1. Reportable Investment Transactions for December 2011
2. Budget Transfers and Amendments

Key Staff Contact: Lauren Warrem, (619) 699-6931, Lauren.Warrem@sandag.org
## MONTHLY ACTIVITY FOR INVESTMENT SECURITIES TRANSACTIONS FOR DECEMBER 1 THROUGH DECEMBER 31, 2011

<table>
<thead>
<tr>
<th>Transaction Date</th>
<th>Maturity Date</th>
<th>Security</th>
<th>Par Value</th>
<th>Original Cost</th>
<th>Yield to Maturity on Cost</th>
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</thead>
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<tr>
<td><strong>BOUGHT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/05/2011</td>
<td>12/05/2016</td>
<td>FEDERAL NATL MTG ASSN</td>
<td>$1,000,000.00</td>
<td>$1,000,000.00</td>
<td>1.00%</td>
</tr>
<tr>
<td>12/13/2011</td>
<td>12/14/2012</td>
<td>NEW YORK LIFE GLOBAL FUNDING</td>
<td>$3,000,000.00</td>
<td>$3,052,560.00</td>
<td>0.50%</td>
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<tr>
<td>12/20/2011</td>
<td>02/17/2014</td>
<td>CATERPILLAR FINANCIAL SE NOTES</td>
<td>$315,000.00</td>
<td>$345,227.90</td>
<td>1.00%</td>
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<tr>
<td>12/23/2011</td>
<td>09/21/2015</td>
<td>GENERAL ELECTRIC CAPITAL</td>
<td>$1,360,000.00</td>
<td>$1,472,580.80</td>
<td>2.07%</td>
</tr>
<tr>
<td>12/23/2011</td>
<td>12/23/2011</td>
<td>GENERAL ELECTRIC CAPITAL</td>
<td>$1,000,000.00</td>
<td>$1,053,750.00</td>
<td>1.91%</td>
</tr>
<tr>
<td>12/23/2011</td>
<td>08/15/2016</td>
<td>PROCTER &amp; GAMBLE</td>
<td>$1,132,000.00</td>
<td>$1,145,142.50</td>
<td>1.19%</td>
</tr>
<tr>
<td>12/29/2011</td>
<td>12/29/2014</td>
<td>FEDERAL NATL MTG ASSN</td>
<td>$3,000,000.00</td>
<td>$3,000,000.00</td>
<td>0.90%</td>
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<tr>
<td><strong>TOTAL BOUGHT:</strong></td>
<td></td>
<td></td>
<td>$11,533,000.00</td>
<td>$11,803,690.08</td>
<td>1.09%</td>
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<tr>
<td><strong>MATURED</strong></td>
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<tr>
<td>12/31/2011</td>
<td>12/31/2011</td>
<td>US TREASURY NOTES</td>
<td>$4,250,000.00</td>
<td>$4,445,566.41</td>
<td>0.34%</td>
</tr>
<tr>
<td><strong>TOTAL MATURED:</strong></td>
<td></td>
<td></td>
<td>$4,250,000.00</td>
<td>$4,445,566.41</td>
<td>0.34%</td>
</tr>
<tr>
<td><strong>SOLD</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>12/08/2011</td>
<td>12/08/2014</td>
<td>FEDERAL FARM CR BKS</td>
<td>$3,000,000.00</td>
<td>$3,000,000.00</td>
<td>1.54% *</td>
</tr>
<tr>
<td>12/09/2011</td>
<td>12/09/2013</td>
<td>FEDERAL HOME LOAN MTG CORP</td>
<td>$3,000,000.00</td>
<td>$3,000,000.00</td>
<td>1.05% *</td>
</tr>
<tr>
<td>12/12/2011</td>
<td>09/10/2012</td>
<td>J P MORGAN CHASE &amp; CO (BEAR STEARNS) MTN</td>
<td>$5,000,000.00</td>
<td>$5,465,600.00</td>
<td>1.20% **</td>
</tr>
<tr>
<td>12/12/2011</td>
<td>10/23/2012</td>
<td>GENERAL ELEC CAP CORP GLOBAL SR MTN</td>
<td>$5,000,000.00</td>
<td>$5,367,950.00</td>
<td>1.27% **</td>
</tr>
<tr>
<td>12/13/2011</td>
<td>07/27/2012</td>
<td>FEDERAL HOME LOAN MTG CORP GLOBAL NOTES</td>
<td>$10,000,000.00</td>
<td>$10,108,800.00</td>
<td>0.47% **</td>
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<tr>
<td>12/14/2011</td>
<td>06/15/2012</td>
<td>FEDERAL HOME LOAN MTG CORP GLOBAL NOTES</td>
<td>$10,000,000.00</td>
<td>$10,200,300.00</td>
<td>0.46% **</td>
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<tr>
<td>12/16/2011</td>
<td>12/19/2011</td>
<td>FNMA GLOBAL BENCHMARK NOTES</td>
<td>$10,000,000.00</td>
<td>$10,655,600.00</td>
<td>0.44% **</td>
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<tr>
<td>12/16/2011</td>
<td>02/29/2012</td>
<td>US TREASURY NOTES</td>
<td>$10,000,000.00</td>
<td>$10,071,875.00</td>
<td>0.31% **</td>
</tr>
<tr>
<td>12/16/2011</td>
<td>03/23/2012</td>
<td>FEDERAL HOME LOAN MTG CORP GLOBAL NOTES</td>
<td>$10,000,000.00</td>
<td>$10,231,800.00</td>
<td>0.38% **</td>
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<tr>
<td>12/16/2011</td>
<td>04/20/2012</td>
<td>FNMA BENCHMARK NOTES</td>
<td>$10,000,000.00</td>
<td>$10,206,900.00</td>
<td>0.40% **</td>
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<tr>
<td>12/16/2011</td>
<td>01/31/2012</td>
<td>US TREASURY NOTES</td>
<td>$10,000,000.00</td>
<td>$10,067,187.50</td>
<td>0.31% **</td>
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<tr>
<td>12/16/2011</td>
<td>12/31/2011</td>
<td>US TREASURY NOTES</td>
<td>$10,000,000.00</td>
<td>$10,077,343.75</td>
<td>0.30% **</td>
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<tr>
<td>12/20/2011</td>
<td>02/26/2013</td>
<td>FEDERAL NATL MTG ASSN</td>
<td>$8,150,000.00</td>
<td>$8,193,032.00</td>
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<tr>
<td>12/20/2011</td>
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<td>FEDERAL NATL MTG ASSN</td>
<td>$850,000.00</td>
<td>$846,311.00</td>
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<td>12/20/2011</td>
<td>09/30/2012</td>
<td>US TREASURY NOTES</td>
<td>$5,000,000.00</td>
<td>$4,986,523.44</td>
<td>0.58% **</td>
</tr>
<tr>
<td>12/20/2011</td>
<td>10/18/2013</td>
<td>FREDDIE MAC (CALLABLE) GLOBAL NOTES</td>
<td>$5,000,000.00</td>
<td>$4,992,250.00</td>
<td>0.58% **</td>
</tr>
<tr>
<td>12/20/2011</td>
<td>10/18/2013</td>
<td>FREDDIE MAC (CALLABLE) GLOBAL NOTES</td>
<td>$4,000,000.00</td>
<td>$3,993,200.00</td>
<td>0.59% **</td>
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<tr>
<td>12/20/2011</td>
<td>05/20/2014</td>
<td>CATERPILLAR FINANCIAL SE NOTE</td>
<td>$350,000.00</td>
<td>$349,814.50</td>
<td>1.39% **</td>
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<tr>
<td><strong>TOTAL SOLD:</strong></td>
<td></td>
<td></td>
<td>$124,350,000.00</td>
<td>$127,180,187.19</td>
<td>0.60%</td>
</tr>
</tbody>
</table>

*This security was called by the issuer.

**These security sales were made as part of the State Route 125 purchase on December 22, 2011, and for the ongoing active management of the portfolio by identifying opportunities to enhance the portfolio’s total return. In December, maturities with less relative value were sold and new securities that are more likely to enhance the portfolio’s total return were purchased.
## BUDGET TRANSFERS AND AMENDMENTS

in '000s

<table>
<thead>
<tr>
<th>PROJECT NUMBER</th>
<th>PROJECT NAME</th>
<th>CURRENT BUDGET</th>
<th>NEW BUDGET</th>
<th>CHANGE</th>
</tr>
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<tbody>
<tr>
<td>7500000</td>
<td>Service Bureau - Main Project FY 2012</td>
<td>$11.9</td>
<td>$1.3</td>
<td>($10.6)</td>
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<tr>
<td></td>
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<tr>
<td></td>
<td>(7500000) Transferred funds from the Main Service Bureau project (7500000) to establish a new project (7510600) and increase an existing project (7510300) for additional services.</td>
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<tr>
<td>7510300</td>
<td>Survey of Older Americans</td>
<td>$15.6</td>
<td>$18.9</td>
<td>$3.3</td>
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<tr>
<td></td>
<td>Increase a Service Bureau project to reflect an increase in services. The new budget for this project includes an additional $1,200 in professional services that does not impact project 7500000. Total budget for this project includes expenses of $18,900 and revenue of $25,000.</td>
<td></td>
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<tr>
<td>7510600</td>
<td>Conversion of Wing Maps to GIS</td>
<td>$0.0</td>
<td>$8.5</td>
<td>$8.5</td>
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<td></td>
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<tr>
<td></td>
<td>Establish a new Service Bureau project for conversion of wing maps to GIS layers for the City of El Cajon. Total budget for this new project includes expenses of $8,500 and revenue of $10,000.</td>
<td></td>
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</tr>
<tr>
<td>3320800</td>
<td>New Freedom Pass-Through Grant Program</td>
<td>$2,933.3</td>
<td>$2,965.4</td>
<td>$32.1</td>
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<tr>
<td></td>
<td>Grant recipient (Oceanside Transportation Services) contributed a local match of $32.1K to allow SANDAG to purchase vehicles directly through an existing vendor as part of a New Freedom competitive grant award, in accordance with FTA grant continuing oversight requirements.</td>
<td></td>
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</tr>
<tr>
<td>3320900</td>
<td>Job Access and Reverse Commute (JARC) Pass-Through Grant Program</td>
<td>$584.8</td>
<td>$606.4</td>
<td>$21.6</td>
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<td></td>
<td>Grant recipient (St. Madeline's) contributed a local match of $21.6K to allow SANDAG to purchase vehicles directly through an existing vendor as part of a JARC competitive grant award, in accordance with FTA grant continuing oversight requirements.</td>
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</tbody>
</table>
REPORTS ON MEETINGS AND EVENTS ATTENDED ON BEHALF OF SANDAG

Since the last Board of Directors meeting, Board members participated in the following meetings and events on behalf of SANDAG. Key topics of discussion also are summarized.

January 18, 2012: Full Access and Coordinated Transportation (FACT) Board of Directors Meeting
Encinitas, CA

- Solana Beach Deputy Mayor David Roberts participated as the SANDAG representative and Chair of the FACT Board of Directors. The FACT Board voted to approve the FY 2010-2011 Independent Audit and Transportation Development Act Audit recommendations. The FACT Board adopted the proposed 2013-2018 Business Plan update. The FACT and STRIDE websites have been merged, and FACT no longer refers to the transportation database as STRIDE, but as the new FACT website. A new brokered senior transportation service within Escondido, Rancho Bernardo, and Poway will be launched this month with remaining TransNet Senior Mini-Grant funds. The FACT Board finalized plans for its February 8, 2012, annual retreat with a focus on “2012 – Moving to the Next Level.”

January 25, 2012: Los Angeles-San Diego-San Luis Obispo (LOSSAN) Corridor Board of Directors meeting
Orange, CA

- Solana Beach Mayor Joe Kellejian attended this meeting as the SANDAG representative and Chair of the LOSSAN Board of Directors. He participated in the continuing discussions on possible local authority for intercity rail, and stated the SANDAG Transportation Committee’s recommendation regarding the draft legislation for local authority.
## MEMBERSHIP ON POLICY ADVISORY COMMITTEES (as of February 17, 2012)

<table>
<thead>
<tr>
<th>COMMITTEE MEMBERSHIP</th>
<th>EXECUTIVE COMMITTEE</th>
<th>TRANSPORTATION COMMITTEE</th>
<th>REGIONAL PLANNING COMMITTEE</th>
<th>BORDERS COMMITTEE</th>
<th>PUBLIC SAFETY COMMITTEE</th>
</tr>
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<tbody>
<tr>
<td><strong>North County Coastal</strong></td>
<td></td>
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</tr>
<tr>
<td>Primary</td>
<td>Jerome Stocks, Chair</td>
<td>Matt Hall, Committee Vice Chair</td>
<td>Carl Hilliard, Committee Vice Chair</td>
<td>Gary Felien</td>
<td>Jack Felien</td>
</tr>
<tr>
<td></td>
<td>Mayor, Encinitas</td>
<td>Mayor, City of Carlsbad</td>
<td>Mayor, City of Del Mar</td>
<td>Councilmember, City of Oceanside</td>
<td>Councilmember, City of Oceanside</td>
</tr>
<tr>
<td>Alternate</td>
<td>Lesa Heebner</td>
<td>Terry Sinnott</td>
<td>Lea Heebner</td>
<td>Farrah Douglas</td>
<td>Kristin Gaspar</td>
</tr>
<tr>
<td></td>
<td>Councilmember, City of Solana Beach</td>
<td>Deputy Mayor, City of Del Mar</td>
<td>Councilmember, City of Solana Beach</td>
<td>Councilmember, City of Carlsbad</td>
<td>Deputy Mayor, City of Encinitas</td>
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<tr>
<td><strong>East County</strong></td>
<td></td>
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<tr>
<td>Primary</td>
<td>Jack Dale, First Vice Chair</td>
<td>Jack Dale, Committee Chair</td>
<td>Jerry Jones</td>
<td>John Minto, Committee Chair</td>
<td>Mark Lewis, Committee Chair</td>
</tr>
<tr>
<td></td>
<td>Councilmember, City of Santee</td>
<td>Councilmember, City of Santee</td>
<td>Mayor, City of Lemon Grove</td>
<td>Councilmember, City of Santee</td>
<td>Mayor, City of El Cajon</td>
</tr>
<tr>
<td>Alternate</td>
<td>Art Madrid</td>
<td>Mary Sessom</td>
<td>George Gastil</td>
<td>Ruth Sterling</td>
<td>Jillian Hanson-Cox</td>
</tr>
<tr>
<td></td>
<td>Mayor, City of La Mesa</td>
<td>Mayor, City of Lemon Grove</td>
<td>Councilmember, City of Lemon Grove</td>
<td>Councilmember, City of La Mesa</td>
<td>Councilmember, City of El Cajon</td>
</tr>
<tr>
<td><strong>South County</strong></td>
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<tr>
<td>Primary</td>
<td>Jim Janney, Second Vice Chair</td>
<td>Jim King</td>
<td>Jim Janney, Committee Chair</td>
<td>Al Ovrom</td>
<td>Cheryl Cox, Committee Vice Chair</td>
</tr>
<tr>
<td></td>
<td>Mayor, City of Imperial Beach</td>
<td>Councilmember, City of Imperial Beach</td>
<td>Mayor, City of Imperial Beach</td>
<td>Mayor Pro Tem, City of Coronado</td>
<td>Mayor, City of Chula Vista</td>
</tr>
<tr>
<td>Alternate</td>
<td>Carrie Downey</td>
<td>Mike Woiwode</td>
<td>Alejandra Sotelo-Solis</td>
<td>Rudy Ramirez</td>
<td>Rosalie Zarate</td>
</tr>
<tr>
<td></td>
<td>Councilmember, City of Coronado</td>
<td>Councilmember, City of Coronado</td>
<td>Vice Mayor, City of National City</td>
<td>Councilmember, City of Chula Vista</td>
<td>Councilmember, City of National City</td>
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<tr>
<td><strong>North County Inland</strong></td>
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<tr>
<td>Primary</td>
<td>Don Higginson</td>
<td>Judy Ritter</td>
<td>Sam Abed</td>
<td>Ed Gallo</td>
<td>Rebecca Jones</td>
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<tr>
<td></td>
<td>Mayor, City of Poway</td>
<td>Mayor, City of Vista</td>
<td>Mayor, City of Escondido</td>
<td>Councilmember, City of Escondido</td>
<td>Councilmember, City of San Marcos</td>
</tr>
<tr>
<td>Alternate</td>
<td>Jim Desmond</td>
<td>Sam Abed</td>
<td>John Aguilar</td>
<td>Jim Cunningham</td>
<td>Dave Cowles</td>
</tr>
<tr>
<td></td>
<td>Mayor, City of San Marcos</td>
<td>Mayor, City of Escondido</td>
<td>Councilmember, City of Vista</td>
<td>Deputy Mayor, City of Poway</td>
<td>Councilmember, City of Vista</td>
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<tr>
<td><strong>City of San Diego</strong></td>
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<tr>
<td>Primary</td>
<td>Jerry Sanders, Mayor</td>
<td>Todd Gloria, Councilmember</td>
<td>Jerry Sanders, Mayor</td>
<td>David Alvarez, Councilmember</td>
<td>Marti Emerald</td>
</tr>
<tr>
<td></td>
<td>Mayor, City of Vista</td>
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<td>Councilmember, City of Vista</td>
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<tr>
<td>Alternates</td>
<td>Tony Young, Council President</td>
<td>Tony Young, Council President</td>
<td>Sherri Lightner, Councilmember</td>
<td>Sherri Lightner, Councilmember</td>
<td>Todd Gloria, Councilmember</td>
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<tr>
<td></td>
<td>David Alvarez, Councilmember</td>
<td>Lorie Zapf, Councilmember</td>
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<tr>
<td><strong>County of San Diego</strong></td>
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<tr>
<td>Primary</td>
<td>Ron Roberts, Chair, Board of Supervisors</td>
<td>Ron Roberts, Chair, Board of Supervisors</td>
<td>Pam Slater-Price, Supervisor</td>
<td>Greg Cox, Committee Vice Chair, Board of Supervisors</td>
<td>Greg Cox, Vice Chair, Board of Supervisors</td>
</tr>
<tr>
<td></td>
<td>Mayor, City of Poway</td>
<td>Chair, Board of Supervisors</td>
<td>Supervisor</td>
<td>Vitamin Price, Supervisor</td>
<td>Vitamin Price, Supervisor</td>
</tr>
<tr>
<td>Alternate</td>
<td>Bill Horn, Supervisor</td>
<td>Greg Cox, Vice Chair, Bd. of Supervisors</td>
<td>Pam Slater-Price, Supervisor</td>
<td>Bill Horn, Supervisor</td>
<td>Pam Slater-Price, Supervisor</td>
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<tr>
<td></td>
<td>Councilmember, City of San Marcos</td>
<td>Pam Slater-Price, Supervisor</td>
<td>Councilmember, City of San Marcos</td>
<td>Pam Slater-Price, Supervisor</td>
<td>Pam Slater-Price, Supervisor</td>
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<tr>
<td>COMMITTEE MEMBERSHIP</td>
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<tr>
<td>OTHER VOTING MEMBERS</td>
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<tr>
<th>COMMITTEE MEMBERSHIP</th>
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<th>TRANSPORTATION COMMITTEE</th>
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<th>PUBLIC SAFETY COMMITTEE</th>
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<tr>
<td><strong>EXECUTIVE COMMITTEE</strong></td>
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<td><strong>TRANSPORTATION COMMITTEE</strong></td>
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<td><strong>REGIONAL PLANNING COMMITTEE</strong></td>
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<td><strong>BORDERS COMMITTEE</strong></td>
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<tr>
<td><strong>PUBLIC SAFETY COMMITTEE</strong></td>
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<thead>
<tr>
<th>MEMBERSHIP ON POLICY ADVISORY COMMITTEES (as of February 17, 2012)</th>
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</thead>
<tbody>
<tr>
<td><strong>Metropolitan Transit System</strong></td>
</tr>
<tr>
<td><em>Primary</em> Harry Mathis, Chairman</td>
</tr>
<tr>
<td><em>Alternate</em> Al Ovrom</td>
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<table>
<thead>
<tr>
<th>Imperial County</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>County Chiefs/Sheriff's Association</em></td>
</tr>
<tr>
<td><em>Primary</em> John Renison, Supervisor</td>
</tr>
<tr>
<td><em>Alternate</em> Vacant</td>
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<table>
<thead>
<tr>
<th>North County Transit District (NCTD)</th>
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</thead>
<tbody>
<tr>
<td><em>Primary</em> Bill Horn, Supervisor</td>
</tr>
<tr>
<td><em>Alternates</em> Chris Orlando, Chairman; Dave Roberts</td>
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<table>
<thead>
<tr>
<th>County Chiefs/Sheriff's Association</th>
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</thead>
<tbody>
<tr>
<td><em>Primary</em> Chris Orlando, Chairman; David Bejarano</td>
</tr>
<tr>
<td><em>Alternate</em> Adolfo Gonzales</td>
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<table>
<thead>
<tr>
<th>San Diego County Regional Airport Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Primary</em> Tom Smisek, Board Member</td>
</tr>
<tr>
<td><em>Alternate</em> Jim Panknin, Vice Chair</td>
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<thead>
<tr>
<th>State Public Safety</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Primary</em> Jim Abele; Esmeralda Falat</td>
</tr>
<tr>
<td><em>Alternate</em> Paul Robinson</td>
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<thead>
<tr>
<th>San Diego County District Attorney</th>
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</thead>
<tbody>
<tr>
<td><em>Primary</em> Bonnie Dumanis, District Attorney</td>
</tr>
<tr>
<td><em>Alternate</em> Paula Robinson</td>
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<table>
<thead>
<tr>
<th>San Diego County Sheriff</th>
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</thead>
<tbody>
<tr>
<td><em>Primary</em> William Gore, Sheriff</td>
</tr>
<tr>
<td><em>Alternate</em> Ed Prendergast, Undersheriff</td>
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<thead>
<tr>
<th>Homeland Security</th>
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</thead>
<tbody>
<tr>
<td><em>Primary</em> Holly Crawford, Director, San Diego Off., Office of Emergency Services, Cnty. of San Diego</td>
</tr>
<tr>
<td><em>Alternate</em> Donna Faller, Program Manager, Office of Homeland Security, City of San Diego</td>
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</table>

<table>
<thead>
<tr>
<th>Regional Fire/Emergency/Medical Services</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Primary</em> Dave Hanneman; Tony Michel, Chief</td>
</tr>
<tr>
<td><em>Alternate</em> Chula Vista Fire Protection District</td>
</tr>
</tbody>
</table>
MEMBERSHIP ON POLICY ADVISORY COMMITTEES (as of February 17, 2012)

<table>
<thead>
<tr>
<th>COMMITTEE MEMBERSHIP</th>
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<th>BORDERS COMMITTEE</th>
<th>PUBLIC SAFETY COMMITTEE</th>
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<tbody>
<tr>
<td>OTHER VOTING MEMBERS (Continued)</td>
<td></td>
<td></td>
<td></td>
<td>Regional Transit Services</td>
<td></td>
</tr>
<tr>
<td>Primary</td>
<td></td>
<td></td>
<td></td>
<td>Bill Burke, Director of Transit System Security</td>
<td>Metropolitan Transit System</td>
</tr>
<tr>
<td>Alternate</td>
<td></td>
<td></td>
<td></td>
<td>Tom Zoll, Chief</td>
<td>NCTD Security &amp; Law Enforcement Services</td>
</tr>
<tr>
<td>City of San Diego Police Department</td>
<td></td>
<td></td>
<td></td>
<td>William M. Lansdowne, Chief</td>
<td>City of San Diego Police Department</td>
</tr>
<tr>
<td>Primary</td>
<td></td>
<td></td>
<td></td>
<td>David Ramirez, Executive Assistant Chief</td>
<td>City of San Diego Police Department</td>
</tr>
<tr>
<td>Alternate</td>
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COMMITTEE ADVISORY MEMBERS

| Metropolitain Transit System | Western Riverside Council of Governments (WRCOG) | Federal Public Safety | Metropolitan Transit System | 
| Primary | Alternate | 
| Al Ovrom | Mary England | | 
| | | | | 

| Mark Filanc | Jim Dahl, Mayor Pro Tem | Mack Jenkins, Chief Probation Officer | Ed Gallo | Bill Campbell, Supervisor | Kim Broderick, Deputy Chief Probation Officer |
| North County Transit District | Orange County | County Public Safety | Alternate | County of Orange | San Diego County Probation |
| Primary | Alternate | 
| Mark Filanc | Ed Gallo | | 
| | | | | | 

| San Diego County Water Authority | San Diego County Water Authority | Department of Defense | Alternate | 
| Primary | Alternate | 
| Elsa Saxod | Bud Pocklington | | | | 

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<th>COMMITTEE ADVISORY MEMBERS (Continued)</th>
<th>EXECUTIVE COMMITTEE</th>
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SUMMARY OF ANNUAL SANDAG BOARD RETREAT

Introduction

More than 40 primary and alternate members of the SANDAG Board of Directors, member agency officials, and stakeholders participated in the annual retreat, which was held February 1 - 3, 2012, in the community of Lakeside.

The overall focus of this year’s retreat was the update of the Regional Comprehensive Plan (RCP), a discussion on the latest regional beach sand project, and connected vehicle technologies. The retreat also included an interactive dialogue with executives from Southern California’s top transportation agencies about their efforts underway to build major transit and highway infrastructure projects and develop regional transportation plans.

Discussion

Introductory Session

Before looking to the future RCP update, Chairman Jerome Stocks and Executive Director Gary Gallegos provided an overview of the 2011 accomplishments. Despite continued budget challenges and funding reductions, SANDAG recorded one of the most successful years in the organization’s history. They highlighted the adoption of the 2050 Regional Transportation Plan (RTP) and its Sustainable Communities Strategy (SCS), the purchase of the State Route 125 toll road; the successful collaboration on Senate Bill 468 (Kehoe, 2011) for the North Coast Corridor; and being awarded $100 million in Proposition 1B funding for improvements to Interstate 805. Other milestones highlighted included continued progress on the TransNet Early Action Program projects and the major Trolley Renewal project, the opening of State Route 52, construction on the Los Angeles-San Diego-San Luis Obispo (LOSSAN) corridor, and the preservation of habitat under the TransNet Environmental Mitigation Program.

Interactive Sessions

On Wednesday and Thursday, interactive sessions were held to discuss updating the RCP, collaborating with state agencies, transit-oriented development (TOD), evaluating regional assets, and working with higher education on transportation solutions. The entire group participated in each of these sessions. Following is a summary of each interactive session:

Spreading of the Beach Sand

Staff provided an update on the Regional Beach Sand Project, which is scheduled to begin in summer 2012. More than 1.4 million cubic yards of quality sand will be placed on beaches from Oceanside to Imperial Beach through the dredging of offshore borrow sites.
Collaboration with State Agencies That Hold the Cards

Representatives from the Governor’s Office of Planning and Research (OPR), and the California Air Resources Board (CARB) presented an overview of the work that is performed at their agencies and described opportunities for continued collaboration with our region.

The presentations by Lynn Terry, CARB Deputy Executive Director, and OPR Director Ken Alex included establishing electric vehicle infrastructure, renewable energy, streamlining the building process for solar and wind, an update on the ongoing effort to streamline California Environmental Quality Act (CEQA) review, how high-speed rail impacts San Diego, and reviewing general plan guidelines. One issue raised by retreat participants was whether gas tax revenues would be a sustainable funding source for transportation, as electric vehicles become more prevalent in the market.

What Does It Take to Make Transit-Oriented Development Work in the Region?

TOD is an important component of the 2050 RTP, but making these projects successful was up for debate. Panelists Tim Allison, manager of real estate assets of Metropolitan Transit System, William Jones, President/CEO of CityLink Investment Corporation, and Gary London, President of The London Group Realty Advisors had differing opinions.

Allison’s thoughts included:
- While there are good potential sites for successful TOD projects, the downturn in the economy makes them non-starters right now
- The elimination of redevelopment poses concerns for public monies for these projects
- Need to streamline processes to make these projects a reality more quickly
- From a business perspective challenges include land use decisions, public improvement requirements, and entitlements

London’s ideas included:
- TOD projects don’t bring more riders to transit as hoped because of the high cost of units in these developments
- In order to bring down cost of units, hard costs must be cut such as parking requirements
- Need to revisit policy issues that redevelopment has to occur in urban areas
- Must get deals that pencil out
- Need to get projects to the finish line much quicker

Jones’s perspective included:
- Mixing affordability into mixed-use projects without people knowing which units is better than concentrating affordable housing units into projects
- Important for private and public entities to work with community groups to help design projects
- Developer must be willing to endure long development process
- Many of the easier TOD sites have been developed
- Funding gaps will have to be addressed
• Advances in technology may bring solutions (i.e., smart cars and smaller cars may be reasons to reassess parking standards)
• Sufficient parking in mixed-use transit developments is vital
• Commercial components in many mixed-use developments may not be very successful in the long-term. Commercial vacancy rates can often reach 40 percent to 80 percent so developers tend to put less commercial in projects
• Need to follow capital trends
• Economic downtown serves as a great time to launch new initiatives – developers are willing to be innovative

San Diego Regional Assets Considered

Key elements of the region’s infrastructure that could have an impact on the RCP update were discussed during this session. Experts from energy, water, the port, and philanthropy provided updates to participants. The panelists, David Geier, vice president of Electric Operations for SDG&E, Bob Kelly, president and chief executive officer for the San Diego Foundation, Scott Peters, commissioner for the Unified Port of San Diego, and Maureen Stapleton, general manager of the San Diego County Water Authority, provided the following comments:

• In 1991 the region’s water supply was dependent upon one water source, and by 2020 it will be fully diversified.
• The Sunrise Power Link is 70 percent complete. Clean energy is growing and expanding.
• The Port is committed to keeping maritime as the focus of their business. The Port brings economic value to the region, and we should be mindful of protecting it as an asset.
• Charitable giving is up in San Diego. Contributions have helped victims of the wild fires, Balboa Park Conservancy, and City Heights Library.
• The Greater San Diego Vision project is moving forward and expect great results by March. The Malin Burnham Center for Civic Engagement has been established to implement the vision.

Working with Higher Education for Better Transportation Solutions

Representatives from University of California, San Diego (UCSD), California State University San Marcos (CSUSM), and San Diego Community College District provided an overview of life on campus and the daily challenges they face in transportation.

• CSUSM is 20 years old and experiencing growing pains. As a commuter campus with limited parking, they need to engage in more alternative forms of transportation.
• UCSD has 50,000 people on campus on any given day and long-range plans call for an additional 4,000 to 5,000 students in the next ten years. There is only parking for 14,000. While the university has a robust alternative transportation program, more is needed. They look forward to the future Mid-Coast Trolley extension to the campus.
• While transit serves most of the San Diego Community College District campuses, 46 percent of the people arrive by car. More transit services are needed in addition to other transportation alternatives.

Participants discussed the idea of working more closely with higher education institutions.
Southern California Works

This session focused on the work under way by neighboring planning and transportation agencies in Southern California. Hasan Ikhrata, executive director of the Southern California Association of Governments (SCAG), shared the status of the SCAG long-range regional transportation plan and its SCS, which are scheduled for adoption in spring 2012. Art Leahy, CEO of the Los Angeles County Metropolitan Transportation Authority, discussed his board’s goal to advance public transportation in the Los Angeles region and the importance of adhering to schedules and budgets for local sales tax measure improvement projects. Mr. Leahy also shared his perspectives on creating a local authority for intercity rail service in the LOSSAN corridor. CEO Will Kempton of the Orange County Transportation Authority (OCTA) also discussed the benefits of local control of intercity rail service. In addition, he highlighted the legislative proposals put forth by OCTA in the federal surface transportation authorization to streamline project programming and development processes in order to speed implementation of transportation infrastructure.

Talking Cars/Hearing Roads

Staff presented an overview of the latest applications of connected vehicle technologies. Smart car technology already exists and is being incorporated into today’s cars. Smart cars will dynamically communicate information to drivers such as road conditions, trouble with other vehicles in the vicinity and the result will be safer roads for everyone.

After All this Talk About the RCP...

Participants had a preliminary discussion regarding which direction to take the update of the RCP and topics to be considered adding to the plan. Those topics included energy, wastewater, military, higher education, and social equity. Further discussion will be held at subsequent board meetings.

Next Steps

Staff will come back in the coming months to the Policy Advisory Committees and the Board of Directors with more information and recommendations as requested during the interactive sessions.

Summary

As in past years, the Executive Committee continually refines the way the annual retreat is structured. Participants agreed to continue to encourage their colleagues to attend and participate in the annual strategic planning meeting because of the inherent value this type of interaction fosters among local leaders.

GARY L. GALLEGOS
Executive Director

Key Staff Contact: Colleen Windsor, (619) 699-1960, Colleen.Windsor@sandag.org
FY 2012 TransNet AND TRANSPORTATION DEVELOPMENT ACT REVENUE REVISIONS AND FY 2013 TO FY 2017 TRANSIT REVENUE ESTIMATES

Introduction

The transit operators within the San Diego region receive federal, state, and local revenues to support both ongoing operations and capital projects. SANDAG is responsible for the apportionment of these various funds to the transit operators and to the local agencies for the nonmotorized program. Each year SANDAG provides an estimate for the upcoming fiscal year, as well as a projection for the next four fiscal years to allow the transit and local agencies to plan for capital projects and determine operating subsidies. This report includes the future year projections as well as a proposed revision to the current year (FY 2012) revenue estimates.

Discussion

Proposed Revision to FY 2012 TransNet and TDA Revenue Estimates

SANDAG has received revenues for TransNet and the Transportation Development Act (TDA) for the first two quarters of FY 2012. The sales tax receipts are better than originally expected, providing the opportunity to adjust this fiscal year’s revenue estimates. Revenues received during the first two quarters of FY 2012 average 6.5 percent and 7.5 percent higher than for the same period last year, for TransNet and TDA, respectively. A 4 percent increase was originally estimated for FY 2012. In light of these trends and following discussions with the transit operators and the County of San Diego, a revision is proposed to the FY 2012 TransNet and TDA sales tax estimates to reflect a 5 percent increase from actual FY 2011 receipts. The proposed 5 percent increase (over FY 2011 actual receipts) would translate to an expected increase of $7.3 million for a total of $232.4 million for TransNet, and an expected increase of $2.6 million for a total of $112.1 million for TDA in FY 2012. The positive growth in sales tax receipts is consistent with SANDAG expectations that revenue increases would occur as the economy begins to experience job growth, which has occurred nationwide and locally.

Recommendation

The Transportation Committee recommends that the Board of Directors:

1. Approve the revision to the FY 2012 TransNet revenue estimate and Transportation Development Act (TDA) apportionment;
2. Approve the FY 2013 allocation for TransNet and the apportionments for TDA, State Transit Assistance, and Federal Transit Administration (FTA) revenues; and
3. Approve the transit revenue estimates for FY 2014 to FY 2017 for TDA, FTA, and TransNet.
It is anticipated that the transit agencies will request an amendment to their FY 2012 claims, reflecting the increases to the various articles of TDA. Following receipt of requests to amend the FY 2012 claims, the TDA claim amendments would be presented to the Transportation Committee for approval at the earliest opportunity. For SANDAG, the additional TDA amount available to claim in FY 2012 will be requested with the FY 2013 claims (scheduled for June 2012).

Summary of FY 2013 to FY 2017 Revenue Estimates

The allocation of some of these funding sources is determined both by law and at the discretion of the Board of Directors. This report provides the forecast methodology, followed by the apportionment and allocation estimates for FY 2013 and future estimates for FY 2014 to FY 2017 for TDA, TransNet, and FTA revenues. An estimate for FY 2013 for STA also is provided. Below summarizes each revenue source with additional details discussed later in this report.

1. Transportation Development Act (TDA): The San Diego County Auditor and Controller office is required by state law to provide an estimated apportionment for the upcoming fiscal year before February 1 of each year. The apportionment is developed in consultation with SANDAG staff and with the transit operators and is based on actual sales tax receipts and receipt projections. The FY 2013 apportionment is based on an assumption of a 4.5 percent increase over the revised FY 2012 estimate, resulting in estimated FY 2013 TDA revenue of $117,143,185. The proposed revision to the FY 2012 revenues, the FY 2013 apportionment, and the FY 2014 to FY 2017 estimates are shown in Attachment 1. The projected amounts and how they were derived are detailed in the section below entitled Forecast Methodology.

2. TransNet: Estimates are developed by SANDAG based on actual sales tax receipts through the first two quarters of FY 2012. For FY 2013, $242.8 million is estimated to be available for the entire program (projecting a 4.5 percent increase over the revised FY 2012 estimate), of which $38.9 million is available for transit purposes. The proposed revision to the FY 2012 revenues and the proposed FY 2013 revenues for the entire program are shown in Attachment 2. For the Transit System Improvements program, the FY 2012 proposed revised revenues, the proposed FY 2013 revenues, and the estimates from FY 2014 through FY 2017 are included in Attachment 3. Future year estimates and how they were derived are detailed in the section below entitled Forecast Methodology.

3. Federal Transit Administration Formula Programs: The Federal Register provides the apportionments for the federal programs, including the two formula programs, Section 5307 Urbanized Area and Section 5309 Fixed Guideway Modernization. Currently there is a Continuing Resolution in place through March 31, 2012. Until full year's budget is approved, it is anticipated that the Federal Fiscal Year (FFY) 2012, which forms the basis for transit capital projects in FY 2013, will remain the same as FFY 2011, resulting in no increase for these formula programs: a total of $59.6 million for Section 5307 and $19.2 million for Section 5309 programs. Attachment 4 provides the FY 2013 apportionment and the FY 2014 through FY 2017 estimates.

4. State Transit Assistance: The State Controller’s office is responsible for providing the estimates in January of each year. Based on the FY 2013 preliminary estimate, $26,067,142 is available to the San Diego region. Pursuant to ABx8-6 (March 2010), STA allocations are based on sales tax generated from consumption of diesel fuel. As diesel fuel consumption tends to fluctuate and given the relatively new legislation, a forecast of STA funding is not provided as there is not sufficient historical information from which to base future projections.
**Forecast Methodology**

Forecasting is a challenging venture made more difficult with the continued economic turmoil. History and previous experiences may not be good indicators of the course of events over the next few years. Even though the Great Recession officially ended more than two and a half years ago (June 2009), its impacts are lingering longer than most expected.

In addition to the three trends the economists have identified as influencing the pace of the economic recovery - (1) a change in consumer consumption trends as households pay off accumulated debt, saving more personal disposable income, and reducing or halting the practice of spending built up equity in their assets; (2) a tight credit market with commercial banks slowly making new loans; and (3) some economic uncertainty facing major trading partners, such as the European community - a fourth trend has emerged stifling growth: annual domestic deficits and the level of sovereign accumulated debt.

To account for the emerging structural changes taking place in the economy, staff refined its forecasting methodology that produces the short-term quarterly sales tax revenue estimates. The current methodology focuses on expected job growth, the level of unemployment, and the condition of consumers' balance sheets to forecast sales tax revenue trends.

The short-term forecast methodology requires a different approach to calculating the confidence interval. Our forecast procedure provides a midpoint estimate with a range of accuracy of approximately plus or minus $15 million per year at the 95 percent level of confidence for TransNet. For example, for FY 2013 the TransNet revenue estimate for the entire program is approximately $242.8 million, making the range between $227.8 million at the low end and $257.8 million at the high end, with 95 percent confidence that the actual revenue amount will be within this range. We suggest continuing the established practice of using the midpoint of the confidence interval range for the future year projections. The high and low ranges are determined by beginning with the prior year midpoint, applying the estimated growth rate for the current year, and then adding and subtracting the confidence interval range ($15 million for TransNet and $7.5 million for TDA) from the midpoint. The $7.5 million for the TDA confidence interval range is based on the fact that the TDA receipts are approximately half of TransNet receipts. The low and high end revenues are provided for planning purposes.

**Expected Trends**

The positive growth in sales tax receipts is consistent with SANDAG expectations that revenue increases would occur as the economy begins to experience job growth, which has occurred nationwide and locally. Although the Great Recession that began in December 2007 officially ended in June 2009, the economic turnaround has been slow and sporadic. During 2011, for example, most economists expected the national economy to expand between 3.0 percent and 3.5 percent during calendar year 2011, whereas it appears growth will end up below 2 percent for the year. Some of the weakness during 2011 can be traced back to two unexpected shocks to the global economy, supply-chain disruptions caused by the earthquake and tsunami that hit Japan, and a spike in the price of oil. To offset these shocks and counter a sluggish economic rebound, additional doses of monetary (Operation Twist) and fiscal policy (payroll tax reduction) were implemented, and will likely continue into 2012. However, the economy still faces challenges over the next couple of years. Some of the economic paralysis caused by continued weakness in the construction sector and falling home prices, public policy uncertainty, and the European sovereign debt crisis will act as headwinds during 2012 and beyond, keeping economic growth below par. Most economists believe it will
require additional time to repair the damage caused by the Great Recession; for example, the consensus expects 2012 to be similar to 2011 with the nation's Gross Domestic Product, a measure of the total value of finished goods and services produced annually within the borders of the United States, increasing by 2 percent, and keeping the unemployment rate above pre-recession levels until 2015 or longer. The SANDAG forecast of sales tax revenue growth reflects this expected longer recovery period.

Despite the relative poor performance of the national economy, locally we have experienced a year and a half of sales tax revenue increases when compared with the same period during the previous year. During FY 2011 TransNet sales tax revenue increased 8.4 percent, and during the first six months of FY 2012 sales tax revenues are up 7.2 percent. This performance was better than expected and will likely continue over the remaining portion of the current fiscal year supported by the fiscal and monetary stimulus policies recently implemented, as well as improving employment conditions. This better than expected outlook for the remainder of this fiscal year provides the basis for SANDAG to adjust the FY 2012 revenue estimates upward to a growth rate of 5 percent from the original 4 percent forecast.

The table below shows actual and projected annual rates of change for TransNet revenues. Although the outlook for sales tax revenue has improved, it is expected to take years before revenues reach prerecession levels (FY 2007 $247.9 million and FY 2008 $244.4 million). At the new pace the local sales tax receipts will exceed the prerecession level during FY 2014; adjusting for inflation extends this by one year. This slow economic rebound reflects the consensus view that the national unemployment rate may not return to prerecession levels until the 2015 or later.

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*Represents the midpoint of confidence interval range

TDA

TDA is the major subsidy source that supports the region's public transit operators and nonmotorized transportation projects. TDA comes from a quarter of a percent of state sales tax assessed in the region. SANDAG, as the Regional Transportation Planning Agency, is responsible to release the apportionment of TDA funds each year in conformance with state statute. The transit operators and other member agencies submit their annual TDA claims based on the annual apportionment and in compliance with SANDAG Board Policy No. 027: TDA Administration Policy.

Pursuant to state statute, the County of San Diego Auditor and Controller office has the responsibility for providing the TDA apportionment for the upcoming fiscal year. The County Auditor develops the apportionment in consultation with SANDAG staff and with the transit
operators, based on actual sales tax receipts and projections. The apportionment for FY 2013 determines the amount of funds available to each agency to claim. SANDAG is required to notify prospective claimants of the apportionment by March 1, necessitating action by the Board of Directors this month.

The legislative priorities established by state law include certain categories for which TDA funds are taken “off the top.” These include the allocation to SANDAG for various planning, programming, and administrative-related expenses, funding of bicycle and pedestrian facilities, and support of community transit services. In addition, the County Auditor receives an allocation based on estimates of its costs to administer the TDA program. The remaining apportionment, along with prior year carryover funds, is available to be claimed by North County Transit District (NCTD), and Metropolitan Transit System (MTS). The balance of current year funds are allocated based upon the respective population of the two transit service areas.

Pursuant to provisions of Senate Bill 1703 and as agreed by MTS, NCTD, and SANDAG, regional transit capital projects are implemented by SANDAG with funding transferred from both MTS and NCTD. The amount of transfer of local match for the federal formula funds for the capital projects to be implemented by SANDAG on behalf of MTS is based on the draft five-year transit Capital Improvement Program (CIP). The local match for the capital transfers from NCTD come from other funds identified by NCTD and therefore does not impact its FY 2013 TDA amount. The final list of projects and associated funding will be included with the transit CIP scheduled for Transportation Committee and Board of Directors action in March 2012. An additional apportionment to SANDAG covers those indirect administrative functions that are not directly funded by projects. The calculation for the cost of these administrative functions was memorialized in Addenda Nos. 3 and 4 to the Memorandum of Understanding between SANDAG, MTS, and NCTD.

Attachment 1 shows the TDA estimates. As stated above, the FY 2012 revision and the FY 2013 apportionment are based on consultation between the County, SANDAG and the transit operators. The FY 2013 apportionment is based on an assumption of a 4.5 percent increase over the revised FY 2012 estimate, resulting in estimated FY 2013 TDA revenue of $117,143,185. The FY 2014 to FY 2017 estimates are based on the forecast methodology described above. Staff is forecasting sales tax revenue growth consistent with TransNet percentages as shown in Table 1 above. The “low” estimates shown in Attachment 1 are based on the lower end of the 95 percent confidence interval, calculated by subtracting approximately $7.5 million per year from the midpoint forecasted value.

**TransNet**

The TransNet Extension, the 40-year half-cent sales tax transportation funding measure approved by the voters in 2004, became effective in FY 2009. TransNet provides funding for major transportation projects in the region. After deducting costs associated with administrative expense, the operation of the Independent Taxpayer Oversight Committee (ITOC), and the bicycle/pedestrian program, the TransNet program is divided into Major Corridor Projects (42.4%), New Bus Rapid Transit/Rail Operations (8.1%), Local System Improvements (33%), and Transit System Improvements (16.5%). Attachment 2 shows the proposed revision to FY 2012 revenue estimates and the estimate for FY 2013 for the overall program and the various subprograms as described.
Within the transit share, services provided pursuant to Americans with Disabilities Act (ADA) and subsidies for seniors have specific earmarks (2.5% and 3.25%, respectively). The remaining revenues can be used by the transit agencies for operating or miscellaneous capital purposes. Similar to TDA, the transit share between NCTD and MTS is allocated based upon the respective population of the two transit service areas.

Attachment 3 shows the estimates through FY 2017 for the Transit System Improvements program portion of the TransNet program. These estimates are based on the forecast methodology described above. As stated above, the sales tax revenue estimate for FY 2012 (midpoint of the confidence interval range) is the base year for the forecast. Staff is forecasting sales tax revenue growth as shown in Table 1 above. The “low” estimates shown in the attachment are based on the lower end of the 95 percent confidence interval, which was calculated by subtracting approximately $15 million per year from the midpoint forecasted value for the overall TransNet program. The effect on the Transit System Improvements program (a subset of the overall TransNet program) equates to approximately $2.4 million each year.

The ITOC is scheduled to review the TransNet estimates for the entire program at its March 14, 2012, meeting as an information item.

**FTA Formula Programs (Sections 5307 and 5309)**

FTA 49 USC Section 5307 provides for transit capital and operating assistance in urbanized areas and for transportation-related planning. For areas with populations of 200,000 and more, such as San Diego County, the formula is based on a combination of bus/vanpool revenue vehicle miles, bus/vanpool passenger miles, fixed guideway revenue vehicle miles, and fixed guideway route miles, as well as population and population density. Eligible activities under this program include planning, engineering design, and an evaluation of transit projects and other technical transportation-related studies; capital investments in bus and bus-related activities; construction of maintenance and passenger facilities; capital investments in new and existing fixed guideway systems, including rolling stock, overhaul and rebuilding of vehicles, track, signals, communications, and computer hardware and software. For FFY 2012, FTA has expanded the use of Section 5307 capital funds to use toward fuel and electric propulsion, which is normally considered an operating cost. All preventive maintenance and some ADA complementary paratransit service, while recorded as operating expenditures, are considered capital costs for purposes of eligibility.

Capital projects to modernize or improve fixed guideway systems are eligible for funding under the 49 USC Section 5309 Fixed Guideway Modernization program. Projects include, but are not limited to, the purchase and rehabilitation of rolling stock, track, line equipment and structures, signals and communications, power equipment and substations, passenger stations and terminals, security equipment and systems, maintenance facilities and equipment, operational support equipment (including computer hardware and software), and system extensions. Preventive maintenance also is an eligible cost.

After deducting for the SANDAG Regional Vanpool Program and regional planning (both of which are assumed to increase with the growth in the total FTA formula programs), Section 5307 funds are allocated 70 percent for MTS and 30 percent for NCTD. The same formula was used to allocate the Section 5309 Rail Fixed Guideway funds (SANDAG does not directly receive funds from the Rail Fixed Guideway program). These revenues are used to develop the FY 2013 transit CIP, which is scheduled for Transportation Committee and Board of Directions meetings in March 2012. The transit CIP
identifies projects proposed for funding under the federal program, as well as outline the division of capital projects to be implemented either by MTS, NCTD, or SANDAG.

Attachment 4 shows the federal funds estimated to be available from FY 2013 to FY 2017. As stated earlier, the FY 2013 apportionment is the same as FY 2012, pending a final federal budget. For FY 2014, a 2 percent increase is proposed to remain conservative, and from FY 2015 to FY 2017 a 4 percent year-over-year increase is assumed, which is the average growth over the SAFETEA-LU period.

**State Transit Assistance (STA)**

The provision in ABx8-9, which suspended the qualifying criteria requirement to use the funds for operations, expired with the FY 2012 apportionment; subsequently, SB 565 (Chapter 341) extends the suspension through FY 2015. The criteria prohibit the use of STA for operations if the operator did not meet certain operating efficiencies. The SANDAG area, as defined under the STA program, consists of the area outside of the MTS area of jurisdiction. NCTD is the only claimant of STA funds in the SANDAG area. For the San Diego region, $26,067,142 is available, of which $6,395,074 is available for NCTD. The remainder is available to MTS.

GARY L. GALLEGOS
Executive Director

   2. Overall TransNet Program Revenues - Revision to FY 2012 and Estimate of FY 2013
   3. TransNet Transit System Improvements Program Revenues -Revision to FY 2012, and Estimates for FY 2013 through FY 2017
   4. Federal Transit Administration Formula Programs - Revenue Estimates FY 2013 to FY 2017

Key Staff Contact: Sookyung Kim, (619) 699-6909, Sookyung.Kim@sandag.org
## Transportation Development Act Revenues

### Revision to FY 2012, Apportionment for FY 2013 and Estimates for FY 2014 through FY 2018

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 ($000s)</th>
<th>FY 2015 ($000s)</th>
<th>FY 2016 ($000s)</th>
<th>FY 2017 ($000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Revised</td>
<td>Apportionment</td>
<td>Mid-range</td>
<td>Low</td>
<td>Mid-range</td>
<td>Low</td>
</tr>
<tr>
<td>Total Apportionment 1,2</td>
<td>$122,098,742</td>
<td>$117,143,185</td>
<td>$123,387</td>
<td>$115,887</td>
<td>$130,297</td>
<td>$122,797</td>
</tr>
<tr>
<td>Less County Auditor Expenses (PUC 99233.1)</td>
<td>(45,000)</td>
<td>(46,000)</td>
<td>(47)</td>
<td>(47)</td>
<td>(48)</td>
<td>(48)</td>
</tr>
<tr>
<td>Less SANDAG Administration (PUC 99233.1) 3</td>
<td>(377,917)</td>
<td>(536,673)</td>
<td>(416)</td>
<td>(391)</td>
<td>(439)</td>
<td>(414)</td>
</tr>
<tr>
<td>Less 2% Bicycle/Pedestrian Funds (PUC 99233.3)</td>
<td>(2,166,511)</td>
<td>(2,261,274)</td>
<td>(2,385)</td>
<td>(2,240)</td>
<td>(2,518)</td>
<td>(2,373)</td>
</tr>
<tr>
<td>Less 5% Community Transit Service (PUC 99233.7)</td>
<td>(5,310,202)</td>
<td>(5,542,421)</td>
<td>(5,845)</td>
<td>(5,490)</td>
<td>(6,172)</td>
<td>(5,817)</td>
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<tr>
<td>Total Available for MTS</td>
<td>71,551,202</td>
<td>74,680,877</td>
<td>78,758</td>
<td>73,969</td>
<td>83,170</td>
<td>78,380</td>
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<tr>
<td>Less Regional Planning/Capital Projects 3</td>
<td>0</td>
<td>0</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>Less Transferred Functions 4</td>
<td>(490,735)</td>
<td>(512,200)</td>
<td>(540)</td>
<td>(507)</td>
<td>(570)</td>
<td>(538)</td>
</tr>
<tr>
<td>Total Community Transit Service</td>
<td>1,511,815</td>
<td>1,577,928</td>
<td>1,664</td>
<td>1,563</td>
<td>1,757</td>
<td>1,656</td>
</tr>
<tr>
<td>Total Available to Claim</td>
<td>$71,653,889</td>
<td>$75,733,093</td>
<td>$80,069</td>
<td>$75,173</td>
<td>$84,632</td>
<td>$79,736</td>
</tr>
<tr>
<td>Total Available for NCTD</td>
<td>29,297,635</td>
<td>30,579,125</td>
<td>32,249</td>
<td>30,288</td>
<td>34,055</td>
<td>32,094</td>
</tr>
<tr>
<td>Less Regional Planning/Capital Projects 3</td>
<td>0</td>
<td>0</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>Total Community Transit Service</td>
<td>1,011,055</td>
<td>1,094,368</td>
<td>1,166</td>
<td>1,063</td>
<td>1,257</td>
<td>1,156</td>
</tr>
<tr>
<td>Total Available to Claim</td>
<td>$30,318,715</td>
<td>$31,644,853</td>
<td>$33,372</td>
<td>$31,343</td>
<td>$35,242</td>
<td>$33,212</td>
</tr>
<tr>
<td>Total Available for SANDAG:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regional Planning/Capital Projects</td>
<td>1,497,729</td>
<td>618,168</td>
<td>451</td>
<td>451</td>
<td>398</td>
<td>398</td>
</tr>
<tr>
<td>Transferred Functions</td>
<td>2,582,501</td>
<td>2,695,460</td>
<td>2,843</td>
<td>2,670</td>
<td>3,002</td>
<td>2,829</td>
</tr>
<tr>
<td>SANDAG Expenses</td>
<td>377,917</td>
<td>536,673</td>
<td>416</td>
<td>391</td>
<td>439</td>
<td>414</td>
</tr>
<tr>
<td>3% Planning Funds</td>
<td>3,350,275</td>
<td>3,496,815</td>
<td>3,688</td>
<td>3,464</td>
<td>3,894</td>
<td>3,670</td>
</tr>
<tr>
<td>Prior Year Carryover</td>
<td>3,468,517</td>
<td>3,468,517</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Available to Claim</td>
<td>$11,276,939</td>
<td>$10,815,633</td>
<td>$7,397</td>
<td>$6,975</td>
<td>$7,733</td>
<td>$7,311</td>
</tr>
<tr>
<td>Total Community Transit Service (CTSA)</td>
<td>$106,204</td>
<td>$110,848</td>
<td>$117</td>
<td>$110</td>
<td>$123</td>
<td>$116</td>
</tr>
<tr>
<td>Prior Year Carryover</td>
<td>$5,011</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Available to Claim</td>
<td>$111,215</td>
<td>$110,848</td>
<td>$117</td>
<td>$110</td>
<td>$123</td>
<td>$116</td>
</tr>
</tbody>
</table>

1The County Auditor provided the apportionment for FY 2013 and has also revised the FY 2012 apportionment based on the higher than anticipated FY 2011 actual receipts. The projected estimates for FY 2014 to FY 2017 are based on the growth rate in retail sales as forecasted by SANDAG and excludes interest and prior year excess funds. The low range is based on the 95% confidence interval of (-)$7.5M per year.

2Apportionment distribution is based on the population estimates published by the California Department of Finance (DOF) estimates as of January 2010. The DOF has not yet released the January 2011 estimates and following past practice the most current available population is used for this distribution - 70.9% (2,287,701) for MTS and 29.1% (936,731) for NCTD.

3Represents the local match for federally funded regional planning projects and transit capital development projects identified in the FY 2013 CIP. For MTS, of the $618,168, capital share is $435,800 while the planning share is $182,368. For NCTD, the local match for the capital projects to be implemented by SANDAG will come from the prior year TDA-eligible funds. As a result, this amount is subject to change.

4Based on Addendums No. 3 and No. 4 to the Master Memorandum of Understanding between MTS, NCTD, and SANDAG. For NCTD, 26.09% of its amount is transferred back to NCTD to be used for TDA-eligible purposes.

*Note: The SANDAG Administration cost in FY 2013 and FY 2016 rises disproportionately due to costs associated with the triennial performance audit. All other annual increases in SANDAG administrative share are consistent with growth in the TDA.
### Overall TransNet Program Revenues

**FY 2012 Revision and Estimate of FY 2013 (in $000s)**

<table>
<thead>
<tr>
<th>TransNet Program Revenues</th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>$ Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Sales Tax Receipts</td>
<td>$225,101</td>
<td>$232,369</td>
<td>$7,268</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$242,826</td>
</tr>
</tbody>
</table>

**TransNet Program Allocations**

<table>
<thead>
<tr>
<th>Administrative Allocations(^1)</th>
<th>$2,251</th>
<th>$2,324</th>
<th>$73</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Taxpayer Oversight Committee(^3)</td>
<td>$348</td>
<td>$348</td>
<td>$0</td>
</tr>
<tr>
<td>Bike, Pedestrian &amp; Neighborhood Safety(^2)</td>
<td>$4,502</td>
<td>$4,647</td>
<td>$145</td>
</tr>
<tr>
<td>Total off-the-top Programs</td>
<td>$7,101</td>
<td>$7,319</td>
<td>$218</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$7,285</td>
</tr>
</tbody>
</table>

Program Allocations (net of total revenues less off the top programs)

| Major Corridors Program\(^4\) | $92,432 | $95,421 | $2,989 | 99,869 |
| New BRT/Rail Operations\(^5\) | $17,658 | $18,229 | $571 | 19,079 |
| Transit System Improvements\(^6\) | $35,970 | $37,133 | $1,163 | 38,864 |
| Local System Improvement\(^7\) | $71,940 | $74,267 | $2,327 | $77,729 |
| Total Program Allocations       | $218,000 | $225,050 | $7,050 | $235,541 |

**NOTES:**

The TransNet Extension Ordinance established the rules for the allocation of all Commission revenues. Commission funds are allocated according to the following priorities:

\(^1\) Up to 1% of the annual revenues shall be allocated for administrative expenses, which includes Commission/Board expenses, administrative reserve.

\(^2\) Total of 2% shall be allocated for bicycle facilities.

\(^3\) The ITOC allocation is based on the annual increase in CPI beginning with FY 2002, using $250,000 as the starting base. At its February 8, 2012 meeting, ITOC agreed to forgo its FY 2013 allocation due to excess remaining balance. This also will be reflected in the FY 2013 overall budget, scheduled for Board adoption in May 2012.

\(^4\) 42.4% of the total revenues less off the top programs shall be allocated for Major Corridor projects which include transportation mitigation under the Environmental Mitigation program (EMP) and any finance charges incurred.

\(^5\) 8.1% of the total revenues less off the top programs shall be allocated to operate new rail or bus rapid transit (BRT) services.

\(^6\) 16.5% of the total revenues less off the top programs shall be allocated for purposes of public transit services including providing for senior and American with Disabilities Act (ADA)-related services.

\(^7\) 33% of total revenues less off the top programs shall be allocated for local street improvement services, which includes roadway projects, as well as local EMP and smart growth incentive programs.
<table>
<thead>
<tr>
<th></th>
<th>FY 2012 Revis</th>
<th>FY 2013 Estimate</th>
<th>FY 2014 ($000s) Mid-range</th>
<th>Low</th>
<th>FY 2015 ($000s) Mid-range</th>
<th>Low</th>
<th>FY 2016 ($000s) Mid-range</th>
<th>Low</th>
<th>FY 2017 ($000s) Mid-range</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Available For Transit Purposes</strong></td>
<td>$37,133,320</td>
<td>$38,864,274</td>
<td>$40,876</td>
<td>$38,475</td>
<td>$43,167</td>
<td>$40,766</td>
<td>$45,414</td>
<td>$43,013</td>
<td>$47,595</td>
<td>$45,194</td>
</tr>
<tr>
<td>Less 2.5% for ADA-related Services</td>
<td>($928,333)</td>
<td>($971,607)</td>
<td>($1,022)</td>
<td>($1,019)</td>
<td>($1,079)</td>
<td>($1,075)</td>
<td>($1,135)</td>
<td>($1,075)</td>
<td>($1,190)</td>
<td>($1,130)</td>
</tr>
<tr>
<td>Less 3.25% for Senior Services</td>
<td>($1,206,833)</td>
<td>($1,263,089)</td>
<td>($1,329)</td>
<td>($1,251)</td>
<td>($1,403)</td>
<td>($1,325)</td>
<td>($1,476)</td>
<td>($1,398)</td>
<td>($1,547)</td>
<td>($1,469)</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$34,998,154</td>
<td>$36,629,578</td>
<td>$38,525</td>
<td>$36,262</td>
<td>$40,685</td>
<td>$38,422</td>
<td>$42,803</td>
<td>$40,540</td>
<td>$44,858</td>
<td>$42,595</td>
</tr>
</tbody>
</table>

**MTS Projects And Services:**
- **Transit Service Improvements (Operations and Supporting Capital):**
  - FY 2012: $24,830,826
  - FY 2013: $25,988,305
  - FY 2014: $27,334
  - FY 2015: $28,866
  - FY 2016: $30,368
  - FY 2017: $31,826
- **ADA Services:**
  - FY 2012: $658,643
  - FY 2013: $688,000
  - FY 2014: $725
  - FY 2015: $766
  - FY 2016: $805
  - FY 2017: $844

**NCTD Projects And Services:**
- **Transit Service Improvements (Operations and Supporting Capital):**
  - FY 2012: $10,167,328
  - FY 2013: $10,641,273
  - FY 2014: $11,191
  - FY 2015: $11,819
  - FY 2016: $12,435
  - FY 2017: $13,032
- **ADA Services:**
  - FY 2012: $269,690
  - FY 2013: $283,607
  - FY 2014: $297
  - FY 2015: $313
  - FY 2016: $330
  - FY 2017: $346

**Regional Discretionary Programs:**
- **Competitive Grant Program for Senior Transportation Services:**
  - FY 2012: $1,206,833
  - FY 2013: $1,263,089
  - FY 2014: $1,329
  - FY 2015: $1,403
  - FY 2016: $1,476
  - FY 2017: $1,547

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1. The Transit System Services Improvements share is 16.5% of net available revenues. After deducting for ADA and Senior Services, the balance is available for operations and miscellaneous capital projects by the transit agencies.
2. The funds are allocated via a call for projects process by SANDAG.

**Other Notes:**

A. The estimated revenues are based on growth rate in taxable sales as forecasted by SANDAG and excludes interest and prior year excess funds. The low range is based on a 95% confidence interval of (-)$15 million for the overall program and (-)$2.4 million for the Transit System program.

B. Distribution of revenues are based on the 2004 Proposition A Extension: San Diego Transportation Improvement Program and Expenditure Plan.
# Federal Transit Administration Formula Programs

**Revenue Estimates - FY 2013 to FY 2017 (in $000s)**

<table>
<thead>
<tr>
<th>Section 5307 Urbanized Area</th>
<th>FY 2013</th>
<th>Regional Capital Projects</th>
<th>Regional Planning</th>
<th>FY 2014</th>
<th>Regional Capital Projects</th>
<th>Regional Planning</th>
<th>FY 2015</th>
<th>Regional Capital Projects</th>
<th>Regional Planning</th>
<th>FY 2016</th>
<th>Regional Capital Projects</th>
<th>Regional Planning</th>
<th>FY 2017</th>
<th>Regional Capital Projects</th>
<th>Regional Planning</th>
<th>5-Year Total</th>
<th>Regional Capital Projects</th>
<th>Regional Planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTS</td>
<td>$39,952</td>
<td>$(1,743)</td>
<td>($717)</td>
<td>$40,751</td>
<td>$(13,846)</td>
<td>$(732)</td>
<td>$42,381</td>
<td>$(13,330)</td>
<td>$(761)</td>
<td>$44,076</td>
<td>$(830)</td>
<td>$(791)</td>
<td>$45,840</td>
<td>$(840)</td>
<td>$(823)</td>
<td>$213,000</td>
<td>$(30,589)</td>
<td>$(3,824)</td>
</tr>
<tr>
<td>NCTD</td>
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<td>$(1,516)</td>
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<td>$17,465</td>
<td>TBD</td>
<td>N/A</td>
<td>$18,163</td>
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<td>$18,890</td>
<td>TBD</td>
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<td>$19,646</td>
<td>TBD</td>
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<tr>
<td>SANDAG (Planning/Vanpool Program)</td>
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<td>N/A</td>
<td>$717</td>
<td>$2,613</td>
<td>N/A</td>
<td>$732</td>
<td>$2,718</td>
<td>N/A</td>
<td>$761</td>
<td>$2,827</td>
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<td>$791</td>
<td>$2,940</td>
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<td>$823</td>
<td>$13,660</td>
<td>N/A</td>
<td>$3,824</td>
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<tr>
<td>SANDAG (Capital Projects)</td>
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<td>$0</td>
<td>$0</td>
<td>$13,846</td>
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<td>$0</td>
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<th>Regional Planning</th>
<th>FY 2014</th>
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1The federal government is currently operating under a continuing resolution until March 31, 2012. It is anticipated that FFY 2012 (FY 2013 CIP) budget will remain the same as FY 2011 (however that may change once there is an official federal budget for the full year). Given the uncertainty of federal reauthorization for multi-year transportation funding, FY 2014 increases by 2 percent to remain conservative and for FY 2015 to 2017, the estimate increases by 4%, which is the average increase over the SAFETEA-LU period. Again, the future of transportation funding is unknown; therefore, these estimates should be used for planning purposes only.

2Regional Capital Projects refer to projects/funding transferred to SANDAG to implement on behalf of MTS and NCTD based on the draft FY 2013 Capital budget by the two transit agencies. The actual project(s) and associated funding transfer is scheduled to be presented to the Transportation Committee/Board of Directors as part of the FY 2013 Transit Capital Improvement Program at their March meetings, and therefore is subject to change.

Note:

SANDAG planning/vanpool share is based on the total increase in the two formula programs but not less than $2 million per year. The balance of 5307 funds are allocated between MTS and NCTD based on a historical formula (MTS - 70%; NCTD - 30%). The same 70/30 split applies to the 5309 funds (SANDAG does not share in this program).
FUNDING RECOMMENDATIONS FOR FEDERAL FISCAL YEAR 2011 JOB ACCESS AND REVERSE COMMUTE AND NEW FREEDOM GRANTS

Introduction

SANDAG manages two federal competitive grant programs for transportation capital and operating projects and services: the Job Access and Reverse Commute (JARC) program aimed at transportation for reverse commuters and work-related transportation for persons of limited means; and the New Freedom program focused on transportation for persons with disabilities. The JARC and New Freedom programs are funded by the Federal Transit Administration. Both programs require that SANDAG conduct a competitive selection process to distribute the funds. Eligible applicants include private nonprofit organizations, governmental authorities, private and public transportation operators, and the Consolidated Transportation Service Agency (Full Access and Coordinated Transportation, or FACT). SANDAG recently completed the competitive selection process for the federal JARC and New Freedom programs and is bringing forward a recommended list of potential projects to be funded. As required by federal law, all projects selected for funding must be derived from the priorities identified in the 2010-2014 Coordinated Public Transit and Human Services Transportation Plan that was adopted by the Board of Directors on October 22, 2010.

The Transportation Committee considered this item and recommended approval of the list of proposed projects at its February 17, 2012 meeting.

Discussion

Competitive Selection Process

A call for projects for the JARC and New Freedom programs was issued on September 16, 2011, and closed on December 16, 2011. Project submittals for both programs were evaluated and ranked by external evaluation committees using the criteria approved by the Transportation Committee on September 2, 2011 (Attachment 2). The evaluation committees were made up of experts in the field of specialized transportation, including transportation consultants, staff from social service transportation providers, and other regional transportation planning agencies. The resulting ranked project lists provided the basis for the recommendations according to the levels of anticipated funding available. Due to potential noncompliance with federal regulations, one of the five evaluation committee member’s scores were not used for the JARC program.

Recommendation

The Transportation Committee recommends that the Board of Directors approve the Job Access and Reverse Commute and New Freedom Projects proposed for selection as shown in Attachment 1.
Because funding levels are based on estimates from the federal government and local sales tax revenues at the time of the call for projects, the actual amount of funding may differ from the original estimate. If the amount available is lower than the estimated amount, adjustments will either be made to the lowest-ranked project being funded, or distributed among all successful applicants. If the actual amount available is higher than the amount apportioned, any unallocated monies will be rolled over into future funding cycles. Each grant program requires a matching contribution from the grantee, depending on project type.

**Funding Recommendations**

**JARC and New Freedom Programs**

The State of California selected SANDAG to be the agency responsible for awarding JARC and New Freedom grants in San Diego County. These two programs are funded from the Safe, Accountable, Flexible Efficient, Transportation Act – Legacy for Users (SAFETEA-LU). Although SAFETEA-LU expired in 2009, the current extension is through March 31, 2012. The Federal Register announcing the Federal Fiscal Year (FFY) apportionments including JARC and New Freedom was published in February and May 2011. The competitive process held by SANDAG was conducted in order to award grants for this single year of funding. A summary of the applications received and the funding recommendations for both programs are outlined in Attachment 1.

A total of 18 applications were received requesting more than $3.01 million in FFY 2011 funds for the JARC program. A total of $1,613,512 is available for distribution after deducting 10 percent for the SANDAG grant administration allowance. The remaining funding was sufficient to fully fund eight JARC grant applications, and partially fund a ninth project (discussions were held with this project applicant, which subsequently submitted a revised project budget to align with the remaining funding available).

For the New Freedom program, 11 applications were received requesting more than $1.05 million. A total of $800,765 is available for distribution, after deducting 10 percent for the SANDAG grant administration allowance. The recommendation is to fully fund eight New Freedom projects and partially fund a ninth project.

Examples of eligible projects include transit routes serving reverse commuters and work trips for persons of limited means, travel training programs, volunteer driver and aide programs, paratransit, the brokerage of multijurisdictional transportation services, and capital projects, such as vehicle procurements and accessible taxi programs.
Next Steps

If approved by the Board of Directors, the selected projects would be amended into the 2011 Regional Transportation Improvement Program at the earliest opportunity, which allows agencies to submit the required grant applications for the two federal programs. In addition, Notices of Award would be sent to the selected grantees, and it is anticipated that grant agreements would be issued to grantees in summer 2012.

GARY L. GALLEGOS
Executive Director

Attachments: 1. Project Descriptions and Rankings
              2. Project Evaluation Criteria

Key Staff Contact: Brian Lane, (619) 699-7331, Brian.Lane@sandag.org
<table>
<thead>
<tr>
<th>Rank</th>
<th>Sponsor</th>
<th>Project Description</th>
<th>Requested Grant $</th>
<th>Recommended Grant $</th>
<th>Req'd Match</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Metropolitan Transit System (MTS) Route 932</td>
<td>This project proposes to maintain Route 932 service. Route 932 is a fixed-route express service operated with standard coaches and connects the residential areas and employment areas of San Ysidro, Imperial Beach, Otay Mesa-Nestor, Chula Vista, and National City. This project operates with a 15-minute frequency on weekdays (with a span of service 4:30 a.m. - 12:30 a.m.) and with a 20-minute frequency on Saturdays (span: 4:30 a.m. - 12:30 a.m..12:30 a.m...) and with 30-minute frequency on Sundays (span: 5:30 a.m. - 8:30 p.m.). Operating funds have been requested.</td>
<td>$200,000</td>
<td>$200,000</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding.</td>
</tr>
<tr>
<td>2</td>
<td>MTS Route 955</td>
<td>This project proposes to maintain Route 955 service to help transport low-income and reverse commuters to and from jobs and activities related to their employment. Route 905 is a fixed-route service operated with standard coaches that connects the residential and employment areas of National City, Southeastern San Diego, Encanto, City Heights, and the College Area. It operates with a 15-minute frequency on weekdays (with a span of service of 5:00 a.m.-11:45p.m.), with a 30-minutes frequency on Saturday (with a span of service of 5:20 a.m.-11:45 p.m.), and with a 30-minute frequency on Sundays (with a span of service of 6:00 a.m.-9:15 p.m.). Operating funds have been requested.</td>
<td>$200,000</td>
<td>$200,000</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding.</td>
</tr>
<tr>
<td>Rank</td>
<td>Sponsor</td>
<td>Project Description</td>
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<td>Comments</td>
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<tr>
<td>3</td>
<td>MTS Route 929</td>
<td>This proposed project seeks to maintain Route 929 service to help transport low-income and reverse commuters to and from jobs and activities related to their employment. Route 929 is a fixed-route service operated with standard coaches that connects the residential areas and employment areas of San Ysidro, Otay Mesa-Nestor, National City, Chula Vista, 32nd Street Naval Station, Southeastern San Diego, Barrio Logan, and Downtown San Diego. It operates with a 15-minute frequency on weekdays (with a span of service of 4:30 a.m.-2:45 a.m.), and with a 30-minute frequency on Sundays (with a span of service of 5:00 a.m.-midnight). Operating funds have been requested.</td>
<td>$200,000</td>
<td>$200,000</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding.</td>
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<tr>
<td>4</td>
<td>MTS Routes 967 and 968</td>
<td>This project proposes to maintain service on Routes 967 &amp; 968 to help transport low-income and reverse commuters to and from jobs and activities related to their employment. Routes 967 &amp; 968 combine to provide a circular service throughout National City and parts of the City of San Diego communities of Encanto and Skyline/Paradise Hills. Beginning at the 24th Street Trolley Station, Routes 967 &amp; 968 connect the residents of National City, Encanto, and Skyline/Paradise Hills to the entire MTS transit system, and also provide access to the jobs in the National City and South Bay communities. Additionally, Route 968, in particular, serves the major employer in Skyline/Paradise Hills: Paradise Valley Hospital. On weekdays, the routes operate every hour (every 30 minutes, combined) from 5:00 a.m. to 9:30 p.m., and every two hours on Saturday (every hour, combined) from 7:30 a.m. to 7:30 p.m. Operating funds have been requested.</td>
<td>$192,428</td>
<td>$192,428</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding.</td>
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<tr>
<td>Rank</td>
<td>Sponsor</td>
<td>Project Description</td>
<td>Requested Grant $</td>
<td>Recommended Grant $</td>
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</tr>
<tr>
<td>5</td>
<td>MTS Route 905</td>
<td>This proposed project seeks to maintain Route 905 service to help transport low-income and reverse commuters to and from jobs and activities related to their employment. Route 905 is a fixed-route service operated with standard coaches that connects the residential and employment areas of Chula Vista, Imperial Beach, San Diego, San Ysidro, Otay Mesa, and Otay Mesa-Nester at the Iris Avenue Trolley Station. It operates with a 15-minute frequency on weekdays (with a span of service of 4:50 a.m.- 8 p.m.) and with a 60-minute frequency on Saturdays (with a span of service of 5:40 a.m.-7 p.m.). Operating funds have been requested.</td>
<td>$190,585</td>
<td>$190,585</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding.</td>
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<tr>
<td>6</td>
<td>MTS Route 960</td>
<td>This project proposes to maintain Route 960 service. Route 960 is a fixed-route express service operated with standard coaches and connects the residential areas of southeastern San Diego and City Heights to jobs in both Kearny Mesa and University City. It operates as peak-period express with eight northbound trips in the morning (two of those trips do not serve University City), and six return trips in the afternoon. Operating funds have been requested.</td>
<td>$157,187</td>
<td>$157,187</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding.</td>
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<tr>
<td>7</td>
<td>St. Madeleine Sophie’s Center</td>
<td>This proposed project seeks support to purchase three paratransit vehicles for the organization’s growing enrollment. SMSC provides transportation services for adults with developmental disabilities to vocational training and work sites. The purchase of these vehicles will help alleviate issues relating to vehicle unreliability and aging, as SMSC has experienced in the past. Capital funds have been requested.</td>
<td>$152,800</td>
<td>$152,800</td>
<td>20%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding.</td>
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<td>Rank</td>
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<td>8</td>
<td>NCTD - SPRINTER Shuttle</td>
<td>This project seeks to maintain funding for a newly created shuttle connecting Nordahl SPRINTER station and Escondido SPRINTER station with jobs at Palomar Hospital, the new Palomar Pomerado Hospital on the west side of Escondido. In addition, the shuttle will help connect other medical and industrial park jobs on Escondido’s near west side. Operating Funds have been requested.</td>
<td>$193,938</td>
<td>$193,938</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding.</td>
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<tr>
<td>9</td>
<td>NCTD Route 332</td>
<td>The proposed project seeks to expand service to Vista Business Park by increasing headways on BREEZE bus route 332 from every 30 minutes in the peak and 60 minutes in the off-peak to every 20 minutes in the peak and 30 minutes in the off-peak. Operating funds have been requested.</td>
<td>$200,000</td>
<td>$126,574</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding. Staff worked with NCTD to reduce the requested grant amount to align with remaining available funding.</td>
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Funded Project Subtotals: $1,686,938 $1,613,512

Projects Not Recommended For Funding

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<th>Recommended Grant $</th>
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<tr>
<td>10</td>
<td>NCTD SPRINTER Extended Service</td>
<td>This project proposes to extend the current JARC project another year, which funds the following two elements: continue to run the added 16 trips on Saturday and Sunday that allow SPRINTER to run at an increased (half hour) headway from 10 a.m. to 6 p.m.; and, continue to run increased span of service on SPRINTER seven days a week. Operating funds have been requested.</td>
<td>$200,000</td>
<td>$0</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is not recommended for funding.</td>
</tr>
<tr>
<td>11</td>
<td>NCTD Route 302</td>
<td>This project is proposing to improve access to employment sites in the Route 302 corridor for working populations below poverty who live in the cities of Oceanside and Vista, as well as the other SPRINTER corridor communities of San Marcos and Escondido, by increasing weekday bus headways. Operating funds have been requested.</td>
<td>$200,000</td>
<td>$0</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is not recommended for funding.</td>
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<td>Rank</td>
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<tr>
<td>12</td>
<td>Alpha Project</td>
<td>The proposed project seeks to continue the provision of employment-related transportation services to residents at Casa Raphael in Vista to improve access to employment-related opportunities throughout San Diego County, and especially within North County. Employment-related transportation includes drop-off/pick-up from job sites and vocational training/educational facilities. Operating funds have been requested.</td>
<td>$103,649</td>
<td>$0</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is not recommended for funding.</td>
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<tr>
<td>13</td>
<td>NCTD COASTER</td>
<td>This proposed project seeks to add four northbound and four southbound weekday trips on the COASTER in the early morning and midday periods allowing low-income individuals reverse commute and job access opportunities to employment centers. Operating funds have been requested.</td>
<td>$200,000</td>
<td>$0</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is not recommended for funding.</td>
</tr>
<tr>
<td>14</td>
<td>International Rescue Committee</td>
<td>This project is proposing to establish the Employment Mobility Program, aimed at reducing transportation-related barriers to self-sufficiency for low-income families by providing an employment shuttle service, public transit training and loans. EMP features a multi-tiered project design that includes classroom training, one-on-one assistance, accompanied educational bus trips, an employment shuttle and an auto-loan product closely linked with a ride share component to encourage carpooling. The program will serve low-income residents of the City Heights community and the City of El Cajon, and will leverage IRC’s existing programs and cultural and linguistic competencies to impact the lives of the targeted populations. Operating and Mobility Management funds have been requested.</td>
<td>$101,930</td>
<td>$0</td>
<td>50%, 20%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is not recommended for funding.</td>
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<tr>
<td>Rank</td>
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<td>Project Description</td>
<td>Requested Grant $</td>
<td>Recommended Grant $</td>
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<tr>
<td>15</td>
<td>Full Access to Coordinated Transportation (FACT) Workride</td>
<td>The proposed project, WorkRIDE, will provide transportation from designated group homes, shelters, training centers, and other program sites to and from employment related destinations. Recommended funding will permit procurement of three vehicles (minivans), which will be leased to Sol transportation at no cost. The average trips are worth $35.00 each at market prices. Over a two-year period, Sol will provide up to 6,660 one way vehicle trips; the service will provide 14,625 passenger trips over 2 years. Capital funds have been requested.</td>
<td>$160,000</td>
<td>$0</td>
<td>20%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is not recommended for funding.</td>
</tr>
<tr>
<td>16</td>
<td>NCTD Routes 351 &amp; 352</td>
<td>The proposed project seeks to extend JARC funding another year to provide additional access to employment area by increasing bus frequency on routes 351 &amp; 352 in East Escondido. Operating funds have been requested.</td>
<td>$200,000</td>
<td>$0</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is not recommended for funding.</td>
</tr>
<tr>
<td>17</td>
<td>NCTD El Norte Parkway</td>
<td>This project proposes to introduce new bus service on El Norte Parkway, east of Broadway, in Escondido to increase access to jobs. This project further proposes to provide additional access to work-based trips for working populations below poverty level who currently have excessive walk distances to reach transit. Operating funds have been requested.</td>
<td>$111,892</td>
<td>$0</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is not recommended for funding.</td>
</tr>
<tr>
<td>18</td>
<td>NCTD Valley Parkway</td>
<td>This project seeks to increase bus headway on Valley Parkway in Escondido to increase access to jobs both for local residents and for workers in businesses. The project proposes to increase peak bus service frequency on Valley Parkway from once per hour on weekdays to once every 30 minutes, and to increase weekend bus service from once every two hours to once per hour. This new higher level of service proposes to provide additional access to work-based trips for working populations below poverty line who live and or work in the Mission Park section of Escondido. Operating funds have been requested.</td>
<td>$54,487</td>
<td>$0</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is not recommended for funding.</td>
</tr>
</tbody>
</table>

<p>|  | Unfunded Projects Subtotals |  |  | $1,331,958 | $0 |         |</p>
<table>
<thead>
<tr>
<th>Rank</th>
<th>Sponsor</th>
<th>Project Description</th>
<th>Requested Grant $</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Peninsula Shepherd Center</td>
<td>The proposed project seeks to provide disabled adults, age 60+, living in the Peninsula communities of Point Loma, Ocean Beach and Midway/Sports Arena in the City of San Diego with supplemental transportation to include volunteer/escort service and door-through-door shopping van service through Out and About Peninsula. The PSC will also provide information and referral to other transportation services available for the Peninsula communities in order to collaborate with other agencies to provide the most comprehensive transportation services possible. The PSC will use resources and volunteer services to provide additional cost-effective, responsive solutions to gaps in transportation services in the stated region. Operating funds have been requested.</td>
<td>$42,495</td>
<td>$42,495</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding.</td>
</tr>
<tr>
<td>2</td>
<td>La Mesa-Rides4Neighbors</td>
<td>The R4N project seeks to provide transportation by volunteer drivers using their own vehicles to meet the essential needs of eligible seniors age 60+ and/or disabled adults throughout East County. The ride destinations correspond to the needs of the clients and the volunteer driver resources available. Client transportation needs may include medical/dental facilities, social engagements, grocery stores, personal care, educational classes, and more. The program also consists of a cab voucher program, provision of accessible vans, shopping shuttles, and travel training. Operating Funds have been requested.</td>
<td>$62,563</td>
<td>$62,563</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding.</td>
</tr>
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<tr>
<td>3</td>
<td>San Ysidro Health Center</td>
<td>The proposed Transportation Operations Program is designed to serve disabled patients living in the South and Southeaster Regions of San Diego County. Specifically, the funding will support SYHC’s contracted shuttle transit services with City Link Transportation. The proposed program seeks to enhance the transportation needs to disabled patients, including those who are ill, injured, aged, have congenital malfunctions, and experiencing other types of permanent/temporary disability. The proposed demand-based shuttle service will provide round-trip transportation to non-emergency medical appointments and needs. Operating funds have been requested.</td>
<td>$45,500</td>
<td>$45,500</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding.</td>
</tr>
<tr>
<td>4</td>
<td>NCTD- Medical Transport for Veterans and Active Military</td>
<td>The proposed project aims to provide increased access to key destinations for disabled veterans and active duty service members seeking medical care. The project expands fixed route transit service in two key locations. The first location is the Wounded Warrior Center and adjacent Navy Hospital on Camp Pendleton, and the second location is the new Veterans Administration Clinic in Oceanside. This project goes beyond ADA by assuring that direct transit service is available for disabled soldiers and veterans who may need transportation to reach help, but may not see themselves as disabled and therefore not apply for ADA eligibility. Operating funds have been requested.</td>
<td>$200,000</td>
<td>$200,000</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding.</td>
</tr>
<tr>
<td>Rank</td>
<td>Sponsor</td>
<td>Project Description</td>
<td>Requested Grant $</td>
<td>Recommended Grant $</td>
<td>Req'd Match</td>
<td>Comments</td>
</tr>
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<tr>
<td>5</td>
<td>San Marcos Senior Center</td>
<td>San Marcos Senior Center seeks to expand the existing senior transportation program by servicing more residents, ensuring that fixed income seniors are capable of necessary travel to medical appointments. The City of San Marcos’ “On the Move” senior transportation program provides free, accessible, and flexible transportation throughout the community. This is accomplished through a senior taxi voucher program. The project provides 200 voucher books each month to seniors in need of transportation for medical appointments. There can be a waiting list of seniors requesting taxi vouchers each month. An increase in taxi vouchers will enhance the availability of transportation for seniors. Operating funds have been requested.</td>
<td>$35,000</td>
<td>$35,000</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding.</td>
</tr>
<tr>
<td>6</td>
<td>ITN San Diego</td>
<td>The proposed project seeks to provide door-through-door transportation to seniors in need as well as adults who suffer visual impairments. Volunteer driver programs ease isolation; keep riders connected to their community; ensure compliance in keeping medical appointments and being able to conduct personal errands including shopping, social visits and entertainment. ITN proposed to provide 6,500 rides to a minimum of 300 individuals in the course of the grant period. Operating funds have been requested.</td>
<td>$82,500</td>
<td>$82,500</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding.</td>
</tr>
<tr>
<td>7</td>
<td>FACT Mobility Management</td>
<td>The proposed project aims to maintain FACT’s existing mobility management services throughout the San Diego County. Grant funding will aid in allowing FACT to continue to coordinate the effective use of all existing transportation services within the County, while also helping to plan to serve those needs that are not currently met. Mobility Management funds have been requested.</td>
<td>$160,000</td>
<td>$160,000</td>
<td>20%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding.</td>
</tr>
</tbody>
</table>
### New Freedom Project Descriptions and Rankings

<table>
<thead>
<tr>
<th>Rank</th>
<th>Sponsor</th>
<th>Project Description</th>
<th>Requested Grant $</th>
<th>Recommended Grant $</th>
<th>Req'd Match</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>Renewing Life</td>
<td>The project proposes to provide cost-effective scheduled and route-relevant door-through-door transportation service reaching over 600 low-income, disabled, senior and domestic violence shelter clients in the South County. For domestic violence shelter clients, Renewing Life will provide no-cost, safe passage transportation to assist clients needing to attend court ordered legal meetings, counseling, and therapy sessions. Operating funds have been requested.</td>
<td>$60,000</td>
<td>$60,000</td>
<td>50%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding.</td>
</tr>
<tr>
<td>9</td>
<td>FACT-MedAccessRide</td>
<td>The proposed project aims to provide low cost transportation for individuals with disabilities to medical-related services (non-emergency). By partnering with Sol Transportation, FACT will purchase five accessible minivans and lease them to Sol at no cost. Sol will then provide trips equal to the cost of the vehicle for a 2 year period. The service will provide 6,660 total vehicle trips, Monday-Friday during business hours. This service will complement FACT’s mobility management and brokerage services. Capital funds have been requested.</td>
<td>$160,000</td>
<td>$112,707</td>
<td>20%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is recommended for funding. Staff worked with FACT to reduce the requested grant amount to align with remaining available funding.</td>
</tr>
</tbody>
</table>

Funded Projects Subtotals: $848,058 $800,765

### Projects Not Recommended For Funding

<table>
<thead>
<tr>
<th>Rank</th>
<th>Sponsor</th>
<th>Project Description</th>
<th>Requested Grant $</th>
<th>Recommended Grant $</th>
<th>Req'd Match</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Valley Center Community Recreation Center</td>
<td>This project proposes to provide door-to-door non-emergency medical transportation for the elderly and disabled individuals at the center. The service area includes Valley Center, Pauma, Valley, and Palomar Mountain to Lake Henshaw. Operating and Capital funds have been requested.</td>
<td>$122,900</td>
<td>$0</td>
<td>50%, 20%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is not recommended for funding.</td>
</tr>
<tr>
<td>11</td>
<td>Angey Wahba DBA-Care4UMobility</td>
<td>The proposed project seeks funds to purchase and replace two new accessible vehicles (minivans) in order to improve the quality and reliability of the transportation services provided by the organization. Capital funds have been requested.</td>
<td>$80,000</td>
<td>$0</td>
<td>20%</td>
<td>All requirements were met for this project. Based on the scores of the evaluation committee, this project is not recommended for funding.</td>
</tr>
</tbody>
</table>

Unfunded Project Subtotals: $202,900 $0
Job Access and Reverse Commute (JARC)
Project Evaluation and Scoring Criteria

The following information and scoring criteria are used to score and rate project applications for JARC funding.

**Minimum Eligibility Criteria:** Must answer **Yes** to each of the following four questions to be eligible.

1. Is the agency a local governmental agency, (private or public) operator of public transportation, nonprofit agency, or a tribal government?
2. Will 80% of the riders be considered as traveling either (can combine riders from both categories for 80% minimum):
   - to employment and employment related services for welfare recipients and eligible low-income individuals, or
   - from urbanized areas and non-urbanized areas to suburban employment opportunities.
3. Is the total grant request between $30,000 and $200,000 per year?
4. Is your project derived from a Very High or High Priority in the 2010 – 2014 Coordinated Plan?
   - **Very High**
     - Develop or expand transit and non-agency client transportation services in areas with little or no other transportation options based on identified gaps in transportation services included in Chapters 6 and 7; or
     - Develop or expand transportation solutions in areas with sufficient densities to support shared ride or coordinated services based on identified gaps in transportation services included in Chapters 6 and 7.
   - **High**
     - Develop a centralized ride scheduling, dispatching, a mobility center
     - Improve transportation services to the rural areas
     - Increase coordination efforts by combining resources such as vehicles, riders, funds for rides, vehicle maintenance, drivers, driver training, insurance coverage, general ride subsidies, dispatching equipment, software, and gas cards for volunteers
     - Increase work-based weekday and weekend service based on identified gaps in service included in Chapters 6 and 7
     - Increase work-based weeknight service based on identified gaps in service included in Chapters 6 and 7
     - Provide travel training to encourage more individuals to ride regular transit
     - Develop or enhance volunteer driver programs
     - Upgrade bus stops to include weather protection
**SCORING CRITERIA**: The information and scoring criteria below will be used to score and rate project applications for JARC funding.

A. Goals and Objectives (15 points)

→ Will the project serve the appropriate population? Does the proposal provide pertinent demographic data and/or maps? **(5 points)**

→ Will the proposed program increase or enhance the availability of transportation for low-income individuals for job-related trips? **(5 points)**

→ To what extent is the proposed project consistent with the goals and objectives of the JARC program? **(5 points)**

B. Operational/Implementation Plan (15 points)

→ How thorough is the implementation plan? Does the proposal include project tasks, timelines, benchmarks, key milestones, key personnel, deliverables, and routes and schedules as applicable? Does the implementation plan and timeline seem feasible? **(5 points)**

→ Does the applicant demonstrate the technical ability to manage the project? Has the applicant effectively implemented projects using federal or state funds in the recent past; has the applicant managed similar projects; has the applicant had sufficient experience in providing services for the targeted clientele? Does the agency have adequate staff to resources to handle the project? If applicable, are drivers properly trained? If applicable, does the agency display the ability to maintain vehicles? **(5 points)**

→ Does this project relate to other services or facilities provided by the agency or firm? Does the operational plan correspond with the project goals/objectives? **(5 points)**

C. Program Effectiveness and Performance Indicators (20 points)

→ Does the project make use of JARC funds in an efficient and cost-effective manner? **(5 points)**

→ Does the proposal describe efforts to ensure the project’s cost-effectiveness (and other measurable units of service)? Will the project experience increasing efficiencies over time? If applying for a capital project, does the applicant demonstrate that the purchase is the most cost-effective product for the service being provided? **(5 points)**

→ Does the proposal provide measurable performance indicators to measure and evaluate the effectiveness of the proposed project in meeting the identified goals? For capital-related projects, does the applicant establish milestones and methods for reporting the status of project delivery? **(5 points)**

→ Does the applicant describe methodologies and procedures for ongoing monitoring and evaluation of the project or service, and steps to be taken if original goals are not achieved? **(5 points)**
D. Coordination and Program Outreach (15 points)

→ Does the proposal describe how key stakeholders will remain involved and informed throughout the process? Did the applicant attach one or more letters from other agencies describing how they will be coordinating with the applicant in the provision of transportation services? (The CTSA and public transit operators proposing a fixed-route project are exempted from submitting letters) (5 points)

→ How comprehensive are the applicant’s proposed strategies for marketing the project and promoting public awareness? (5 points)

→ To what extent does the project demonstrate coordination among various entities? (5 point maximum - 1 point per type of coordination)
  : Shared use of vehicles
  : Dispatching or scheduling
  : Maintenance
  : Back up transportation
  : Staff training programs
  : Joint procurement of services and supplies
  : Active participation in local social service transportation planning process
  : Coordination of client trips with other transportation agencies

E. Project Budget (15 points)

→ Was a clearly defined budget submitted for the proposed project? (5 points)

→ Does the project appear to be feasible as described? (5 points)

→ Is the source of local share stable? (5 points)

F. Sustainability (10 points)

→ Does the applicant demonstrate a long-term commitment to the project to continue the effort beyond the availability of the requested grant resources? Is this applicant financially capable of sustaining operations after the initial grant funding is expended? (5 points)

→ Does the applicant provide sufficient justification as to why JARC funding is needed for this project? (5 points)

G. Innovation (10 points)

→ Is the proposed project an innovative solution to addressing the need, and could the innovations be applied to other services in the region? (5 points)

→ Are there elements of the project that are environmental sustainable (including the use of alternative fuels and clean air vehicles)? (5 points)
H. Past Performance (-10% to +2 % adjustment to total score)

If the applicant has held a JARC, New Freedom or Senior Mini-Grant award from SANDAG in the past three years their performance in operating and managing the most recent 12 month period of those grants will be used to determine if an adjustment to the total score is appropriate. No adjustments will be made for applicants who have not had an active grant in the past three years.

The following four indicators will be used to determine the past performance adjustment. The data used for the first two indicators will be compared to the original proposals submitted, while the last two will be based on ongoing project evaluations and onsite assessment visits. Each category will receive a score ranging from -2.5% to +.5%. For those applicants with more than one existing grant, an average of the performance criteria scores will be used.

1. Cost per unit of service delivered (a unit will vary based on the type of project; for example a Volunteer Driver program would be one-way passenger trips, an internet site would be web hits, or a telephone referral service would be referrals, and a travel training program would be people trained)
   - 10 % or more under proposed cost per unit (+.5%)
   - +/- 10% of proposed cost per unit (0%)
   - 10 – 15 % or more over proposed cost per unit (-.5%)
   - 15 – 20% or more over proposed cost per unit (-1.0%)
   - 20 – 25% or more over proposed cost per unit (-1.5%)
   - 25 – 30% or more over proposed cost per unit (-2.0%)
   - 30% or more over proposed cost per unit (-2.5%)

2. Number of units of service delivered (a unit will vary based on the type of project. For example a Volunteer Driver program would be one-way passenger trips, an internet site would be web hits, or a telephone referral service would be referrals, and a travel training program would be people trained)
   - 10 % or more over proposed number of units of service (+.5%)
   - Within 10% more or less of proposed number of units of service (0%)
   - 10 – 15 % or more under proposed number of units of service (-.5%)
   - 15 – 20% or more under proposed number of units of service (-1.0%)
   - 20 – 25% or more under proposed number of units of service (-1.5%)
   - 25 – 30% or more under proposed number of units of service (-2.0%)
   - 30% or more under proposed number of units of service (-2.5%)
3. Project Management – How well did the grantee manage their project? (-2.5% to +.5 %)

Project Management will be evaluated based on SANDAG’s observations of the grantees operation and management including, but not limited to, the following:

- Budget management
- Administration costs
- Coordination
- Service area adherence
- Project schedule
- Invoice and report quality and consistency

4. Service Quality – Did the grantee provide a quality service? (-2.5% to +.5 %)

Service Quality will be based on written evaluations prepared by SANDAG during onsite visits to the grantee including, but not limited to, the following:

- Customer Satisfaction
- Safety
- Training
- Outreach
- Quality Control Measures
New Freedom
Project Evaluation and Scoring Criteria

The following information and scoring criteria are used to score and rate project applications for New Freedom funding.

**Minimum Eligibility Criteria:** Must answer **Yes** to each of the following four questions to be eligible.

1. Is the agency a local governmental agency, (private or public) operator of public transportation, nonprofit agency, or a tribal government?
2. Will 80% of the served population consist of persons with disabilities?
3. Is the total grant request between $30,000 and $200,000 per year?
4. Is your project derived from a Very High or High Priority in the 2010 – 2014 Coordinated Plan?

: **Very High**

→ Develop or expand transit and non-agency client transportation services in areas with little or no other transportation options based on identified gaps in transportation services included in Chapters 6 and 7; or

→ Develop or expand transportation solutions in areas with sufficient densities to support shared ride or coordinated services based on identified gaps in transportation services included in Chapters 6 and 7. 

: **High**

→ Develop a centralized ride scheduling, dispatching, a mobility center

→ Improve transportation services to the rural areas

→ Increase coordination efforts by combining resources such as vehicles, riders, funds for rides, vehicle maintenance, drivers, driver training, insurance coverage, general ride subsidies, dispatching equipment, software, and gas cards for volunteers

→ Increase work-based weekday and weekend service based on identified gaps in service included in Chapters 6 and 7

→ Increase work-based weeknight service based on identified gaps in service included in Chapters 6 and 7

→ Provide travel training to encourage more individuals to ride regular transit

→ Develop or enhance volunteer driver programs

→ Upgrade bus stops to include weather protection
SCORING CRITERIA: The information and scoring criteria below will be used to score and rate project applications for New Freedom funding.

A. Goals and Objectives (15 points)

→ Will the project serve the appropriate population? Does the proposal provide pertinent demographic data and/or maps? (5 points)

→ Will the proposed program increase or enhance the availability of transportation for disabled individuals? (5 points)

→ To what extent is the proposed project consistent with the goals and objectives of the New Freedom program? (5 points)

B. Operational/Implementation Plan (15 points)

→ How thorough is the implementation plan? Does the proposal include project tasks, timelines, benchmarks, key milestones, key personnel, deliverables, and routes and schedules as applicable? Does the implementation plan and timeline seem feasible? (5 points)

→ Does the applicant demonstrate the technical ability to manage the project? Has the applicant effectively implemented projects using federal or state funds in the recent past; has the applicant managed similar projects; has the applicant had sufficient experience in providing services for the targeted clientele? Does the agency have adequate staff to resources to handle the project? If applicable, are drivers properly trained? If applicable, does the agency display the ability to maintain vehicles? (5 points)

→ Does this project relate to other services or facilities provided by the agency or firm? Does the operational plan correspond with the project goals/objectives? (5 points)

C. Program Effectiveness and Performance Indicators (20 points)

→ Does the project make use of New Freedom funds in an efficient and cost effective manner? (5 points)

→ Does the proposal describe efforts to ensure the project’s cost-effectiveness (and other measurable units of service)? Will the project experience increasing efficiencies over time? If applying for a capital project, does the applicant demonstrate that the purchase is the most cost-effective product for the service being provided? (5 points)

→ Does the proposal provide measurable performance indicators to measure and evaluate the effectiveness of the proposed project in meeting the identified goals? For capital-related projects, does the applicant establish milestones and methods for reporting the status of project delivery? (5 points)

→ Does the applicant describe methodologies and procedures for ongoing monitoring and evaluation of the project or service, and steps to be taken if original goals are not achieved? (5 points)
D. Coordination and Program Outreach (15 points)

→ Does the proposal describe how key stakeholders will remain involved and informed throughout the process? Did the applicant attach one or more letters from other agencies describing how they will be coordinating with the applicant in the provision of transportation services? (The CTSA and public transit operators proposing a fixed-route project are exempted from submitting letters) (5 points)

→ How comprehensive are the applicant's proposed strategies for marketing the project and promoting public awareness? (5 points)

→ To what extent does the project demonstrate coordination among various entities? (5 point maximum - 1 point per type of coordination)
  - Shared use of vehicles
  - Dispatching or scheduling
  - Maintenance
  - Back up transportation
  - Staff training programs
  - Joint procurement of services and supplies
  - Active participation in local social service transportation planning process
  - Coordination of client trips with other transportation agencies

E. Project Budget (15 points)

→ Was a clearly defined budget submitted for the proposed project? (5 points)

→ Does the project appear to be feasible as described? (5 points)

→ Is the source of local share stable? (5 points)

F. Sustainability (10 points)

→ Does the applicant demonstrate a long-term commitment to the project to continue the effort beyond the availability of the requested grant resources? Is this applicant financially capable of sustaining operations after the initial grant funding is expended? (5 points)

→ Does the applicant provide sufficient justification as to why New Freedom funding is needed for this project? (5 points)

G. Innovation (10 points)

→ Is the proposed project an innovative solution to addressing the need, and could the innovations be applied to other services in the region? (5 points)

→ Are there elements of the project that are environmental sustainable (including the use of alternative fuels and clean air vehicles)? (5 points)
H. Past Performance (-10% to +2 % adjustment to total score)

If the applicant has held a JARC, New Freedom or Senior Mini-Grant award from SANDAG in the past three years their performance in operating and managing the most recent 12 month period of those grants will be used to determine if an adjustment to the total score is appropriate. No adjustments will be made for applicants who have not had an active grant in the past three years.

The following four indicators will be used to determine the past performance adjustment. The data used for the first two indicators will be compared to the original proposals submitted, while the last two will be based on ongoing project evaluations and onsite assessment visits. Each category will receive a score ranging from -2.5% to +.5%. For those applicants with more than one existing grant, an average of the performance criteria scores will be used.

1. Cost per unit of service delivered (A unit can be one-way passenger trips, web hits, or referrals, etc.)
   - 10 % or more under proposed cost per unit (+.5%)
   - +/- 10% of proposed cost per unit (0%)
   - 10 – 15 % or more over proposed cost per unit (-.5%)
   - 15 – 20% or more over proposed cost per unit (-1.0%)
   - 20 – 25% or more over proposed cost per unit (-1.5%)
   - 25 – 30% or more over proposed cost per unit (-2.0%)
   - 30% or more over proposed cost per unit (-2.5%)

2. Number of units of service delivered
   - 10 % or more over proposed number of units of service (+.5%)
   - Within 10% more or less of proposed number of units of service (0%)
   - 10 – 15 % or more under proposed number of units of service (-.5%)
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   - 30% or more under proposed number of units of service (-2.5%)
3. Project Management – How well did the grantee manage their project? (-2.5% to +.5 %)

Project Management will be evaluated based on SANDAG’s observations of the grantee’s operation and management including, but not limited to, the following:

- Budget management
- Administration costs
- Coordination
- Service area adherence
- Project schedule
- Invoice and report quality and consistency

4. Service Quality – Did the grantee provide a quality service? (-2.5% to +.5 %)

Service Quality will be based on written evaluations prepared by SANDAG during onsite visits to the grantee including, but not limited to, the following:

- Customer Satisfaction
- Safety
- Training
- Outreach
- Quality Control Measures
FIRST READING OF AMENDMENTS TO ORDINANCE
NO. CO-04-01 (SAN DIEGO TRANSPORTATION
IMPROVEMENT PROGRAM ORDINANCE AND
EXPENDITURE PLAN) TO SWAP FUNDS ALLOCATED
FOR TWO REVERSIBLE HIGH-OCCUPANCY VEHICLE Lanes
ON A PORTION OF INTERSTATE 805 FOR A PORTION OF THE
ACQUISITION COSTS OF THE STATE ROUTE 125 TOLL ROAD
FRANCHISE LEASE AND RELATED ASSETS, AND TO EXTEND
THE TIMEFRAME NECESSARY TO ALLOW A REGIONAL
FUNDING BALLOT MEASURE TO BE CONSIDERED BY THE VOTERS

Introduction

Based on direction provided by the Board of Directors in December 2011, amendments are proposed to sections of the TransNet Extension Ordinance and Expenditure Plan (Commission Ordinance No. CO-04-01). The amendments would enable the swap of the funds allocated for two reversible high-occupancy vehicle (HOV) lanes on Interstate 805 (I-805) between State Routes 54 and 905 for the acquisition of the State Route 125 (SR 125) franchise lease. The amendments would additionally extend the deadline for acting on an additional regional “quality of life” funding measure to no later than 2016. At its February 8, 2012, meeting, the TransNet Independent Taxpayer Oversight Committee recommended approval of the proposed amendments.

Discussion

State Route 125 Swap

On December 16, 2011, the Board of Directors took a number of actions related to the acquisition of the SR 125 Toll Road franchise lease. To finance the SR 125 purchase, the Board approved an initial loan from TransNet and directed staff to return with a future amendment to the TransNet Extension Ordinance to swap the remaining funds allocated for two reversible HOV lanes on I-805 between SR 54 and SR 905 for the acquisition costs for the SR 125 franchise lease.
The TransNet Extension Ordinance included net capital costs of $148 million in 2002 dollars for the two reversible HOV lanes on I-805 between SR 54 and SR 905; this $148 million figure equates to $212 million in 2010 dollars. Of this amount, $14 million in 2002 dollars (or $20 million in 2010 dollars) has been expended for environmental and design work completed on the I-805 HOV lanes.

The amendment (Attachment 1) would modify the Expenditure Plan in the TransNet Extension Ordinance such that the improvements on I-805, valued at a remaining $134 million in 2002 dollars (or $192 million in 2010 dollars), would be removed from the Expenditure Plan. The dollar value of these improvements would then be deducted from the SR 125 loan amount from TransNet and reduce SANDAG debts on the toll road. (Note that the two HOV lanes on I-805 south of SR 54 are being separately funded and constructed with Proposition 1B infrastructure bond funds.)

At its December 16, 2011, meeting, the Board of Directors adopted Resolution No. 2012-15, with its findings in support of exemptions under the California Environmental Quality Act (CEQA) for toll reductions, and Resolution No. 2012-16 with its findings and an addendum to the Final Environmental Impact Report, for the March 2003 Regional Transportation Plan, known as MOBILITY 2030, in support of the currently proposed modifications to the TransNet Extension Ordinance. The CEQA documentation approved by the Board on December 16, 2011, enables the Board to amend the Ordinance without further CEQA analysis at this time.

Quality of Life Funding Measure

The TransNet Extension Ordinance and Expenditure Plan, approved by the voters in 2004, included a set of principles for the TransNet Environmental Mitigation Program (EMP). EMP Principle No. 10 required the Board of Directors “to act on additional regional funding measures to meet the long-term requirements for implementing habitat conservation plans in the San Diego region no later than four years after the passage of the TransNet Extension,” which originally would have been November 2008. This portion of the Extension Ordinance has been amended twice – first, in 2008, with Ordinance CO-08-01 to extend the original deadline by two years, to 2010, and second, in 2009, with Ordinance CO-10-02 to extend the deadline by an additional two years, to 2012.

On December 9, 2011, the Board of Directors considered the results from a survey of the public about its views of quality of life issues and funding measures. The survey results were previously reviewed by the Quality of Life Steering Committee, composed of Board members from each of the six subregions, and the Quality of Life Stakeholder Working Group, a diverse group of regional stakeholders formed in January 2010 to consider and provide input to the Quality of Life Steering Committee and Board of Directors. It was determined from the survey that from a timing standpoint, there did not appear to be any possible scenario under current or foreseeable conditions in which a quality of life funding measure would pass the required two-thirds majority of San Diego County voters. As a result, the Board of Directors directed staff to return with a proposed amendment to the TransNet Extension Ordinance to extend the deadline for acting on an additional funding measure to no later than 2016. The proposed amendment to extend the deadline is included in Attachment 1.
Next Steps

The Board of Directors will be asked to adopt the proposed amendments to the TransNet Extension Ordinance at its March 23, 2012, meeting. The TransNet Extension Ordinance amendment related to SR 125 would allow the Board to exercise the provision in Section 15 of the Promissory Note between SANDAG and the San Diego County Regional Transportation Commission (RTC), such that the RTC can then take action to forgive or cancel a portion of the principal amount based off of the Promissory Note in exchange for the improvements included as part of the purchased South Bay Expressway assets. This reduction to the debt on the toll road will provide the Board the ability to lower the SR 125 tolls over time to as much as 40 percent to 50 percent of the current rates. Options for reducing the SR 125 tolls will be brought to the Board in the spring, with final action following Board approval of the TransNet Extension Ordinance amendments in March.

GARY L. GALLEGOS
Executive Director

Attachment: 1. Proposed amendments to the TransNet Extension Ordinance

Key Staff Contacts: Kim Kawada, (619) 699-6994, Kim.Kawada@sandag.org
COMMISSION ORDINANCE CO-12-01

AN ORDINANCE OF THE SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION AMENDING COMMISSION ORDINANCE CO-04-01 TO SWAP FUNDS ALLOCATED FOR TWO REVERSIBLE HIGH-OCCUPANCY VEHICLE LANES ON A PORTION OF INTERSTATE 805 FOR THE ACQUISITION OF THE STATE ROUTE 125 TOLL ROAD FRANCHISE LEASE, AND TO EXTEND THE TIMEFRAME NECESSARY TO ALLOW A REGIONAL FUNDING BALLOT MEASURE TO BE CONSIDERED BY THE VOTERS

The SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION ordains as follows:

Section 1. That Section 2(A)(1)(a)(6) is hereby amended to read as follows:

Interstate 805: Add four managed lanes from I-5 to SR 54 and two reversible HOV lanes from SR 54 to SR 905, including HOV to HOV connectors at the I-805/SR 52 interchange and improvements at the I-805/SR 54 interchange - $1,371 million. (Changes in strikeout and underline)

Section 2. That Section 2(A)(1)(a)(17) is hereby added to read as follows:

17. State Route 125 Toll Road: Utilize funds to forgive a portion of the debt incurred by SANDAG pursuant to the Promissory Note dated December 16, 2011, which was used to finance a portion of the acquisition costs for the State Route 125 toll road franchise and related assets - $134 million.

Section 3. That Table 3 of the TransNet Extension Expenditure Plan Analysis attachment to Ordinance CO-04-01 be amended to read as follows:

<table>
<thead>
<tr>
<th>Project Number</th>
<th>Route/Facility</th>
<th>From</th>
<th>To</th>
<th>Existing Improvement</th>
<th>Capital Cost</th>
<th>Mitigation Cost</th>
<th>Net Capital Cost</th>
<th>Operating Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>I-805</td>
<td>SR 905</td>
<td>SR 54</td>
<td>8F</td>
<td>$150</td>
<td>$2</td>
<td>$148</td>
<td>$14</td>
</tr>
</tbody>
</table>

Section 4. That Table 17 of the TransNet Extension Expenditure Plan Analysis attachment to Ordinance CO-04-01 be inserted to read as follows:

<table>
<thead>
<tr>
<th>Project Number</th>
<th>Route/Facility</th>
<th>From</th>
<th>To</th>
<th>Existing Improvement</th>
<th>Capital Cost</th>
<th>Mitigation Cost</th>
<th>Net Capital Cost</th>
<th>Operating Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>48</td>
<td>SR 125</td>
<td>SR 905</td>
<td>SR 54</td>
<td></td>
<td></td>
<td></td>
<td>$134</td>
<td></td>
</tr>
</tbody>
</table>

Section 5. That Section 10 of the attachment to Commission Ordinance CO-04-01 entitled “TransNet EXTENSION ENVIRONMENTAL MITIGATION PROGRAM (EMP) PRINCIPLES” is hereby amended to read as set forth below and that Ordinance CO-10-02 be superseded upon the effective date of Ordinance CO-12-01:

SANDAG agrees to act on additional regional funding measures (a ballot measure and/or other secure funding commitments) to meet the long-term requirements for implementing habitat conservation plans in the San Diego region, within the timeframe necessary to allow a ballot measure to be considered by the voters no later than eight twelve years after
passage of the TransNet Extension. In the event that such future funding measures generate funding to fully meet regional habitat acquisition and management requirements, SANDAG is authorized to reallocate excess funds included in the “Regional Habitat Conservation Fund” to local transportation projects. (Changes in strikeout and underline)

PASSED AND ADOPTED by the San Diego County Regional Transportation Commission, State of California, on March 23, 2012, by the following vote:

AYES:

NOES:

ABSENT:

________________________________________________________________________
Chairperson
San Diego County Regional Transportation Commission

Attest:

________________________________________________________________________
(Signature)

________________________________________________________________________
Executive Director
ANNUAL REVIEW AND PROPOSED AMENDMENTS TO BOARD POLICIES AND BYLAWS

File Number 8000100

Introduction

Each year the Office of General Counsel solicits requests from staff for any suggested changes to Board Policies and Bylaws and reviews these documents to determine if updates or changes should be recommended to the Board of Directors. At its October 14, 2011, and November 4, 2011, meetings, the Executive Committee reviewed the proposed amendments (Attachments 1 through 9) and recommended approval by the Board of Directors.

Discussion

The significant changes for each of the Board Policies proposed for amendment are discussed below. The actual language changes are tracked in the attached draft versions of the Board Policies. Staff is not recommending any changes to the Bylaws this year.

Board Policy No. 003 – Investment Policy (Attachment 1)

The Director of Finance, in consultation with the SANDAG investment advisors, Public Financial Management (PFM), and Cutwater Asset Management, has reviewed Board Policy No. 003. The proposed changes to this Board Policy are based on the investment advisors’ recommendations.

The first proposed change to Section 1 is based on the extensive number of California Government Code provisions governing the investment of public funds. In order to accurately reflect SANDAG compliance with all applicable statutes, the investment advisors have recommended that the individual statutory references within Section 1 be broadened to reflect that funds will be invested in accordance with all provisions of the Government Code. Additionally, the investment advisors have recommended that Section 8.4 be retitled to reflect its applicability to municipal debt issued by any of the 50 states.

The proposed revisions to Section 5 (5.2 and 5.4) provide clarification to these two sections in accordance with historical business practice of discretionary portfolio management, as stated under Section 5.5.

The proposed revisions to Section 8.10 would provide SANDAG with additional investment flexibility by extending the maturity limit for certificates of deposit from one year to five years, consistent
with other obligations permitted by this Investment Policy. The Government Code does not list a specific maturity limit for certificates of deposit.

The proposed revisions to Section 8.10.1 are based in part on Senate Bill 194 (Committee on Governance and Finance, 2011), which took effect on January 1, 2012, and added “a federally licensed branch of a foreign bank” to the list of institutions through which local agencies may purchase negotiable certificates of deposit.

A clarification is proposed for Section 8.13 to indicate, as required by law, that savings/money market deposits must be placed with financial institutions in California.

The proposed revision to Section 11.3 is an update to the correct Government Code section.

Finally, the language in Section 5.1 of this Policy calls for the Board to renew its delegation of authority to the Executive Director for conducting investments on behalf of SANDAG on an annual basis. This annual renewal of delegation has been added as a specific action as recommended by the Executive Committee as part of the Board’s review of these Board Policies.

Board Policy No. 004 – Rules of Procedure for Board of Directors and Committees (Attachment 2)

Pursuant to Government Code Section 54954.3(b), the Board of Directors is permitted to adopt regulations regarding the conduct of SANDAG meetings, including the time limits for speakers, if the regulations promote the intent of Section 54954.3(a). The stated intent of subsection (a) is to allow “members of the public to directly address the legislative body on any item of interest to the public, before or during the legislative body's consideration of the item.” Factors SANDAG is permitted to consider in setting time limits are: the time allocated for the meeting, the number of agenda items, the complexity of each item, and the number of persons wishing to address the legislative body on each item of general public interest (75 Ops.Cal.Atty.Gen. 89 (1992)).

At SANDAG, Board Policies are the tool used to document rules and regulations implemented by the Board of Directors. Several years ago the Board of Directors approved additions to Board Policy No. 004, to clarify that the chair of a SANDAG legislative body may allow individuals to speak for three minutes or less, and may reduce or expand the time permitted for groups of persons wishing to comment on an item. Additional guidance is proposed at this time.

SANDAG rules with regard to public comment must be content neutral. Speakers should normally be taken in the order of the submission of their speaker slips and time limits should be set prior to public comment beginning in order to avoid the argument that the regulation or its application are not content neutral. A chair’s decision to limit the time for public comment should not be based on the subject matter of the agenda item, but only on the factors set forth above.

Proposed amendments to Board Policy No. 004, which are provided in Attachment 2, are intended to strike this balance. The additional rules are content neutral and are intended to allow as many people as possible to be heard while still allowing SANDAG business to proceed in the presence of a full quorum.

Board Policy No. 007 – Equal Employment Opportunity (EEO) Program (Attachment 3)

The proposed changes to Board Policy No. 007 include a revision to both the Policy title and Section 1 title as well as the Policy’s opening paragraph reflecting the Policy’s applicability to both
the SANDAG Equal Employment Opportunity (EEO) and Disadvantaged Business Enterprise (DBE) programs. Additionally, Section 1.4 is proposed to be amended to reflect a revised requirement by the U.S. Department of Transportation that DBE goals be set on a triennial rather than annual basis. Finally, Sections 2.8 and 2.10 of the Policy are proposed to be amended to reflect the separate reporting of DBE and EEO program results to the Board of Directors. Each will continue to be provided on an annual basis but at different times.

Board Policy No. 009 – Discrimination Complaint Procedures (Attachment 4)

The proposed changes to Board Policy No. 009 reflect recommendations from the Federal Transit Administration (FTA) Title VI compliance review conducted in March 2011. The proposed revisions generally reflect a clarification of the complaint procedures, a softening of the complaint deadlines, and the addition of a notice of the complainant’s right to counsel.

Board Policy No. 017 – Delegation of Authority (Attachment 5)

At its January 28, 2011, meeting the SANDAG Board of Directors approved modifications to the eligibility and evaluation criteria for FY 2011 land management grants, including recommended criteria for Emergency Land Management funding. Direction was given via such action to memorialize these criteria in a future revision to this Board Policy. Pursuant to such direction, the definition of “Emergency or Urgent Need” is expanded to include immediate perils to endangered species and habitats, and the Executive Director is authorized to expend Emergency Land Management funds under specified conditions.

Board Policy No. 018 – Regional Transit Service Planning and Implementation (Attachment 6)

Section 1.1.11 is expanded to recognize SANDAG responsibility to conduct Title VI analyses for fare or service changes under specified circumstances. The methodologies for such analyses have been updated and now will be posted to the SANDAG Web site in order to provide greater transparency to the public. These changes are consistent with changes requested by FTA during its Title VI compliance review.

Section 3, relating to periodic review of the Policy, is proposed to be deleted in its entirety as the Policy is generally reviewed annually along with all other Board Policies.

Board Policy No. 024 – Procurement and Contracting – Construction (Attachment 7)

Section 1.9.1, relating to subcontractor substitutions, is proposed to be modified such that the Executive Director, rather than the Board of Directors, would bear full responsibility for the resolution of any protests relating to proposed subcontractor substitutions.

Under the Subletting and Subcontracting Fair Practices Act (Public Contract Code 4100 et seq.), a contractor must use only the subcontractors it listed in its bid, except that the prime contractor may propose the substitution of a different subcontractor under limited specified circumstances. In the event that the originally listed subcontractor protests the substitution for any reason, that subcontractor is entitled to an administrative hearing on the matter. Under existing Board Policy, after the Executive Director makes a decision regarding the substitution hearing, the Board of Directors would review that decision and either adopt it or conduct a new substitution hearing. The proposed revision would make the decision of the Executive Director the final administrative step subject to review by a court of competent jurisdiction.
Board Policy No. 031 – TransNet Ordinance and Expenditure Plan Rules (Attachment 8)

Amendments to Rule #17 (Fiscal and Compliance Audits) are proposed to clarify that recipient agencies that fail to submit audit information in a timely manner will remain out of compliance and be subject to withholding of TransNet funds until such time as the Independent Taxpayer Oversight Committee (ITOC) accepts an audit draft regarding such agency. ITOC reviewed the changes to this Board Policy at its November 9, 2011, meeting.

Board Policy No. 034 – Advertising Policy (Attachment 9)

Revisions to this policy are intended to solidify the ability of SANDAG to effectively regulate the content of revenue-generating advertising on SANDAG-controlled media and to ensure that any such advertising remains consistent with the SANDAG mission. In order to afford SANDAG the greatest protection in this regard, the proposed revisions clarify the SANDAG “mission” as expressed through its Annual Program Budget, underscore that all advertising is evaluated on a viewpoint-neutral basis, and refine certain prohibited categories to be more objectively defined. Overall, these revisions would not change the scope of the agency’s permissible advertising limits, but would solidify the position of SANDAG in the event of a legal challenge to those limits in light of recent court decisions on this subject.

Annual Policy Reviews

All Board Policies are typically reviewed on an annual basis for potential changes, but two policies have specific requirements for annual review. These are Board Policy Nos. 003 (discussed above) and 032. Board Policy No. 032, entitled “San Diego County Regional Transportation Commission Interest Rate Swap Policy,” was reviewed by staff and the SANDAG Financial Advisor, PFM, and no changes are recommended at this time. Therefore, Board Policy No. 032 is attached (Attachment 10) for review by the Board, but contains no proposed amendments.

GARY L. GALLEGOS
Executive Director

Attachments: 1. Board Policy No. 003 - Investment Policy
2. Board Policy No. 004 - Rules of Procedure for Board of Directors and Committees
3. Board Policy No. 007 – Equal Employment Opportunity (EEO) and Disadvantaged Business Enterprise (DBE) Programs
4. Board Policy No. 009 - Discrimination Complaint Procedures
5. Board Policy No. 017 - Delegation of Authority
6. Board Policy No. 018 – Regional Transit Service Planning and Implementation
7. Board Policy No. 024 - Procurement and Contracting – Construction
8. Board Policy No. 031 - TransNet Ordinance and Expenditure Plan Rules
9. Board Policy No. 034 - Advertising Policy
10. Board Policy No. 032 – San Diego County Regional Transportation Commission Interest Rate Swap Policy

Key Staff Contact: John F. Kirk, General Counsel, (619) 699-1997, John.Kirk@sandag.org
INVESTMENT POLICY

1. Introduction

The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy, and to organize and formalize investment-related activities.

The investment policies and practices of the San Diego Association of Governments (SANDAG) are based upon state law and prudent money management. All funds will be invested in accordance with the SANDAG Investment Policy and the California Government Code Sections 53600 et seq. The investment of bond proceeds will be further governed by the provisions of relevant bond documents.

2. Scope

It is intended that this policy cover all funds and investment activities, with the exception of bond proceeds, under the direction or care of SANDAG, including funds of the San Diego County Regional Transportation Commission, SourcePoint, the SANDAG chartered nonprofit corporation, and the Automated Regional Justice Information System (ARJIS). Investment of bond proceeds shall be subject to the conditions and restrictions of bond documents and Treasury regulations related to arbitrage restrictions on tax-exempt bonds.

3. Prudence

All persons authorized to make investment decisions on behalf of SANDAG are trustees and therefore fiduciaries subject to the prudent investor standard: “When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.
4. **Objectives**

4.1. **Safety.** Safety of principal is the foremost objective of the investment program. Investments of SANDAG shall be undertaken in a manner that seeks to ensure preservation of capital in the portfolio.

4.2. **Liquidity.** The investment portfolio of SANDAG will remain sufficiently liquid to enable SANDAG to meet its cash flow requirements.

4.3. **Return on Investment.** The investment portfolio of SANDAG shall be designed with the objective of attaining a market rate of return on its investments consistent with the constraints imposed by its safety objective and cash flow considerations.

5. **Delegation of Authority**

5.1 The Board of Directors delegates the authority to invest or to reinvest funds, or to sell or exchange securities so purchased, to the Executive Director for a one-year period. The Executive Director is charged with the responsibility for carrying out the policies of the Board of Directors and shall assume full responsibility for investment transactions until the delegation of authority is revoked or expires. In accordance with the SANDAG established system for internal control, all financial transactions of SANDAG require the signature of at least two individuals authorized by the Executive Director.

5.2 For the purposes of carrying out this investment policy, any two of the following individuals, unless delegated per Section 5.5, are hereby authorized to make investment decisions, in strict accordance with this investment policy, on behalf of SANDAG:

- Executive Director
- Chief Deputy Executive Director
- Director of Finance
- Finance Manager
- Manager of Financial Programming and Project Control
- Such other individuals authorized, in writing, by the Executive Director

5.3 All accounts established for the purpose of investing SANDAG funds shall require the written authorization of the Executive Director.

5.4 No single individual, acting alone, may engage in an investment activity, except for an authorized investment advisor/manager with discretionary authority delegated per Section 5.5.

5.5 The Executive Director may delegate investment management and decision authority, via written agreement, to one or more professional investment advisors/managers who are duly qualified and registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. All agents engaged in this capacity shall make all investment decisions and transactions in strict accordance with state law and this investment policy.
5.6 The daily management responsibility for the investment program is assigned to the Director of Finance, who shall monitor and review all investments for consistency with this investment policy.

6. Ethics (Conflict of Interest)

Officers, employees and agents thereof involved in the investment process shall comply with state law and refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions.

7. Selection of Financial Institutions and Broker/ Dealers

7.1 SANDAG shall transact business only with banks, savings and loan associations, and registered investment securities dealers. The purchase by SANDAG of any investment other than those purchased directly from the issuer shall be either from an institution licensed by the State as a broker/dealer, as defined in Section 25004 of the Corporation Code, who is a member of the Financial Industry Regulatory Authority, or a member of a federally regulated securities exchange, a National or State-Chartered Bank, a Federal or State Association (as defined by Section 5102 of the Financial Code), or a brokerage firm designated as a Primary Government Dealer by the Federal Reserve Bank. The Director of Finance shall investigate all institutions that wish to do business with SANDAG, in order to determine if they are adequately capitalized, make markets in securities appropriate to the needs of SANDAG, and agree to abide by the conditions set forth in the SANDAG Investment Policy.

7.2 The Director of Finance shall maintain a list of authorized broker/dealers and financial institutions which are approved for investment purposes, and it shall be the policy of SANDAG to purchase securities only from those authorized institutions and firms. If SANDAG has contracted investment advisors/managers, the Director of Finance may approve and use a list of authorized broker/dealers provided by the investment advisor/manager.

8. Permitted Investment Instruments

8.1 The portfolio shall be diversified by security type and institution to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions. Government Code §53601 states that when there is a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase. Credit requirements listed in the investment policy apply at the time of purchase. In the event a security held by SANDAG is subject to a credit rating change that brings it below the minimum credit ratings specified for purchase, the Director of Finance shall review the security. The course of action to be followed will then be decided by the Director of Finance and either the Executive Director or the Chief Deputy Executive Director on a case-by-case basis, considering such factors as the reason for the change, prognosis for recovery or further rate drops, and the market price of the security. Any credit rating changes below the minimum credit ratings specified for purchase will be reported to the Board of Directors with the next Quarterly Investment Report, along with the findings and any actions taken.
8.2 **Treasury Obligations:** bonds for which the full faith and credit of the United States are pledged for the payment of principal and interest.

8.3 **Federal Agencies and U.S. Government Sponsored Enterprises:** Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

8.4 **State of California Municipal Obligations:** Registered treasury notes or bonds of any of the 50 United States, including bonds payable solely out of revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency or authority of any of the states. Such obligations must be rated A-1/P-1, or equivalent or better short-term; or Aa/AA or better long-term by at least one of the nationally recognized statistical-rating organizations.

8.5 **Local Agency Obligations:** Bonds, notes, warrants, or other evidences of indebtedness issued by any local agency within the State, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency. Such obligations must be rated A-1/P-1, or equivalent or better short-term; or Aa/AA or better long-term by one of the nationally recognized statistical-rating organizations.

8.6 **Repurchase Agreements:** Repurchase Agreements used solely as short-term investments not to exceed 90 days.

8.6.1 The following collateral restrictions will be observed: Only U.S. Treasury securities or Federal Agency securities will be acceptable collateral. All securities underlying Repurchase Agreements must be delivered to SANDAG’s custodian bank or handled under a properly executed tri-party repurchase agreement. The total of all collateral for each Repurchase Agreement must equal or exceed, on the basis of market value plus accrued interest, 102 percent of the total dollar value of the money invested by SANDAG for the term of the investment. Since the market value of the underlying securities is subject to daily fluctuation, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day.

8.6.2 Market value must be calculated each time there is a substitution of collateral.

8.6.3 SANDAG or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to Repurchase Agreement.

8.6.4 SANDAG may enter into Repurchase Agreements with (1) primary dealers in U.S. Government securities who are eligible to transact business with, and who report to, the Federal Reserve Bank of New York, and (2) California and non-California banking institutions having assets in excess of $1 billion and in the highest short-term rating category, as provided by one of the nationally recognized statistical-rating organizations.
8.6.5 SANDAG will have properly executed a Securities Industry and Financial Markets Association (SIFMA) agreement with each firm with which it enters into Repurchase Agreements.

8.7 **Bankers’ Acceptances**: Bankers’ Acceptances issued by domestic banks or domestic branches or foreign banks, which are eligible for purchase by the Federal Reserve System, the short-term paper of which is rated in the highest rating category by one of the nationally recognized statistical-rating organizations. Purchases of Bankers’ Acceptances may not exceed 180 days maturity or 40 percent of SANDAG surplus money. No more than 10 percent of SANDAG surplus funds may be invested in the Bankers’ Acceptances of any one commercial bank.

8.8 **Commercial Paper**: Commercial paper of “prime” quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (a) or paragraph (b):

(a) The entity meets the following criteria: (i) Is organized and operating in the United States as a general corporation. (ii) Has total assets in excess of five hundred million dollars ($500,000,000). (iii) Has debt other than commercial paper, if any, that is rated “A” or higher by a nationally recognized statistical-rating organization.

(b) The entity meets the following criteria: (i) is organized within the United States as a special purpose corporation, trust, or limited liability company. (ii) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (iii) Has commercial paper that is rated “A-1” or higher, or the equivalent, by a nationally recognized statistical-rating organization.

Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. No more than 10 percent of SANDAG surplus funds may be invested in Commercial Paper of any one U.S. corporation.

Purchases of commercial paper may not exceed 25 percent of SANDAG surplus money which may be invested.

8.9 **Medium-Term Notes**: Medium-term notes, defined as all corporate and depository institution securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or depository institutions licensed by the United States or any state and operating within the United States. Medium-term notes shall be rated in a rating category of “A” or better by a nationally recognized statistical-rating organization.

Purchase of medium-term corporate notes may not exceed 30 percent of the agency’s SANDAG surplus money. No more than 10 percent of SANDAG surplus funds may be invested in the Medium-Term Notes of any one corporation.
8.10 **Certificates of Deposit:** The maximum term for certificates of deposit shall be one-fifth years. The combined amount invested in negotiable certificates of deposit and certificates of deposit shall not exceed 30 percent of SANDAG surplus money.

8.10.1 **Negotiable Certificates of Deposit:** Negotiable certificates of deposit issued by a nationally or state-chartered bank or a state or federal savings and loan association or by a state-licensed branch of a foreign bank or by a federally licensed branch of a foreign bank; provided that the senior debt obligations of the issuing institution are rated “AA” or better by one of the nationally recognized statistical-rating organizations.

8.10.2 **Nonnegotiable Certificates of Deposit:** Nonnegotiable certificates of deposit shall meet the conditions in either paragraph (a) or paragraph (b):

(a) Certificates of deposit shall meet the requirements for deposit under Government Code Section 53635 et. seq. To be eligible to receive SANDAG deposits, the financial institution must have received a minimum overall satisfactory rating for meeting the credit needs of California Communities in its most recent evaluation, as provided in Government Code Section 53635.2. Deposits are required to be collateralized as specified under Government Code Section 53630 et. seq. The Director of Finance, at his or her discretion, may waive the collateralization requirements for any portion that is covered by federal deposit insurance. SANDAG shall have a signed agreement with the depository per Government Code Section 53649.

(b) Certificates of deposit placed through a deposit placement service shall meet the requirements of Government Code Section 53601.8. The full amount of the principal and the interest that may be accrued during the maximum term of each certificate of deposit shall at all times be insured by federal deposit insurance.

8.11 **State of California’s Local Agency Investment Fund:** State of California’s Local Agency Investment Fund (LAIF) may be invested in for the benefit of local agencies up to the current limit set by LAIF for regular accounts. For ongoing due diligence, the Director of Finance shall maintain on file a copy of LAIF’s current investment policy and its requirements for participation, including limitations on deposits or withdrawals.

8.12 **San Diego County Treasurer’s Pooled Investment Fund:** Deposits in the County pooled investment fund shall be limited to the dollar maximums of the State LAIF. For ongoing due diligence, the Director of Finance shall maintain on file a copy of the County pool’s current investment policy and its requirements for participation, including limitations on deposits or withdrawals.

8.13 **Savings/Money Market Accounts:** Savings/Money Market Accounts deposits placed with commercial banks and savings and loans in California. The amount on deposit shall not exceed the shareholder’s equity in the financial institution. To be eligible to
receive SANDAG deposits, the financial institution must have received a minimum overall satisfactory rating for meeting the credit needs of California Communities in its most recent evaluation, as provided in Government Code Section 53635.2. Deposits are required to be collateralized as specified under Government Code Section 53630 et. seq. The Director of Finance, at his or her discretion, may waive the collateralization requirements for any portion that is covered by federal insurance. SANDAG shall have a signed agreement with the depository per Government Code Section 53649.

8.14 **California Asset Management Program:** Shares in a portfolio of the California Asset Management Program, so long as the portfolio is rated among the top two rating categories by one of the nationally recognized statistical-rating organizations. For ongoing due diligence, the Director of Finance shall maintain on file a copy of the Program’s current information statement to include its requirements for participation, including limitations on deposits or withdrawals.

8.15 **Money Market Funds:** Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.). To be eligible for investment pursuant to this subdivision, these companies shall either: (1) attain the highest ranking letter or numerical rating provided by not less than two of the three largest nationally-recognized statistical-rating organizations, or (2) have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years experience managing money market mutual funds with assets under management in excess of $500,000,000.

The purchase price of shares shall not include any commission that the companies may charge. The purchase of shares may not exceed 20 percent of SANDAG surplus money. For ongoing due diligence, the Director of Finance shall maintain on file a copy of the money market fund’s current information statement to include its requirements for participation, including limitations on deposits or withdrawals.

8.16 **Mortgage and Asset-Backed Obligations:** Any mortgage pass-through security collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable-pass-through certificate, or consumer receivable-backed bond of a maximum of 5 years maturity. Such obligations must be rated Aa/AA or higher by two national rating agencies and the issuer of such obligations must be rated Aa/AA or higher by two of the national rating agencies as well. Purchases of securities authorized by this section may not exceed 20 percent of SANDAG surplus funds that may be invested pursuant to this section.

8.17 **Ineligible Investments:** Security types which are thereby prohibited include, but are not restricted to:

(a) Reverse repurchase agreements.

(b) “Complex” derivative securities such as range notes, dual index notes, inverse floating-rate notes, leveraged or deleveraged floating-rate notes, or any other complex variable-rate or structured note.
(c) Interest-only strips that are derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity.

(d) Securities lending.

In the event that SANDAG possesses ineligible investments purchased prior to the adoption of this policy, SANDAG may hold these investments to their maturity dates. The limitation in this section shall not apply to SANDAG investments in shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940.

9. Maximum Maturity

9.1 Investment maturities shall be based upon a review of cash flow forecasts. Maturities will be scheduled so as to permit SANDAG to meet all projected obligations.

9.2 Where the investment policy does not specify a maximum remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase agreement, that at the time of the investment has a term remaining to maturity in excess of five years, unless the Board has granted express authority to make that investment either specifically or as a part of an investment program approved by the Board no less than three months prior to the investment. The Board authorizes the investment of endowment funds in securities exceeding five (5) years, as long as the investment has been approved by the Director of Finance and either the Executive Director or the Chief Deputy Executive Director, and the maturity of such investments does not exceed the expected use of funds.

10. Performance Standards

The investment performance of the SANDAG portfolio shall be evaluated and compared to appropriate indices in order to assess the success of the investment program. The comparable benchmarks should be consistent with the SANDAG portfolio in terms of maturity and composition, which includes credit quality and security type.

11. Reporting Requirements

11.1 The Director of Finance shall submit to the Board annually a statement of investment policy, which the Board shall consider at a public meeting.

11.2 A monthly report of all investment transactions shall be submitted to the Board Members.

11.3 A Quarterly investment reports shall be submitted to the Board Members. The reports should include information in accordance with Section 5634653646(b) of the California Government Code.
12. **Safekeeping and Custody**

12.1 All security transactions, including collateral for repurchase agreements, entered into by SANDAG shall be conducted on a delivery-versus-payment (DVP) basis. Securities shall be held by a third party custodian and evidenced by safekeeping receipts.

12.2 The only exception to the foregoing shall be securities purchases made with: (i) LAIF, (ii) San Diego County Treasurer’s Investment Pool, (iii) CAMP pool, (iv) Nonnegotiable Certificates of Deposit, (v) bank deposits, and, (vi) money market mutual funds, since the purchased securities are not deliverable. The Director of Finance shall keep a record of any funds in any of these investments.

Adopted January 2003
Amended November 2004
Amended September 2005
Amended December 2007
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Amended November 2010
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RULES OF PROCEDURE FOR BOARD OF DIRECTORS, POLICY ADVISORY COMMITTEES AND OTHER LEGISLATIVE BODIES

This policy is intended to define and clarify Rules of Procedure for the Board and incorporate them in Board policy.

From time to time over the last 30 years the Board has utilized and amended rules of procedure. It is desirable to have these rules contained in Board Policy for ease of reference.

Procedures for the Board and Policy Advisory Committees

1. **Ordinances**

1.1 Every ordinance shall be signed by the Chair of the Board, or for the comprehensive fare ordinance the Chair of the Transportation Committee, and attested by the Clerk of the Board.

1.2 Upon the passage of an ordinance, the votes of the Board members or Transportation Committee members, as appropriate, shall be entered in the minutes.

1.3 Ordinances shall not be passed within five days of their introduction, nor at any meeting other than a regular meeting. An urgency ordinance may, however, be passed immediately upon introduction and either at a regular or special meeting. Except when, after reading the title, further reading is waived by regular motion adopted by unanimous vote of the Board or Transportation Committee members present, all ordinances shall be read in full at the time of introduction or passage. When ordinances, other than urgency ordinances, are altered after introduction, they shall be passed only at a regular or at an adjourned regular meeting held at least five days after alteration. Corrections of typographical or clerical errors are not alterations within the meaning of this section.

1.4 The Clerk of the Board shall cause a proposed ordinance or proposed amendment to an ordinance, and any ordinance adopted by the Board or Transportation Committee to be published at least once in a newspaper of general circulation in the SANDAG area of jurisdiction.

1.5 The publication of an ordinance as required by this policy, may be satisfied by either of the following actions:

1.5.1 Publication of a summary of a proposed ordinance or proposed amendment to an ordinance. The summary shall be prepared by the Clerk of the Board and the Office of General Counsel. The summary shall be published and a certified copy of the full text of the proposed ordinance or proposed amendment.
amendment shall be posted in the office of the Clerk of the Board at least five days prior to the meeting at which the proposed ordinance or amendment is to be adopted. Within fifteen (15) days after adoption of the ordinance or amendment, the Clerk of the Board shall publish a summary of the ordinance or amendment with the names of the Board or Transportation Committee members voting for and against the ordinance or amendment and the Clerk of the Board shall post in the office of the clerk a certified copy of the full text of the adopted ordinance or amendment along with the names of those members voting for and against the ordinance or amendment; or

1.5.2 If the person designated by the Board determines that it is not feasible to prepare a fair and adequate summary of the proposed ordinance or amendment, and if the Board or Transportation Committee so orders, a display advertisement of at least one-quarter of a page in a newspaper of general circulation in the SANDAG area of jurisdiction shall be published at least five (5) days prior to the meeting at which the proposed ordinance or amendment is to be adopted. Within fifteen (15) days after adoption of the ordinance or amendment, a display advertisement of at least one-quarter of a page shall be published. The advertisement shall indicate the general nature of, and prove information regarding, the adopted ordinance or amendment including information sufficient to enable the public to obtain copy of the complete text of the ordinance or amendment, and the name of those members voting for and against the ordinance amendment.

1.6 Ordinances and amendments shall take effect thirty (30) days after their final passage. Exceptions to this effective date are: 1. When the ordinance is for the immediate preservation of the public peace, health or safety, and contains a declaration of facts constituting urgency, and is passed by a two-thirds vote of the Board or Transportation Committee, the ordinance or amendment will take effect immediately; and 2. If otherwise provided by the ordinance or another law.

2. Board Policies

2.1 Board policies shall be reviewed to determine if updates are needed no less often than every three years.

2.2 Once updated, policies shall contain a footer identifying the last date they were modified by the Board.

3. Public Comment and Public Meetings

3.1 Persons wishing to provide comment or testimony shall be permitted to address the Board or Policy Advisory Committee after submitting a written request to speak, identifying themselves and the agenda item on which they want to be heard. Ordinarily, each speaker will be allowed no more than three minutes. The Chair, however, may extend or limit the time for each presentation or may permit additional time to speakers representing a group of individuals or organizations to avoid duplicative testimony or for other reasons that are in the best interest of the
Board or committee in the Chair’s discretion. Testimony must be limited to issues relevant to the agenda item.

3.13.2 The Board wishes to maximize the number of people who can address SANDAG legislative bodies within the time limits set for the meeting while a quorum is present. The Board believes that meetings that last longer than the time set for meeting adjournment can discourage public participation and can hinder the conduct of government business due to loss of a quorum. Therefore, meetings of SANDAG legislative bodies shall be adjourned by the end time set forth in the agenda, unless extended to a specific time by a majority vote of the legislative body. The meeting shall be extended no more than once and may be adjourned to a later date. The Board of Directors wishes to maximize the number of people who can address SANDAG legislative bodies within the time limits set for the meeting while a quorum is present. Accordingly, the chair of a SANDAG legislative body may reduce the speaking time allocated for each speaker or establish a time certain for completion of one or more agenda items when the number of speakers and/or number of items on the agenda are reasonably likely to prevent the conclusion of business prior to the time the meeting is set to adjourn. Decisions by the chair shall be based on the time allocated for the meeting, the number of agenda items, the complexity of each item, and the number of persons wishing to address the legislative body on each item.

3.23.3 Public comment on matters not on the agenda will be permitted on items of interest to the public that are within the subject matter jurisdiction of the Board or committee. Persons wishing to comment during the general public comment period must submit a written request in advance identifying themselves and the subject matter on which they wish to speak. The Chair may limit the time for each speaker. Ordinarily, each speaker will be allowed no more than three minutes.

3.33.4 The Board or a Policy Advisory Committee (PAC) Chair, as applicable, will determine with staff’s assistance whether additional public meetings at which formal public testimony will be taken outside of regularly scheduled Board or PAC meetings are appropriate. Such additional public meetings may take the form of scoping meetings, focus group meetings, open houses, workshops or similar alternative formats. The applicable Chair will appoint one or more members of the relevant legislative body to act as public meeting officer(s) at SANDAG public meetings that are not held during a meeting of a SANDAG legislative body. If no Board or PAC members are available to serve as public meeting officers, the Chair may appoint the Executive Director or his/her delegate to serve as the public meeting officer. When a public meeting occurs before a public meeting officer, the public meeting officer or Clerk of the Board shall ensure that all official public testimony given at the public regarding the subject matter of the public meeting are accurately included in the written records, and ensure those written records are forwarded to the Board of Directors or PAC for review prior to the time designated for the relevant legislative body to render its recommendation or final decision.
3.4.3 The public meeting officer’s written records regarding the public meeting must include, at least, the following elements:

3.4.3.1 An objective description of the subject matter of the public meeting.

3.4.3.2 The public comments received by proponents and opponents of the meeting’s subject matter. The records shall indicate the hour and minute when the public meeting was opened and closed.

3.4.3.3 A list of the notices that were published, mailed, or Internet-posted, including the date of mailing or publication, the name of any newspaper, Internet address or web site, and a list of addresses and entities to which the notice was delivered. If multiple public meetings at which official public testimony is taken regarding the same subject matter are held throughout San Diego County, information regarding the notices and agendas for each public meeting shall be included in the public meeting records.

3.4.3.4 A copy of the agenda for the public meeting, including the time period during which public testimony was heard. The agenda also shall list contact information for the transcriber attending the public meeting.

3.4.3.5 A reference to the location where an audio and/or video recording, or transcript of the public meeting is archived, and where all original written comments submitted to the public meeting officer are available for viewing.

3.5 Before the Board of Directors or PAC takes action on the item that was the subject of a public meeting conducted by a public meeting officer, it will allow additional public comment at a regularly scheduled meeting of the legislative body.

3.6 By voting at a meeting where a public meeting officer’s records will be relied upon, each voting member of the legislative body will be affirming that he or she has:

3.6.1 Thoroughly reviewed the public meeting officer’s records of any minutes or transcript from, or listened to an audio or watched a video recording of, the public meeting(s); and

3.6.2 Given due consideration to any letters, e-mails, voicemails, or other comments submitted by the public that are part of the public meeting record.

3.7 If a voting member of a legislative body cannot attest that he or she has met the criteria listed in Section 3.6, he or she may participate in the discussion regarding the subject matter of the public meeting, and need not leave the legislative body meeting room, but should not vote on the matter.
4. **Standards of Conduct & Ethics Applicable to All of SANDAG Legislative Bodies**

4.1 This policy shall be supplemental to the SANDAG Conflict of Interest Code and is not intended to supersede such Code or any provisions thereof. All Board and Policy Advisory Committee members, and all other members of committees or working groups covered by the Brown Act, including alternates, shall file a Statement of Economic Interests with SANDAG upon request by the SANDAG Office of General Counsel.

4.2 Each Board member and alternate occupies a position of public trust that demands the highest moral and ethical standards of conduct. All references to “Board members” in Section 4 of this Policy shall be read to include all Board and Policy Advisory Committee members, and all other members of committees or working groups covered by the Brown Act, including ex officio members and alternates.

4.3 Board members shall not engage in any business or transaction or have a financial or other personal interest, actual, potential, or apparent that is incompatible with the proper discharge of his or her official duties or would tend to impair his or her independence of judgment or action in the performance of such duties. Such business, transaction, or interest shall constitute a conflict of interest.

4.4 Generally, no Board member shall engage in any enterprise or activity that will result in any of the following:

4.4.1 Using the prestige or influence of the Board office for private gain or advantage of the member or another person.

4.4.2 Using time, facilities, equipment, or supplies of the Board for the private gain or advantage of the member or another person.

4.4.3 Receiving or accepting money or other consideration from anyone other than the Board or another government agency for the performance of acts done in the regular course of duty.

4.4.4 Receiving or accepting, directly or indirectly, any gift or favor from anyone doing business with the Board under circumstances from which it could reasonably be inferred that such was intended to influence such person in their duties or as a reward for official action.

4.4.5 Soliciting any gift or favor in the member’s official capacity, either directly or indirectly, when such solicitation might reasonably be inferred as to have a potential effect on the member’s duties or decisions, or when the individual’s position as a Board member would in any way influence the decision of the person being solicited.
4.5 Prohibited Interests

4.5.1 It is unlawful for any current SANDAG Board member to render a decision where a party to the decision has given the SANDAG Board member, promised to give the SANDAG Board member, or acted as an intermediary for the SANDAG Board member to have, an opportunity for compensation. For purposes of this section, opportunities for compensation provided to a SANDAG Board member include opportunities for compensation provided to the SANDAG Board member’s immediate family. When such an opportunity for compensation is provided to a member of the SANDAG Board member’s immediate family, the SANDAG Board member shall not participate in a decision involving a party to the decision unless the SANDAG Board member had no knowledge or involvement in securing the opportunity for compensation.

4.5.2 It is unlawful for any current SANDAG Board member to make, participate in making, or use his or her Board member position to influence a decision involving the interests of a person with whom he or she is seeking, negotiating, or securing an agreement concerning future employment.

4.5.3 It is unlawful for any current SANDAG Board Member to be financially interested in any contract made by them in their Board member capacity. It is also unlawful for any contract to be made by SANDAG or any board or commission established by SANDAG if any individual member of the body has a financial interest in the contract.

4.5.4 Definitions

4.5.4.1 For purposes of the prohibitions set forth in this section, the term “financial interest” means any interest, other than a remote interest as prescribed in California Government Code section 1091 or a noninterest prescribed in California Government Code section 1091.5, that would prevent SANDAG Board members involved from exercising absolute loyalty and undivided allegiance to the best interests of SANDAG.

4.5.4.2 For purposes of this section, "material financial effect" has the same meaning as that term is used in title 2, sections 18705 through 18705.5 of the California Code of Regulations.

4.5.4.3 For purposes of this section, "render a decision" means to take part personally and substantially in the project by rendering a decision, approval, or disapproval; by making a formal written recommendation; by conducting an investigation; by rendering advice on a significant basis; or by using confidential information.

4.5.4.4 For purposes of this section, "project" means any matter where a private business has made an application to SANDAG for discretionary funding or discretionary entitlements, or where
SANDAG exercises discretion to enter into a lease, agreement, or contract with a private business.

4.5.5 Any SANDAG Board Member with a remote financial interest in a prospective contract of SANDAG must disclose the existence of the remote interest to the body of the board in which the SANDAG Board member is a member if that board has any role in creating, negotiating, reviewing, or approving the contract; and the SANDAG Board member must abstain from influencing or participating in the creation, negotiation, review, or approval of the contract.

4.5.6 It is unlawful for any SANDAG Board member to knowingly influence a decision of the SANDAG Board if it is reasonably foreseeable that the decision will have a material financial effect on:

4.5.6.1 the SANDAG Board member or a member of his or her immediate family, if the material financial effect is distinguishable from its effect on the public generally; or any of the following economic interests:

4.5.6.1.1 any business entity in which SANDAG Board member or a member of SANDAG Board member’s immediate family has invested $2,000 or more; and

4.5.6.1.2 any business entity for which a SANDAG Board member or a member of the SANDAG Board member’s immediate family is a director, officer, partner, trustee, employee, or holds any position of management; and

4.5.6.1.3 any real property which SANDAG Board member or a member of SANDAG Board member’s immediate family has invested $2,000 or more; and

4.5.6.1.4 any person from whom a SANDAG Board member or a member of the SANDAG Board member’s immediate family has received (or by whom you have been promised) $500 or more in income within twelve months prior to the decision; and

4.5.6.1.5 any person from whom a SANDAG Board member or a member of the SANDAG Board member’s immediate family has received gifts that total $420\(^1\) or more within twelve months prior to the decision;

4.5.6.1.6 the personal expenses, income, assets, or liabilities of a SANDAG Board member or a member of SANDAG Board member’s immediate family.

\(^1\)This amount is subject to adjustment by the Fair Political Practices Commission.
4.5.7  Prohibitions Applicable to Former Board Members

4.5.7.1  It is unlawful for any former SANDAG Board Member who received compensation from SANDAG to render a decision on a particular project during his or her SANDAG service to engage in direct communication with SANDAG, for compensation, with regard to any pending application for discretionary funding or discretionary entitlements before SANDAG relating to that particular project on behalf of any person other than a public agency for a one-year period immediately following the last payment from SANDAG to the Board Member.

4.5.7.2  It is unlawful for any former SANDAG Board member, for compensation, to knowingly counsel or assist any person other than a public agency in connection with an appearance or communication in which the former SANDAG Board Member is prohibited from engaging pursuant to subsection 4.5.7.1 for a one-year period immediately following termination of service with SANDAG.

4.6  Lobbying and Campaign-Related Activities

4.6.1  It is unlawful for any SANDAG Board Member to engage in campaign-related activities, such as fund-raising, the development of electronic or written materials, or research, for a campaign for any elective office using SANDAG facilities, equipment, supplies, or other SANDAG resources. Nothing in this section, however, shall prohibit the use of SANDAG resources to provide information to the public about the possible effects of any bond issue or other ballot measure relating to SANDAG activities, operations, or policies, provided that:

4.6.1.1  the use of public resources is otherwise legally authorized; and

4.6.1.2  the information provided constitutes a fair and impartial presentation of relevant facts to aid the electorate in reaching an informed judgment regarding the bond issue or ballot measure.

4.6.2  It is unlawful for any former SANDAG Board Member to engage in direct communication for the purpose of lobbying SANDAG if all of the following circumstances apply:

4.6.2.1  the former SANDAG Board Member served as a SANDAG Board Member within the previous twelve months; and

4.6.2.2  the former SANDAG Board Member received compensation from SANDAG for his or her service as a SANDAG Board Member; and
4.6.2.3 the former SANDAG Board Member is receiving compensation from a
private business to engage in the direct communication with
SANDAG.

4.6.3 The prohibitions contained in 4.6.2 shall not apply:

4.6.3.1 to prevent a former SANDAG Board Member from making or
providing a statement, based on the former SANDAG Board
Member's own special knowledge in the particular area that is the
subject of the statement, provided that no compensation is thereby
received other than that regularly provided for by law or regulation
for witnesses;

4.6.3.2 to prevent any former SANDAG Board Member from representing
himself or herself, or any member of his or her immediate family, in
their individual capacities, in connection with any matter pending
before SANDAG;

4.6.3.3 to the activities of any former SANDAG Board Member who is an
elected or appointed officer or employee of any public agency, or a
consultant of any public agency, when that former SANDAG Board
Member is solely representing that agency in his or her Board
Member capacity as an officer, employee, or consultant of the
agency;

4.6.3.4 to any ministerial action. A ministerial action is one that does not
require a SANDAG Board Member to exercise discretion concerning
any outcome or course of action; or

4.6.3.5 to any individual who terminated status as a SANDAG Board Member
prior to July 1, 2003, except that any such individual who returns to
service as a SANDAG Board Member on or after July 1, 2003, shall
thereafter be subject to the provisions of this section.

4.7 If a Board member has an actual, potential, or apparent conflict of interest in the
subject of an agenda item, and the Board will be making a decision regarding the
agenda item during an open session meeting, the Board member must recuse
himself or herself or, in the case of uncertainty, request a binding determination
from the Board’s legal counsel. If the Board member has a conflict, he or she may
observe, but not participate, in the decision-making process.

4.8 If a Board member has an actual, potential, or apparent conflict of interest in the
subject of an agenda item to be discussed during a closed session meeting, the
Board member must state that he or she has a conflict of interest and shall be
disqualified and shall leave the room during such discussion so as not to make,
participate in making, or in any way attempt to use his or her official position to
influence the decision or discussion. In the case of uncertainty, the Board member
must request a binding determination from the Board’s legal counsel. In accordance
with the Brown Act, any Board member who is disqualified shall be entitled to any
information that is publicly reported. The Board member will not, however, be privy to any confidential or privileged information or communications pertaining to the closed session agenda item.

4.9 No Board member shall disclose to any person, other than members of the Board and other Board staff designated to handle such confidential matters, the content or substance of any information presented or discussed during a closed session meeting unless the Board authorizes such disclosure by the affirmative vote of a majority of the Board.

4.10 No Board member may disclose confidential or privileged information or communication to any person other than a Board member, counsel to the Board, or other Board staff designated to handle such matters, unless disclosure is mandated by law or the Board authorizes such disclosure by the affirmative vote of a majority of the Board.

4.11 Confidential or privileged information concerning threatened, anticipated, or actual litigation or claims will not be disclosed to a Board member if he or she has an actual, potential, or apparent conflict of interest. In the case of uncertainty as to whether a conflict of interest exists, the Board’s legal counsel will issue a binding determination.

4.12 No Board member shall represent a position on an issue to be the Board’s position unless the Board has formally adopted such position at a public meeting.

4.13 Any violation of this policy shall constitute official misconduct if determined as such by an affirmative vote of the majority of the Board in an open and public meeting. The Board may elect to censure the Board member and the violation may be subject to criminal and/or civil penalties as provided for by applicable law.

4.14 All SANDAG Board or committee members (including alternates) who may receive any type of stipend, compensation, salary, or reimbursement for travel expenses from SANDAG must attend at least two hours of ethics training every two years. All such persons who hold office with SANDAG as of January 1, 2006, must complete their first course no later than January 1, 2007. The ethics training course materials must be approved by the Fair Political Practices Commission and Attorney General’s Office in compliance with the requirements of Government Code § 53234 et seq. Proof of attendance may be issued by SANDAG or any other local government agency providing an ethics training course that complies with these requirements.

4.15 Pursuant to Section 18944.1 and 18944.2 of Title 2 of the California Code of Regulations, certain procedures must be followed in order for a gift (travel, tickets, seats at an event, food, etc.) to be considered a gift to SANDAG instead of to an individual SANDAG public official or designated employee. A document entitled “Guidance Regarding Gifts” shall be posted on the SANDAG Web site to provide information regarding SANDAG practices, which are intended to assist public officials and designated employees in complying with regulations promulgated by the California Fair Political Practices Commission.
5. **Additional Advisory Membership on Board and Policy Advisory Committees**

5.1 From time to time, the Board may determine it is in best interest of SANDAG to supplement the Board with additional members that can provide beneficial advice and information to the Board on matters of interest to the region.

5.2 In determining whether to supplement the Board with additional regular or temporary advisory members, the Board will first review whether the existing Board and Policy Advisory Committees (PAC) membership structures provide the opportunity for beneficial advice and information to SANDAG on matters of interest to the region.

5.2.1 The Board will consider adding a new regular advisory member to the Board or a PAC if it finds that the additional advisory member would provide beneficial advice and information to the Board or PAC, and that such advice/information cannot be provided by the existing Board and PAC membership structures. The agency/group wishing to become a regular advisory member shall submit a written request to the Board Chair or PAC Chair. For new regular advisory Board or PAC members, the finding and review required by this Section 5.2.1 as well as the selection criteria in Section 5.3 shall apply.

5.2.2 From time to time, the Board or a PAC may determine it is in best interest of SANDAG to provide an agency/group with temporary advisory “seat” at the Board or at one of its PACs when specific agenda items arise. The agency/group wishing to obtain a temporary advisory seat shall meet the criteria listed in Section 5.3 and shall submit a written request to the Board Chair or PAC Chair at least three days prior to the meeting, identifying the reasons for its request and the specific agenda item(s) to be considered. The decision about whether to fulfill the request shall be at the sole discretion of the Board Chair or PAC Chair.

5.3 The following criteria for selection of additional advisory members also shall apply:

5.3.1 Agency/group has land use and/or eminent domain authority;

5.3.2 Agency/group has regional authorities and responsibilities important to the SANDAG mission;

5.3.3 Membership by the agency/group would enhance SANDAG regional decision-making;

5.3.4 Agency/group desires representation, submits a written request, and commits to participation; and

5.3.5 Agency/group is able to agree on the form of representation and who will represent it.
6. Procedures Applicable to SANDAG Legislative Bodies Other Than the Board and Policy Advisory Committees

The Brown Act is a state law which governs open meetings for local governmental bodies. The Brown Act (also "Act") is contained in the Government Code at § 54950 et seq., and establishes rules designed to ensure that actions and deliberations of public bodies of local agencies are taken openly and with public access and input. The Brown Act governs the meetings of all local "legislative bodies," that is, all multi-member committees and the like, of a local governmental agency such as SANDAG. Bodies created by ordinance, resolution, or formal action of the SANDAG Board or one of the Policy Advisory Committees are covered by the Act.

6.1 All of the SANDAG legislative bodies are required to comply with the requirements of the Act, including but not limited to the following:

6.1.1 Agendas for all regular meetings must be posted at least 72 hours in advance of the meeting and all meetings must be open to the public.

6.1.2 The Act applies whenever a majority of the voting members of the legislative body meet to discuss, deliberate or acquire information about a matter within the subject matter of the body.

6.1.3 A public comment period must be provided at each meeting.

6.1.3 The Act prohibits "serial meetings." Serial meetings are a series of in-person meetings, phone calls, emails, or other types of communication that ultimately involve a majority of the legislative body to develop a consensus as to action to be taken on a matter coming before the body. This prohibition is based on the Act’s goal to ensure that the public's business is in fact conducted in public. In addition, a third party cannot be used to communicate among the members to obtain a consensus; an intermediary cannot be used to accomplish the actions directly prohibited by the Act.

6.1.4 Secret ballots and anonymous voting are prohibited.

6.1.5 An attendance, registration, or sign-in sheet may be used at public meetings to document the presence of persons other than the members of the legislative body, however, the sheet must clearly state that its completion is voluntary and not a precondition for attendance.

6.1.6 Meetings may not be held in facilities that are inaccessible to disabled persons or in facilities that prohibit the admittance of any persons on the basis of race, religious creed, color, national origin, ancestry or sex.

6.1.7 Meetings must be held within the County of San Diego, unless some exception under the Act applies. Questions regarding the applicability of the Act should be directed to the SANDAG Office of General Counsel.

6.1.8 The agenda must list all items that will be discussed or acted upon by the legislative body. That listing should be described in an informative way so
that members of the body as well as members of the public understand the
general nature of the agenda item and can make an informed decision
whether to attend the meeting or not. The Act provides that this description
need not exceed 20 words, but as many words as necessary to give adequate
notice should be used.

6.1.9 Members may take action to add an item to the agenda of a regular
meeting if, by two-thirds vote of the members of the legislative body
present at the meeting, or, if less than two-thirds of the members are
present, a unanimous vote of those members present, the body determines
that there is a need to act immediately, that the body’s consideration of the
matter cannot await the next meeting and that the need for immediate
action arose after the posting of the agenda. This should only occur in very
rare occasions, and the SANDAG Office of General Counsel should be
consulted before relying on this exception.

6.2 In addition to the requirements of the Act, SANDAG legislative bodies must also
comply with the following requirements:

6.2.1 Only the regular members, or in their absence, a designated alternate, may
vote on action items. Seating or placards at meetings should be arranged so
that it is clear which persons in the room are voting members, as compared
to nonvoting members, alternates, speakers, or members of the public.
Nonvoting members and alternates in attendance may participate in the
body’s discussion, but may not vote.

6.2.2 The members of a legislative body may only designate an alternate if their
service on the legislative body is based on their capacity as a representative
of another group; members selected for their individual qualifications do
not act as a representative of another group and may not designate an
alternate.

6.2.3 A quorum shall be a majority of the voting members of a legislative body. A
majority of the quorum must approve all actions taken by the legislative
body.

6.2.3 Unless otherwise provided by the Board or Policy Advisory Committee, each
legislative body should select a chair and vice chair by a vote of the majority
of a quorum on an annual basis.

6.2.4 Roberts Rules of Order should be used by legislative bodies for guidance on
procedural matters such as the making of motions and voting.

6.2.5 The chair of a legislative body may direct that comments from the public
shall be limited to no more than three minutes per person. Comments from
the public should be requested following introduction of each agenda item.
Efforts should be made to make it clear to the members of the legislative
body and audience when a comment is being made by a member of the
public versus a member of the legislative body.
6.2.6 In the event a legislative body is having difficulty taking action on items due to lack of attendance to create a quorum, the legislative body may make a recommendation regarding changes to membership and seek approval of these recommendations from the Board or Policy Advisory Committee that created the legislative body.

6.3 The scope of topics within the jurisdiction of the legislative body shall be limited to those issues delegated to the legislative body by the Board or relevant Policy Advisory Committee.

6.4 Legislative bodies created by the Board or a Policy Advisory Committee do not have authority to take action on behalf of SANDAG, make a final determination on behalf of SANDAG, and/or take a position on behalf of SANDAG, unless that authority has been specifically delegated by an action of the Board.

6.5 The SANDAG Committee and Working Group Guidelines should be used for additional guidance.

6.6 New committees shall not be created by SANDAG staff without approval of either (1) the Board, (2) a Policy Advisory Committee, or (3) the Executive Director with the concurrence of the Chair of the Board. A Policy Advisory Committee or the Board must approve all charter or membership changes for committees that are created by ordinance, resolution, or formal action of the Board or one of the Policy Advisory Committees. An informational report shall be provided to the Board on an annual basis concerning the status of all standing and ad hoc committees and working groups.

6.7 Upon assuming office, the Chair of Board shall be provided with a list of all of the SANDAG legislative bodies that are not Policy Advisory Committees and the Chairs and Vice Chairs of those bodies. The Chair shall determine if a new Chair and/or Vice Chair should be appointed for these bodies and shall report any changes he/she wishes to make at a Board meeting. When making decisions concerning the Chair and Vice Chair appointments to legislative bodies, the potential appointee’s participation at the Policy Advisory Committee reported to by the legislative body shall be taken into consideration.

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The purpose of this policy is to establish an equal employment opportunity program for employees and contractors.

Federal regulations require the adoption of an Equal Employment Opportunity (EEO) Program as a condition of receipt of federal funds. The SANDAG administrative manuals, policies, and procedures mandate equal employment opportunities in recruitment, hiring, and employment for applicants to, and employees of, SANDAG. SANDAG also has separate written policies which forbid discrimination and provide grievance procedures for employees and visitors to SANDAG who believe they have been a victim of discrimination. In addition, SANDAG incorporates an EEO requirement and Disadvantaged Business Enterprise (DBE) requirements in its contracts with third parties.

**Procedures**

1. **EEO and DBE Programs**

   1.1 It is the policy of SANDAG to recruit, hire, train, and promote all applicants and employees in accordance with Title VII of the Civil Rights Act of 1964, as amended. SANDAG will ensure that recruiting, selecting, hiring, and promoting procedures do not adversely affect the employment of persons protected by Title VII and, in addition, that all SANDAG hiring and promoting criteria, requirements, and tests are job-related. Unless impracticable, SANDAG will adhere to the affirmative action provisions of Executive Order 11246, the Equal Employment Opportunity Guidelines, and all other applicable standards for affirmative action, taking into account its present size and expected growth.

   1.2 It is SANDAG policy to assure that discrimination based on race, color, religion, ancestry, national origin, gender, age (over 40 years), marital status, medical condition, sexual orientation, genetic information, or disability does not occur in relationships that may exist between SANDAG and any employee or applicant for employment. Such relationships include, but are not limited to, recruitment, hiring, promotion, compensation, benefits, terminations, transfers, layoffs, recalls, or SANDAG-sponsored training, education, or social and recreational programs.

   1.3 It is SANDAG policy to require the contractors and consultants that it contracts with to have EEO policies in place that forbid discrimination in violation of Title VII.

   1.4 SANDAG maintains a Disadvantaged Business Enterprises (DBE) Program as required by the Federal Transit Administration and Federal Highway Administration that is approved annually by the California Department of Transportation. The DBE Program sets forth annual-a triennial goals for participation by DBEs' businesses.
1.5 Responsibility for implementation of the EEO Program is assigned to the Director of Administration. All management personnel within SANDAG are expected to support and implement this EEO Program in performance of their job duties and responsibilities. Any employee or applicant who feels they have been discriminated against, has a right to file a complaint under SANDAG policies.

1.6 When developing and implementing its employment and contracting policies, SANDAG will base its decisions solely on the individual’s qualifications and merit, the evaluation criteria in the solicitation, and the feasibility of any necessary accommodations.

2. Procedures

2.1 The Director of Administration will review employment statistics to determine whether there is a need to set goals for any under-represented groups and then recommend goals to the Executive Director if necessary.

2.2 The Executive Director will approve or disapprove the Director of Administration’s recommendation(s) at his/her discretion.

2.3 The Director of Administration will maintain current contact lists of community resource organizations, community leaders, media sources, and colleges/vocational schools for the use of SANDAG staff in recruiting for employees, consultants, and contractors.

2.4 The Director of Administration will communicate this EEO Program to all employees.

2.5 SANDAG staff will solicit community involvement by under-represented groups on issues of importance to the region that fall within its jurisdiction.

2.6 All SANDAG requests for proposals, requests for qualifications, and invitations for bids will contain language encouraging participation by DBE consultants, contractors, and subcontractors.

2.7 Consultants and contractors awarded contracts with DBE Program goals will be required to submit Employment Utilization Reports with their invoices and/or a DBE Final Utilization Report with their final invoice.

2.8 A report on DBE Program results will be provided to the Board of Directors on an annual basis.

2.8.9 The Director of Administration will maintain records on recruitment efforts, new employees, promotional opportunities, and employee separations which document whether the affected individuals are in a class protected by Title VII.

2.9.10 In January of each year, the Board of Directors will review an EEO report prepared by the Director of Administration. The report will include employment results, DBE Program results, and a review of EEO Program goals for the upcoming year.
2.102.11 This EEO Program will be posted in the employee lounge and will be incorporated into the SANDAG employee Web site.

2.112.12 All employment ads and job postings will contain a reference that SANDAG is an equal employment opportunity employer.

2.122.13 Required federal and state posters concerning EEO will be displayed in the employee lounge.

2.132.14 All successful consultants and contractors will be notified of their obligations under the EEO Program in their contracts with SANDAG.

Adopted June 2003
Amended November 2004
Amended December 2005
Amended December 2006
Amended December 2008
Amended November 2010
Amended February 2012
DISCRIMINATION COMPLAINT PROCEDURES

This policy is intended to establish a procedure under which complaints alleging discrimination in SANDAG’s provision of services or SANDAG activities can be made by persons who are not employees of SANDAG.

Background

It is SANDAG policy to comply with state and federal laws and regulations including the Americans with Disabilities Act of 1990 (ADA), Title VI of the Civil Rights Act of 1964 (Title VI) and other federal and state discrimination laws. SANDAG prohibits discrimination by its employees, contractors and consultants. The responsibility for the implementation of the discrimination complaint procedures is assigned to the Office of General Counsel. SANDAG does not discriminate on the basis of race, color, sex, creed, religion, national origin, age, marital status, ancestry, medical condition, disability, or sexual orientation in conducting government business. Persons who believe they have been subjected to discrimination or have been denied access to services or accommodations required by law, have the right to use this grievance procedure.

Procedures

1. **Applicability**

   This complaint procedure is applicable to all persons who are not employees of SANDAG. This includes, but is not limited to, visitors to SANDAG, members of the public viewing SANDAG publications, Board, committee, and working group members, vendors, or any other person transacting business with SANDAG or using SANDAG’s services who believe that they have been subjected to discrimination by SANDAG employees, contractors, or consultants. In general, it is designed to address disputes concerning the following:

   1.1 Disagreements regarding a requested service, accommodation, or modification of a SANDAG practice or requirement;

   1.2 Inaccessibility of a program, publication, or activity;

   1.3 Harassment or discrimination on the basis of disability;

   1.4 Violation of privacy in the context of disability.

2. **Compliance Officer**

   SANDAG’s Office of General Counsel is the Compliance Officer and is responsible for administering this complaint procedure as well as ensuring compliance with applicable laws.
3. Preliminary Review Process

3.1 Informal Resolution - Prior to initiating the formal complaint procedure set forth below, and as a prerequisite to it, the complaining party shall contact the Compliance Officer for assistance in resolving the matter informally as soon as is reasonably practicable, generally within approximately fifteen (15) calendar days of the time the grievant became aware of the SANDAG act or omission that is the subject of the complaint. If the Compliance Officer is not successful in quickly achieving a satisfactory resolution (that is, generally within approximately thirty (30) calendar days), the Compliance Officer will take the steps described in subparagraph 3.2.

3.2 Review Panel - The Compliance Officer will convene an ad-hoc review panel to review the issue(s) raised. The panel will consist of the following (or their designees): the Compliance Officer, a member of the management staff, a Deputy Executive Director, and (depending upon the issues) such other personnel as may be appropriate. This panel will review the request, investigate and attempt to resolve the issues within approximately thirty (30) calendar days of the request for or initiation of a second review. No formal report need be issued by the panel, but the panel will document the outcome of its review in a letter to the complaining party. If the complaining party is not satisfied with the panel's disposition of the matter, the complaining party may file a formal complaint in accordance with the procedure described below.

4. Formal Complaint

If the procedure set forth above for preliminary review does not yield a successful resolution, then the complaining party may file a formal complaint in the following manner:

4.1 When To File Complaint - Complaints must be in writing and must be filed within ten (10) calendar days of the complaining party's receipt of notice of the end of the preliminary review process described above.

4.2 What To File - A complaint must be in writing and include the following:

4.2.1 The complaining party’s name, address, e-mail address and phone number;

4.2.2 A full description of the problem;

4.2.3 A statement of the remedy requested; and

4.2.4 A copy of the letter from the Review Panel setting forth the outcome of the preliminary review procedure described above.

4.3 Where To File Complaint - The complaint shall be filed with the Compliance Officer at SANDAG, 401 B Street, Suite 800, San Diego, CA 92101; Fax number (619) 595-5625.

4.4 Notice of Receipt - Upon receipt of the complaint, the Compliance Officer will review the complaint for timeliness and appropriateness for this grievance procedure, and will provide the complaining party with written notice acknowledging its receipt.
4.5 Investigation - The Compliance Officer or his or her designee shall promptly initiate an investigation. In undertaking the investigation, the Compliance Officer may interview, consult with and/or request a written response to the issues raised in the complaint from any individual the Compliance Officer believes to have relevant information, including staff and members of the public. The Compliance Office also may hold an informal hearing at his or her discretion.

4.6 Representation - The complaining party and any party against whom the grievance is directed shall have the right to have a representative. The party shall indicate whether he or she is to be assisted by a representative and, if so, the name of that representative. For purposes of this procedure, the representative may be an attorney so long as the Office of General Counsel serves as the Compliance Officer if an attorney is not an appropriate representative.

4.7 Findings And Notification - Upon completion of the investigation, the Compliance Officer will prepare and transmit to the complaining party, and to any party against whom the complaint is directed, a final report containing a summary of the investigation, written findings and a proposed disposition. This transmission will be expected within forty-five (45) calendar days of the filing of the formal complaint. The deadline may be extended by the Compliance Office for good cause. The final report shall also be provided, where appropriate, to any person whose authority will be needed to carry out the proposed disposition or to determine whether any personnel action is appropriate.

4.8 Final Disposition - The disposition proposed by the Compliance Officer shall be put into effect promptly. The complaining party or any party against whom the complaint or the proposed disposition is directed may appeal. The appeal to the Executive Director (as set forth below) will not suspend the implementation of the disposition proposed by the Compliance Officer, except in those circumstances where the Executive Director decides that good cause exists making the suspension of implementation appropriate.

5. Urgent Matters

Whenever the application of any of the time deadlines or procedures set forth in this complaint procedure creates a problem due to the nature of the complaint, the urgency of the matter, or the proximity of the upcoming event, the Compliance Officer will, at the request of the complaining party, determine whether an appropriate expedited procedure can be fashioned.

6. Remedies

Possible remedies under this complaint procedure include corrective steps, actions to reverse the effects of discrimination or to end harassment, and measures to provide a reasonable accommodation or proper ongoing treatment. As stated above, a copy of the Compliance Officer's report may, where appropriate, be sent to appropriate persons to determine whether any personnel action should be pursued.
7. **Appeal**

7.1 Within ten (10) calendar days of the issuance of the final report, the complaining party or any party against whom the complaint is directed may appeal to the Executive Director the Compliance Officer's determination.

7.2 An appeal is taken by filing a written request for review with the SANDAG Executive Director, 401 B Street, Suite 800, San Diego, CA 92101.

7.3 The written request for review must specify the particular substantive and or procedural basis for the appeal, and must be made on grounds other than general dissatisfaction with the proposed disposition. Furthermore, the appeal must be directed only to issues raised in the formal complaint as filed or to procedural errors in the conduct of the complaint procedure itself, and not to new issues.

7.4 The review by the Executive Director or his or her designee normally shall be limited to the following considerations: Were the proper facts and criteria brought to bear on the decision? Were improper or extraneous facts or criteria brought to bear on the decision that substantially affected the decision to the detriment of the complaining party? Were there any procedural irregularities that substantially affected the outcome of the matter to the detriment of the complaining party? Given proper facts, criteria, and procedure, was the decision one that a person in the position of the decision-maker might reasonably have made?

7.5 A copy of the Executive Director's written decision will be expected within thirty (30) calendar days of the filing of the appeal and shall be sent to the parties, the Compliance Officer and, if appropriate, to persons whose authority will be needed to carry out the disposition. The deadline may be extended by the Executive Director for good cause. The decision of the Executive Director on the appeal is final.

8. **Title VI Complaints**

SANDAG operates programs without regard to race, color, and national origin in compliance with Title VI of the Civil Rights Act. In order to comply with 49 CFR Section 21.9(b), recipients and subrecipients of Federal Transit Administration funding such as SANDAG are required to develop procedures for investigating and tracking Title VI complaints and to make the procedures for filing a complaint available to members of the public upon request. This policy contains the procedures that members of the public should follow in order to request additional information regarding SANDAG’s nondiscrimination obligations or file a discrimination complaint against SANDAG. Any person who believes himself or herself or any specific class of persons to be subjected to discrimination prohibited by Title VI also may file a written complaint with the FTA. A complaint must be filed no later than 180 days after the date of the alleged discrimination, unless the time for filing is extended by FTA. Title VI complaints regarding FTA funded programs at SANDAG can be sent to:
9. **Confidentiality**

SANDAG will take reasonable measures to protect the privacy of the complaining party and those individuals who may be the subject of a complaint. SANDAG cannot guaranty privacy, however, particularly if disclosure is necessary for a complete investigation or is required by law.

Adopted June 2003
Amended November 2004
Amended January 2010
Amended February 2012
DELEGATION OF AUTHORITY

The purpose of this policy is to establish the authority granted by the Board of Directors to the Executive Director. It also provides the Executive Director with the authority to delegate functions he or she has been delegated by the Board to SANDAG staff.

Definitions

The following words shall have the meanings indicated when used in this policy:

“Agreement” shall be interpreted to include contracts, memorandums of understanding, agreement amendments, purchase orders, invoices, money transfers, or any other document that could be enforced against SANDAG in a court of law.

“Budget” shall be interpreted to include SANDAG’s annual budget, revisions and amendments thereto, and the Overall Work Program.

“Emergency or Urgent Need” for purposes of this policy shall mean a situation in which, in the Executive Director's or his/her designee's opinion, injury to persons, or significant injury to property, covered species, habitats, linkages, and/or corridors identified in the San Diego County Natural Communities Conservation Planning program, or interruption of a public service will occur if immediate action is not taken.

Procedures

1. Adoption of a budget by the Board shall automatically authorize the Executive Director to enter into any agreements or take any other actions necessary to implement the budget items or other actions approved by the Board.

2. Any authority delegated to the Executive Director shall automatically vest with a Chief Deputy Executive Director when business must be conducted in the absence of the Executive Director.

3. In the event of emergency or an urgent need, the Executive Director is authorized to take all necessary actions to prevent significant unnecessary loss to SANDAG, a shut-down of public services, or to address a situation threatening the health or safety of persons or property, including, but not limited to, authorization to contract with a contractor or consultant on a sole source basis, consistent with applicable state or federal law without prior approval from the Board. In the event such an emergency or urgent need occurs, the Executive Director will consult with the Chair of the Board, promptly communicate all actions taken to the Board members, and submit a report to the Board at its next regular meeting in order to obtain ratification for those actions.
4. The Executive Director is hereby authorized to carry out the actions set forth below. In the event any of the authorities in this paragraph are exercised, the Executive Director will report actions taken to the Board in summary written form at the next regular meeting of the Board.

4.1 Enter into agreements not currently incorporated in the budget and make other modifications to the budget in an amount up to $100,000 per transaction so long as the overall budget remains in balance. This provision may not, however, be used multiple times on the same budget line item or contract in order to circumvent the $100,000 limit.

4.2 Approve all design plans, specifications and estimates for capital improvement projects.

4.3 Execute all right-of-way property transfer documents, including but not limited to, rights of entry, licenses, leases, deeds, easements, escrow instructions, and certificates of acceptance.

4.4 Direct payment to persons for right-of-way property so long as the payment amount does not exceed 110% of the appraised value.

4.5 Reject all bids and/or suspend the competitive procurement process.

4.6 Provide the final determination to persons or firms filing a protest regarding SANDAG’s procurement or contracting process or procedures.

4.7 File administrative claims and to initiate and maintain lawsuits on behalf of the Board to recover for damage to or destruction of SANDAG property, or interruption of a public service.

4.8 Settle all lawsuits initiated under paragraph 4.7.

4.9 Settle all lawsuits, alternative dispute matters, and claims that SANDAG must defend when the settlement amount does not exceed $100,000. In the event the Executive Director exercises this authority he/she shall send a memo to the members of the Board as soon as possible in order to notify them of any action taken.

4.10 Accept reimbursement from member agencies for use of SANDAG on-call contracts.

4.11 Execute tolling agreements to extend the statute of limitations for litigation involving SANDAG as a potential plaintiff or defendant when deemed in the best interest of SANDAG by the Executive Director and Office of General Counsel.

4.12 Authorize transfers of funds in the SANDAG budget for capital improvement projects following approval of such a transfer by the affected transit operator’s board of directors or designated governing body.
4.13 Authorize the expenditure of Emergency Land Management Funds designated in the most recent Board-adopted Environmental Mitigation Program Funding Strategy based upon support from a cross-section of technical experts not affiliated with the request.

5. The Executive Director shall act as the appointing authority for SANDAG with the authority to appoint, promote, transfer, discipline, and terminate all employees of SANDAG subject to the provisions of SANDAG’s Administrative Rules and Regulations.

6. Pursuant to Article V, Section 4, paragraph c of the Bylaws, the Executive Director shall promulgate an administrative policy governing the procedures for delegating his/her authority to other SANDAG staff.

Adopted October 2003
Amended November 2004
Amended December 2006
Amended December 2008
Amended February 2012
REGIONAL TRANSIT SERVICE PLANNING AND IMPLEMENTATION

This policy specifies the transit service planning and transit development project planning responsibilities of SANDAG (the consolidated agency) and the transit agencies (Metropolitan Transit System and North San Diego County Transit Development Board), and outlines a framework for transit service planning and roles and responsibilities for project development planning. Figure 1.1 includes a flow chart, based on the framework that documents the processes for transit service planning and implementation, for new services and adjustments to existing services. Figure 1.2 identifies the lead and support (active participant) agency responsibilities for both long and short-range transit service planning and development project planning.

This policy will allow the transit system to quickly and efficiently respond to changes in travel demand and operating/fiscal environment, while ensuring that the system is adjusted and developed consistent with longer range regional transportation and land use goals as incorporated into the Regional Comprehensive Plan (RCP), the Regional Transportation Plan (RTP), and the Regional Short Range Transit Plan (RSRTP). As a result, transit service changes that relate directly to implementation of regional policies, goals, and objectives (service changes with regional significance) are generally those that:

- Serve regional travel demand corridors that cross transit agency jurisdictional boundaries;
- Significantly affect passenger trip making (as defined by the guidelines contained in the RSRTP; for example, would be found to potentially have a detrimental impact on geographic connections, timed transfers, and the frequency/service span consistency of such services);
- Require additional regional operating funds above the overall transit agency-adopted budget and projected budget capacity; and
- Affect the policies, projects, services and facilities included in the RTP, RCP, and TransNet Ordinance.

1. **Agency Responsibilities** - SANDAG and transit agency responsibilities are described below and further specified in Figure 1.2. There is an inherent overlap of responsibilities between SANDAG and the transit agencies in conducting transit service planning and development project planning, as exhibited in Figure 1.2. Therefore, all planning responsibilities shall be conducted with coordination and consultation between SANDAG and the transit agencies.

1.1 **SANDAG Responsibilities** - carried out in collaboration with the transit agencies:

1.1.1 Prepare long-range transit plans and corridor studies as part of the RTP.

1.1.2 Prepare, no less often than every two years, the five-year RSRTP and Coordinated Public Transit and Human Services Transportation Plan that:

(1) establishes the goals and objectives for short-range transit services and
human services transportation; (2) defines the existing transit and human services transportation system; (3) sets the framework for a transit operations performance monitoring program as required by the Transportation Development Act and a monitoring program for human services transportation as defined by the Federal Transit Administration (FTA); (4) identifies transit and human service gaps and deficiencies; (5) evaluates existing transit and human services transportation services and programs; (6) establishes parameters for short-range (0-5 years) new and revised service development, as well as regionally significant and all other service adjustments; (7) defines a methodology for evaluating proposals for new and revised service; (8) identifies and prioritizes regional and subarea transit planning studies; and (9) evaluates and prioritizes new and revised services for implementation, including the adoption of an annual Regional Service Implementation Plan. SANDAG will initially maintain the existing service concepts upon which the service is based in order to preserve and improve mobility. FY 2003 budgeted revenue hours/miles will be considered as minimum levels of service for each transit agency and will assume net service levels to be added upon completion of the SPRINTER and Mission Valley East rail projects. If future funding shortfalls occur, necessitating cutbacks in service, then there will be a regionwide process of examination of service levels in order to ensure that service reductions are equitably distributed.

1.1.3 Conduct regional and subarea planning studies as prioritized in the RSRTP, RTP, and RCP.

1.1.4 Develop proposals and service plans for new services or for service adjustments with regional significance, with active participation from the transit agencies, in response to changes in regional travel demand, to address regional service gaps and deficiencies, and to implement plans and programs identified in RTP, RCP, RSRTP, and the TransNet Ordinance.

1.1.5 Plan, locate, and design transit infrastructure and facilities (stations, priority treatments, supporting facilities, etc.) for regionally significant transit projects and services identified in the RTP, RCP, RSRTP, and the TransNet Ordinance, with active participation from the transit agencies.

1.1.6 Develop proposals for new and revised services to be included in the Regional Service Implementation Plan.

1.1.7 Ensure that all new and revised services and service adjustments of regional significance are consistent with the goals and objectives of the RSRTP.

1.1.8 Coordinate with transit agencies to provide community outreach and conduct market research.

1.1.9 Conduct regional performance monitoring to provide input into the RSRTP and other short-range transit studies. The regional performance monitoring will be based on the type of service and type of service area. Any net service reduction in a specific transit agency area resulting from the service
evaluation process that takes that transit agency below its FY 03 service level (pursuant to Section 1.1.2) will be reprogrammed to that transit agency service area for other improvements up to the FY 03 base level of service.

1.1.10 Provide technical assistance to transit operators for local route planning.

1.1.11 Prepare Environmental Justice or Title VI reports in accordance with the most current versions of the SANDAG Title VI Analysis Methodology for Service Changes or the Title VI Analysis Methodology for Fare Changes, which shall be posted to the SANDAG Web site, as required by federal regulations covering requirements for Metropolitan Planning Organizations (MPOs) and transit agencies, including all of the following circumstances:

1.1.11.1 At least once every three years or when a new federal census is available; and

1.1.11.2 Prior to the implementation by SANDAG of any new transit service constituting a Major Service Change as defined in the SANDAG Title VI Analysis Methodology for Service Changes; and

1.1.11.3 Upon the transition of a temporary, experimental, or promotional fare to a regular fare, in which case SANDAG may adopt in full or in part any Title VI analysis conducted by the transit agency when the temporary fare was originally implemented.

1.1.11.1.12 Develop and update, as required, with input from the transit agencies, the Coordinated Transportation Plan for San Diego County as required by SAFETEA-LU legislation. SANDAG also will manage the competitive process for granting FTA funds available as a result of production of a Coordinated Transportation Plan.

1.1.12.1.13 Participate in development of transit vehicle specifications for vehicles acquired for regionally significant projects and services that are funded through projects identified in the RTP and the TransNet Ordinance.

1.1.13.1.14 Collaborate with the transit agencies on a branding framework, compatible with the transit agencies’ individual branding programs, that incorporates regionally significant projects and services identified in the RTP, RCP, RSRTP, and the TransNet Ordinance. The transit agencies and SANDAG will undertake a study to develop a mutually agreed upon branding framework for the region.

1.2 **Transit Agency Responsibilities** – carried out in collaboration with SANDAG:

1.2.1 Develop service and schedule adjustments to ensure system optimization and to respond to immediate operational issues (e.g., detours, overcrowding, on-time performance, and minor out-of-direction routing changes).

1.2.2 Conduct local transit studies and analyses within the transit agency’s service area in response to changes in local travel demand, to address service gaps.
and deficiencies, to develop service reductions/efficiencies, to address operating budget deficits, and to address goals and implement plans developed in the RSRTP.

1.2.3 Develop proposals for new and revised services to be included in the Regional Service Implementation Plan.

1.2.4 Develop proposals to reallocate unproductive resources to implement unfunded services identified as high priority in the Regional Service Implementation Plan or consistent with the RSRTP.

1.2.5 Develop a public input process and hold required public hearings for service changes. The transit agencies should ensure that the public input process for public hearings on service changes would be conducted in a manner to facilitate public input from the affected area.

1.2.6 Develop marketing and branding programs for the transit services within its jurisdiction and collaborate with SANDAG on a compatible branding framework that incorporates regionally significant projects and services identified in the RTP, RCP, RSRTP, and the TransNet Ordinance. The transit agencies and SANDAG will undertake a study to develop a mutually agreed upon branding framework for the region.

1.2.7 Provide community outreach and conduct market research, in coordination with SANDAG.

1.2.8 Develop operating plans for special event transit service and service contingencies.

1.2.9 Monitor existing operations and services to provide input into service analyses and short-range transit studies.

1.2.10 Conduct bus stop location planning.

1.2.11 Implement service, including scheduling, run-cutting, operations, contract services, service management, and labor contract administration.

1.2.12 Provide input on long- and short-range transit plans, and regional performance monitoring.

1.2.13 Prepare interim Environmental Justice or Title VI reports for transit agency-implemented system changes that affect over 25 percent of the transit service hours as required by federal regulations for transit agencies, and provide the reports to SANDAG and the federal government.

1.2.14 Actively participate in the development of service plans for service adjustments with regional significance, in response to changes in regional travel demand, to address regional service gaps and deficiencies and to implement plans and programs identified in RTP, RCP, RSRTP, and the TransNet Ordinance.
1.2.15 Actively participate in the planning, location and design of transit infrastructure and facilities (stations, priority treatments, supporting facilities, etc.) for regionally significant transit projects and services identified in the RTP, RCP, RSRTP, and the TransNet Ordinance.

1.2.16 Develop transit vehicle specifications, with active participation from SANDAG, for vehicles for all service types, including local bus, shuttles, bus rapid transit, rail, and others.

2. **Transit Service Planning Framework** - This framework allows the transit system to quickly and efficiently respond to changes in travel demand and operating/fiscal environment, while ensuring that the system is adjusted and developed consistent with longer range regional transportation and land use goals.

**Step 1: Guidance**

A RSRTP, consistent with SANDAG’s RTP and RCP, will be drafted annually by SANDAG, with active participation from the transit agencies. The RSRTP will establish goals and objectives and provide guidance for service planning during the upcoming year and will balance the immediate needs of optimizing the transit system in response to operational and financial constraints, with the mid- and long-range system development goals established in the long-range plans.

**Step 2: Develop Service Adjustments**

Throughout the year, transit agency and SANDAG staff develop proposals, in accordance with the RSRTP, to adjust existing services and develop new services. These service adjustments help to optimize existing services, reflect changes to the operating and fiscal environment, respond to customer comments and requests, and begin to implement and support services envisioned in the long-range plans. Service adjustments can be a result of such things as schedule analysis, trip and route level evaluation, and subregional and regional transit studies. Service adjustments with regional significance should be developed as collaborative efforts between SANDAG and transit agency staff.

**Step 3: Evaluation and Approval**

Prior to approval for implementation, all service adjustments should be:

- Consistent with the RSRTP;
- Presented for public hearing in the impacted service area if required by SANDAG, the appropriate transit agency, or by FTA policies and regulations; and
- Fully funded either through a reallocation of resources or as part of the budget process.
Service adjustments with regional significance should be endorsed by the appropriate transit agency and determined to be consistent with regional policies, goals and objectives by SANDAG prior to public hearing and implementation, while local and minor service adjustments may be approved for implementation by the transit agencies after advising SANDAG of the proposed changes.

**Step 4: Implementation**

As a general practice, service changes should be implemented during a regularly scheduled service change date (scheduled for winter, fall, and summer). Implementation should be preceded by community outreach, a marketing campaign, and public notices, as appropriate. Service implementation is the responsibility of the transit agencies.

**Step 5: Monitoring**

Performance monitoring will be conducted on an ongoing basis to evaluate new and existing services and service adjustments. SANDAG will monitor the transit system performance on a systemwide and transit agency level on an annual and quarterly basis. Transit agencies will monitor their operations performance on an annual, quarterly, and monthly basis, as appropriate. Performance measures will evaluate productivity, cost-effectiveness, and quality of service. Performance results will be used as a basis for developing the RSRTP, and other planning studies and analysis.

3. **Policy Review** – This policy was reviewed and revised by SANDAG, in collaboration with the transit agencies in May 2006. It shall be reviewed again by SANDAG, in collaboration with the transit agencies, in fall 2007.

Attachments:  Figure 1.1 – Regional Transit Service Planning and Implementation Process

Figure 1.2 – Roles and Responsibilities for Service Planning Activities

Adopted June 2003
Amended September 2004
Amended March 2005
Amended August 2006
Amended December 2008
**Amended February 2012**
Figure 1.1
Regional Transit Service Planning and Implementation Process

**Regional Short Range Transit Plan**
- Service Planning Framework & Guidelines
  - Goals and Objectives
  - Needs and Deficiencies
  - Parameters and Performance Standards
  - Regional Consistency Checklist

**Step 1: Establish Policy Framework**
- SANDAG
- Transit Agencies

**Step 2: Develop Service Proposals & Plan**
- Regionally Significant Changes
- Local & Minor Changes
- SANDAG
- Transit Agencies

**Step 3: Develop Budgets**
- SANDAG
- Transit Agencies

**Step 4: Implement Service**
- SANDAG
- Transit Agencies

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**Service Proposals**
- New and Revised

**RSRTP Adoption**
- Consistency & Priority Determination
- Plan & Program Public Hearing

**Service Changes Occur Three Times a Year:**
- Feb-Aug/Sep
- Nov-May/Jun
- May-Jan/Feb

**Public Hearings**
- At Transit Agencies

**Locally Significant**

**Administrative Review of Service Consistency or Finding of Overriding Considerations**
(Refer to Transportation Committee, if necessary)

**Administrative Re-Review of Service Consistency or Finding of Overriding Considerations**
- If public hearing results in a new service proposal
  (Refer to Transportation Committee, if necessary)
**FIGURE 1.2**  
**ROLES AND RESPONSIBILITIES FOR TRANSIT PLANNING AND IMPLEMENTATION ACTIVITIES**

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<thead>
<tr>
<th>TRANSIT AGENCY</th>
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<td><strong>MID-RANGE SERVICE DEVELOPMENT</strong></td>
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*Includes Mid-Coast LRT/BRT, Super Loop, I-15 BRT, South Bay BRT, El Cajon Blvd BRT, Escondido Blvd. BRT, South Bay to Sorrento Mesa BRT

Revised July 2006
PROCUREMENT AND CONTRACTING – CONSTRUCTION

Purpose

To establish a method for administering SANDAG construction contracts.

Background

Public Utilities Code section 132352.4 states that if the estimated total cost of any construction project or public works project will exceed fifty thousand dollars ($50,000), SANDAG must solicit bids in writing and award the work to the lowest responsible bidder or reject all bids. Section 132352.4 further mandates that SANDAG establish rules for procurement of construction of public works projects. Additionally, Government Code section 14085 et seq. requires that any public entity receiving state funds for a guideway project adopt policies and procedures for contract administration. Code of Federal Regulations, Volume 49, Part 18, and Federal Transit Administration Circular 4220.1F also establish procedures which SANDAG must be follow when administering contracts using federal funds. All references to the Executive Director in this policy also apply to the Executive Director’s designee.

Policy

1. Bidding Process

A competitive bidding process shall be utilized to the greatest extent possible for all construction contracts.

1.1. Bid Procedure for Small Contracts

1.1.1 For construction contracts estimated to cost $3,000 or less, the work may be awarded without competition so long as the price is determined to be fair and reasonable. Otherwise, staff shall seek a minimum of three bids which may be either written or oral to permit prices and other terms to be compared.

1.1.2 For construction contracts estimated to cost more than $3,000 but not more than $50,000, the following procedures shall be followed:

1.1.2.1 Written Notices Inviting Bids (NIBs) will be sent to a minimum of three qualified bidders by mail or facsimile on the same date. The bid period will be a minimum of three calendar days. When possible, NIBs should be sent to at least two certified Disadvantaged Business Enterprise (DBE) firms. The NIB will contain the time and location for receiving and opening bids.
1.1.2.2 The contract will be awarded to the lowest responsive and responsible bidder after a Notice of Intent to Award has been issued to all bidders and a protest period of five working days has expired.

1.1.2.3 Bid bonds will only be required on bids that are $50,000 or less when requested by the Director of Mobility Management & Project Implementation or his or her designee.

1.2. Bid Procedure for Contracts in Excess of $50,000

1.2.1 Public notice of a construction contract estimated to cost more than $50,000 shall be given by publication once a week for at least two consecutive weeks, at least three weeks before the day set for receiving bids, as follows:

1.2.1.1 In a newspaper of general circulation, published in San Diego County;

1.2.1.2 In a trade paper of general circulation published in Southern California devoted primarily to the dissemination of contract and building news among contractors and building materials supply firms (optional for projects estimated to cost less than $100,000); and

1.2.1.3 In at least one DBE/Small business directed newspaper or trade publication and in such other minority or community newspapers as appropriate.

1.2.2 Advertisements may also be placed in other minority and community newspapers, as appropriate. Appropriate DBEs listed in the current SANDAG vendor database will be notified of any work advertised under this policy.

1.2.3 The notice shall state the time and place for receiving and opening sealed bids and shall describe, in general terms, the work to be done.

1.3. Contractor's Qualifications

1.3.1 SANDAG may, for prospective contractors whose bid could exceed $500,000, adopt and apply a uniform prequalification system for rating bidders, on the basis of a standard experience questionnaire and financial statement verified under oath in respect to the contracts upon which each bidder is qualified to bid. A contractor may request to be prequalified for a predetermined contract amount prior to bidding.

1.3.2 In no event shall any bidder be awarded a contract if such contract award would result in the bidder having under contract(s), work cumulatively in excess of that authorized by its qualification rating.
1.4. Form of Bids

1.4.1 SANDAG shall furnish each bidder with a standard proposal form, to be filled out, executed, and submitted as its bid.

1.4.2 All bids shall be submitted in a sealed envelope accompanied by one of the following forms of bidder's security: cash, a cashier's check, certified check, or a bidder's bond executed by an admitted surety insurer and made payable to SANDAG. A bid shall not be considered unless accompanied by one of the forms of bidder's security. Bidder's security shall be at least 10 percent of the amount bid. Bidder's bonds must be issued by bonding companies registered in the State of California.

1.4.3 Late bids shall not be accepted after the time and date designated in the notice.

1.4.4 Any bid may be withdrawn any time prior to the time fixed in the notice for bid opening only by written request to the SANDAG Executive Director. The request shall be executed by the bidder or its designated representative. Bids shall not be withdrawn after the time fixed for public opening.

1.4.5 On the day specified in the notice, staff shall publicly open sealed bids and announce the apparent lowest bidder(s).

1.5. Review of Bids

1.5.1 After the bids are publicly opened, the Director of Mobility Management & Project Implementation or his or her designee (hereinafter "Director"), shall review all bids in order to determine which bidder is the lowest responsive and responsible bidder. The term "lowest responsive and responsible bidder" shall mean the lowest monetary bidder (excluding taxes) whose bid is responsive and who is responsible to perform the work required by the solicitation and contract documents.

1.5.2 SANDAG may investigate the responsibility and qualifications of all bidders to whom the award is contemplated for a period not to exceed 90 days after the bid opening. The 90-day review period may be extended upon the written request by the Director and written approval by the affected bidders.

1.5.3 SANDAG reserves the right to reject any or all bids and to waive any immaterial irregularity. No bid shall be binding upon SANDAG until after the contract is signed by both the contractor and SANDAG.

1.5.4 The lowest monetary bidder's bid will be evaluated by the Director in order to determine whether or not that bid is responsive. The term "responsive" is not defined by California law, but generally means that the bid has been
prepared and submitted in accordance with the requirements of the solicitation and bid documents. These requirements shall generally include, but will not be limited to, the following:

1.5.4.1 Proposal and Cost Proposal - with bid amounts filled in.
1.5.4.2 Designation of Suppliers and Subcontractors - including dollar amounts.
1.5.4.3 Acknowledgment of Addenda.
1.5.4.4 Contractor's License Requirements.
1.5.4.5 Ability to Meet Minimum Insurance Requirements.
1.5.4.6 Public Contract Code 10162 Questionnaire.
1.5.4.7 Bidder's Bond.
1.5.4.8 Noncollusion Affidavit.
1.5.4.9 Certification of Restrictions on Lobbying.
1.5.4.10 Disclosure of Lobbying Activities.
1.5.4.11 Certification Regarding Debarment

1.5.5 If the lowest monetary bidder's bid is responsive, then the bidder's qualifications will be evaluated by the Director to determine whether or not the bidder is responsible to perform the work required by the contract documents. The term "responsible" is defined by California law, but generally means that the bidder is able to demonstrate that it possess: (1) the capacity to perform the work required by the contract documents with respect to financial strength, resources available, and experience; and (2) the integrity and trustworthiness to complete performance of the work in accordance with the contract documents. The Director shall review "responsibility" of bidders based upon factors set forth below.

1.5.6 For all contracts in excess of $500,000, the following uniform system of determining whether or not a bidder is "responsible" shall be applied. The Director will consider the following non-exclusive list of factors in relation to the work to be performed for this project:

1.5.6.1 Financial Requirements:

1.5.6.1.1 Contractors shall have evidence of the availability of sufficient working capital;

1.5.6.1.2 The largest value of all work any bidding contractor has had under contract over a previous similar time frame as the subject contract shall meet or exceed the total amount of the bid;

1.5.6.1.3 The dollar value of at least one of the previous individual contracts listed shall be at least 50 percent of the dollar value bid on the SANDAG contract; and
1.5.6.1.4 The contractor shall have successfully completed contracts during the previous five years that together exceed five times the annual value of the SANDAG contract.

1.5.6.2 Experience Requirements:

1.5.6.2.1 The contractor must demonstrate organization experience on work similar to the SANDAG contract by submitting a list, covering at least the previous five years, of all projects of any type that have been completed or are under construction. The list shall contain a name, title, address, and phone number for staff to contact to verify the contract details;

1.5.6.2.2 The contractor shall demonstrate individual experience by submitting a list of all officers, superintendents, and engineers who will be involved in the SANDAG contract. These key personnel shall have at least three years experience on contracts where the work is similar to the SANDAG contract. The individuals listed shall have been involved at the same level of responsibility on successfully completed contracts during the previous five years that together exceeds the value of the SANDAG contract. A resume for each individual listed shall include the name, title, address, and phone number of an individual or organization who can verify the individual's experience;

1.5.6.2.3 The contractor shall submit a summary of all claims made in the last five years arising out of previous contracts listed (this summary shall include all claims by owner against bidder or bidder against owner, and the final status of each claim);

1.5.6.2.4 The contractor shall state whether or not it has defaulted on a construction project within the last two years;

1.5.6.2.5 The contractor shall list any violation of the Apprenticeship Requirements under a State Business and Professions Code of Labor Code found by an appropriate authority within the last two years;

1.5.6.2.6 The contractor shall state whether they have been found guilty of failure to pay required prevailing wages on a public contract within the last two years;
1.5.6.2.7 The contractor shall state whether they have been formally found to be a nonresponsible bidder, for reason other than being nonresponsive, by a public agency within the last two years;

1.5.6.2.8 The contractor shall list how many construction projects the bidder will be working on concurrently with the SANDAG project;

1.5.6.2.9 The contractor shall state whether they have ever been terminated by an owner or client, or rejected from bidding in a public works project in the last five years;

1.5.6.2.10 The contractor shall state whether a surety ever completed any portion of the work of the bidder’s project within the last five years;

1.5.6.2.11 The contractor shall state whether the bidder, any officer of such bidder, or any employee of such bidder who has a proprietary interest in such bidder, has ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of a violation of a law or safety regulation, and if so, explain the circumstances; and

1.5.6.2.12 For all items identified under 1.5.6.2.1 through 1.5.6.2.11 above, the contractor shall provide name of owner, title of project, contract amount, location of project, date of contract, and name of bonding company.

1.5.6.3 Reporting Forms: In order to demonstrate that the SANDAG financial and experience requirements are met, the contractor shall submit, when requested by SANDAG, a standard experience questionnaire and financial statement verified under oath that shall meet the requirements adopted herein.

1.5.6.4 Failure to provide accurate information relative to its financial status or experience may result in the debarment of the contractor from future SANDAG work.

1.5.6.5 Questionnaires and financial statements shall not be considered public records nor open for public inspection.

1.5.7 SANDAG will make its determination of responsibility based upon information submitted by bidders, and, if necessary, interviews with previous owners, clients, design professionals, or subcontractors with whom the bidder has worked. If a bidder is initially determined to be
nonresponsible, it may submit additional evidence relating to its responsibility not later than five working days after receipt of notice of the initial finding of nonresponsibility. No additional evidence bearing on the bidder’s responsibility may be submitted after that point. Any additional evidence submitted in accordance with this policy shall be considered by the Director in making the recommendation to the Executive Director regarding determination of the lowest responsive and responsible bidder and award of the contract.

1.6 Award or Rejection of Bids

1.6.1 If the Director finds that the lowest monetary bidder submitted a responsive bid and that the bidder is responsible, then that bidder shall be deemed the apparent lowest responsive and responsible bidder, and the Director shall report the findings as recommendation to the Executive Director.

1.6.2 If the Director finds that the lowest monetary bidder’s bid is not responsive or that the lowest monetary bidder is not responsible, then the Director may review the responsiveness and responsibility of the next low monetary bidder. If the Director finds that the next low monetary bidder is responsive and responsible, then that next low bidder shall be deemed the apparent lowest responsive and responsible bidder, and the Director shall report the findings as recommendations to the Executive Director. The Director may continue to review the responsiveness and responsibility of the next low monetary bidders until he/she finds the lowest monetary bidder that is also responsive and responsible, and deemed lowest responsive and responsible bidder. In the event that one or more low monetary bidders are found by the Director to be nonresponsive or nonresponsible, those bidders will be given notice and a reasonable opportunity to present additional evidence to the Director within five working days after the bidder receives the notice.

1.6.3 The Executive Director may authorize a Limited Notice to Proceed (LNTP) to the apparent lowest responsive and responsible bidder for an amount not to exceed $250,000 prior to the award of the construction contract if the Executive Director determines that the award of an LNTP is justified.

1.6.4 If it is for the best interest of SANDAG, the Executive Director may, on refusal or failure of the successful bidder to execute the contract, award it to the second-lowest responsive and responsible bidder.

1.6.5 If the second-lowest responsive and responsible bidder fails to execute the contract, the Executive Director may likewise award it to the third-lowest responsible bidder.

1.6.6 On the failure or refusal of any bidder to execute the contract, its bidder’s security shall be forfeited to SANDAG.
For all contract awards in excess of $25,000, the successful bidder must furnish a performance bond equal to at least one-half of the contract price and a payment bond equal to one hundred percent of the contract price. Federally funded contract awards shall require a performance bond equal to one hundred percent of the contract price. Notwithstanding the foregoing, depending upon authorization from the funding source(s), the performance and payment bond requirements may be modified within the Invitation for Bids with prior approval of the Director.

Failure to furnish the required bonds shall constitute failure to execute the contract.

SANDAG may withhold the bidder's security of the second- and third-lowest responsive and responsible bidders until the contract has been finally executed. SANDAG shall, upon request, return cash, cashier's checks, and certified checks submitted by all other unsuccessful bidders within 30 days after the bid opening, and the bidder's bonds shall be of no further effect.

SANDAG shall include in all procurements a procedure to be followed by interested parties who wish to protest a specification or procedure. The procedure shall include the following:

A requirement that protest submittals shall be in writing, be specific to the specification or procedure being protested, state the grounds for protest, and include all documentation needed to enable SANDAG to reach a decision.

A statement that the protest shall be submitted within clearly defined time limits prior to receiving proposals or opening bids or prior to award of contracts.

A statement specifying the review and determination process by SANDAG, including time limits for response.

Requirements for submittal of a protest reconsideration.

A statement regarding review of the initial protest by a protest review committee and review of protest reconsiderations by the Executive Director, as appropriate.

A statement that protests will be rejected if they are not complete.
1.9 Procedure for Subcontractor Substitution Protest

1.9.1 Subcontractor substitutions shall be made only pursuant to the provisions of the Subletting and Subcontracting Fair Practices Act, Public Contract Code section 4100 et seq., as it may be amended from time to time. Notwithstanding the foregoing, nothing in this policy is intended to require SANDAG to strictly comply with the Subcontracting Fair Practices Act. The Executive Director is hereby designated to carry out all functions of the awarding authority under Section 4100 et seq., including the authority to conduct a hearing in the event of a protest to the substitution. The Executive Director shall make a written recommendation to the Board, the Board may adopt the recommendation without further notice or hearing, or may set the matter for a de novo hearing before the Board.

1.10 Procedure for Contractors with Claims Against SANDAG on Construction Contracts

1.10.1 On all SANDAG construction contracts estimated to cost more than $25,000, a section shall be included in the contract provisions that specifies how a contractor should file a "Notice of Potential Claim" and the procedures for review and disposition thereof.

1.10.2 Federal Transit Administration review and concurrence is required for claim settlements that exceed $1 million if FTA funds are involved.

1.10.3 A list of all outstanding claims exceeding $100,000 which involve the use of federal funds shall be included in the federal grants quarterly report.

1.11 Debarment Procedures for Procurement and Construction Contracts

1.11.1 In addition to all other remedies permitted by law, SANDAG may, upon advice of the Executive Director and Office of General Counsel, by resolution declare a bidder or contractor ineligible to bid on SANDAG procurement and construction contracts for a period not to exceed three years for any of the following grounds:

1.11.1.1 two or more claims of computational, clerical, or other error in bid submission within a two year period;

1.11.1.2 unjustified failure or refusal to timely provide or properly execute contract documents;

1.11.1.3 unsatisfactory performance of contract;

1.11.1.4 false, excessive and/or unreasonable claims while performing work for SANDAG;
1.11.1.5 two or more occasions within a two year period of failure to submit bond or insurance documents acceptable to SANDAG in the time periods required;

1.11.1.6 unjustified refusal to properly perform or complete contract work or warranty performance;

1.11.1.7 unjustified failure to honor or observe contractual obligations or legal requirements pertaining to the contract;

1.11.1.8 conviction under a state or federal statute or municipal ordinance for fraud, bribery, theft, falsification or destruction of records, receiving stolen property or of any other similar crime;

1.11.1.9 any offense or action which indicates a lack of business integrity and which could directly affect the reliability and credibility of performance of the contractor on future contracts with SANDAG;

1.11.1.10 any debarment of the contractor by another governmental agency; and

1.11.1.11 false statements or certifications in documents submitted as part of a bid or any supplementary documentation thereto.

1.11.2 SANDAG may permanently debar such bidder or contractor for a conviction under federal or state antitrust statutes involving public contracts or the submission of bid proposals, for any corrupt practices involving the administration or award of a contract with SANDAG, or permanent debarment of the bidder or contractor by another governmental agency.

1.11.3 The bidder or contractor shall be provided notice and an opportunity to present evidence and show cause before the Board why such ineligibility shall not be declared after the Director has established a factual basis for debarment.

1.11.4 A contractor's debarment shall be effective amongst SANDAG and any subsidiary entity. Debarment prohibits SANDAG and any subsidiary entity from executing contracts with the debarred contractor.

1.11.5 Debarment constitutes debarment of all divisions or other organizational elements of the contractor, unless the debarment decision is limited by its terms to specific divisions, organizational elements, or commodities. The debarment decision may be extended to include any affiliate of the contractor if the affiliate is (1) specifically named, and (2) given written notice of the proposed debarment and an opportunity to respond.
1.11.6 Notwithstanding the debarment of the contractor, the Board may continue contracts in existence at the time the contractor is debarred, unless the Board directs otherwise, after receiving advice from the Executive Director as to the effects of termination of an existing agreement.

2. **Contract Administration and Contractor Assurances**

2.1 SANDAG contractors must meet all applicable laws concerning labor law, labor rates, EEO and licenses. SANDAG shall ensure that the following requirements are carried out:

2.1.1 All bidders and contractors shall be licensed in accordance with the laws of California. Additionally, contractor requirements shall be guided by the provisions of Chapter 9 of Division 3 of the Business and Professions Code concerning the licensing of contractors.

2.1.2 The contractor may not, in any case, pay workers less than the stipulated prevailing rates paid for such work or craft in the San Diego area by the contractor or any of its subcontractors, unless it is otherwise authorized by law.

2.1.3 The contractor will be responsible for complying with the provisions of the Fair Labor Standards Act of 1938 as amended.

2.1.4 SANDAG contractors shall be required to provide Workers' Compensation Insurance to their employees in accordance with the provisions of Section 3700 of the Labor Code. Prior to commencement of work, the contractor shall sign and file with SANDAG a certification of compliance.

2.1.5 Contractors must comply with the SANDAG contractor labor compliance program, which is based on the California Labor Code and the “Labor Compliance” section of the California Department of Transportation's Construction Manual.

2.1.6 The contractor shall comply with the EEO requirements set forth by Title VI of the 1964 Civil Rights Act on any project where Federal funds are included.

2.1.7 The contractor shall also comply with Sections 1431 and 1735 of the Labor Code and Sections 300 and 317 through 323 of Title 8 of the California Administrative Code, which prohibits labor discrimination and requires the contractor to submit an Equal Opportunity Program and certification fee to the Fair Employment Practice Commission for contracts over $200,000.

3. **Construction Contract Change Orders**

3.1 All construction and procurement contracts may be amended by a suitable change order. The contract change orders shall be processed in accordance with SANDAG procurement and construction manual(s).
3.2 Construction contract change orders shall be approved by the Executive Director in accordance with SANDAG Board policies, administrative policies, and procedural manuals.

3.3 Except in an emergency, or in the case of a justifiable sole source procurement, a change order shall not be awarded without competitive bidding where the amount of such change order exceeds 25 percent of the price of the original or altered contract, or the change order is out of the original contract scope.

3.3.1 For purposes of this section, an emergency is defined as a sudden or unforeseen situation in which, in the Executive Director’s opinion, injury to persons, or significant injury to property or interruption of a public service will occur if immediate action is not taken.

3.4 All change orders that conflict or potentially conflict with Board-adopted policies shall be brought before the Board for decision.

3.5 All change orders which utilize federal funds shall conform to the Code of Federal Regulations, Volume 49, Part 18 and Federal Transit Administration Circular 4220.1F and any successors thereof, that are applicable by law.

4. **Other Than Full and Open Competition**

Normally, SANDAG will utilize a full and open competition when soliciting bids or proposals for procurements in excess of $50,000. Under certain circumstances, however, a procurement may be justified that does not utilize full and open competition. These procurements are known as limited competition procurements. When less than full and open competition is used, SANDAG shall solicit offers from as many potential sources as is practicable under the circumstances. Noncompetitive procurement is known as sole source procurement. Noncompetitive and limited competition procurements shall only be permitted when the conditions below are met.

4.1 When the project will be paid for in whole or in part by federal funds one of the conditions set forth below must be met:

4.1.1 Unique Capability or Availability. The services are only available from one source. Services are only available from one source if one of the conditions described below is present:

4.1.1.1 Unique or Innovative Concept. Staff can demonstrate that the service consists of a unique or innovative concept or capability not available from another source. Unique or innovative concept means either a new, novel, or changed concept, approach, or method that is the product of original thinking, the details of which are kept confidential or are patented or copyrighted, and is available to SANDAG only from one source and has not in the past been available to the recipient from another source; or
4.1.2. Substantial Duplication Costs. In the case of a follow-on contract for the continued development or production of highly specialized equipment and major components thereof, when it is likely that award to another contractor would result in substantial duplication of costs that are not expected to be recovered through competition.

4.1.3. Unacceptable Delay. In the case of a follow-on contract for the continued development or production of highly specialized equipment and major components thereof, when it is likely that award to another contractor would result in unacceptable delays in fulfilling SANDAG’s needs.

4.1.4. Single Bid or Proposal. Upon receiving a single bid or proposal in response to a solicitation, if staff determines that competition was adequate based on a review of the specifications for undue restrictiveness and/or a survey of potential sources that chose not to submit a bid or proposal.

4.1.5. Unusual and Compelling Urgency. SANDAG may limit the number of sources from which it solicits bids or proposals if staff documents that such an unusual and urgent need for the services exists that SANDAG would be seriously injured unless it were permitted to limit the solicitation. SANDAG may also limit the solicitation when the public exigency or emergency will not permit a delay resulting from competitive solicitation for the services.

4.1.6. Contractual Agreement. With some exceptions, when an agency awards a grant agreement or enters into a cooperative agreement with SANDAG for a project in which the funding agency has approved the participation of a particular firm or combination of firms in the project work, the grant agreement or cooperative agreement constitutes approval of those arrangements.

4.1.7. Circumstances authorized by Federal Acquisition Regulation Part 6.3 or the federal Common Grant Rules. Examples include a statutory authorization or requirement, compliance with Department of Transportation (DOT) appropriations laws that include specific statutory requirements, with the result that only a single contractor can perform certain project work.

4.1.8. National Emergency. To maintain a facility, producer, manufacturer, or other supplier available to provide supplies or services in the event of a national emergency or to achieve industrial mobilization.

4.1.9. Research. To establish or maintain an educational or other nonprofit institution or a federally funded research and development center that has or will have an essential engineering, research, or development capability.
4.1.10. Protests, Disputes, Claims, Litigation. To acquire the services of an expert or neutral person for any current or anticipated protest, dispute, claim, or litigation.

4.1.11. International Arrangements. When precluded by the terms of an international agreement or a treaty between the United States and a foreign government or international organization, or when prohibited by the written directions of a foreign government reimbursing the recipient for the cost of the acquisition of the supplies or services for that government.

4.1.12. National Security. When the disclosure of SANDAG’s needs would compromise the national security.

4.1.13. Public Interest. When SANDAG staff documents that full and open competition in connection with a particular acquisition is not in the public interest.

4.1.14. When Prohibited. Less than full and open competition is not justified under any circumstance based on:


4.1.14.2. Limited Availability of federal Assistance. Concerns about the amount of federal assistance available to support the procurement (for example, expiration of federal assistance previously available for award).

4.2 When there are no federal funds involved, additional factors may be used to justify a limited competition or sole source procurement as being within the best interest of SANDAG. For these types of procurements one of the conditions in this section (4.2) or section 4.1 must be met:

4.2.1. There is only one contractor capable of providing the work because the work is unique or highly specialized.

4.2.2. The work should be carried out by a particular contractor in the interest of economy or efficiency as a logical follow-on to work already in progress under a competitively awarded contract.

4.2.3. The cost to prepare for a competitive procurement exceeds the cost of the work.
5. **Relief from Maintenance and Responsibility and Acceptance of Work**

5.1 SANDAG will, upon written application by the contractor, consider granting relief from maintenance and responsibility on major elements of each major construction project as permitted in the contract specifications. The Executive Director is hereby delegated authority to grant said relief in writing to the contractor and shall report actions on contracts over $25,000 to the Board.

5.2 SANDAG will, upon written application by the contractor, accept the entire work on major construction contracts, provided that the work has been completed, in all respects, in accordance with the contract plans and specifications. The Executive Directors is hereby delegated the authority to accept contracts on behalf of the Board and shall report to the Board all contract acceptances over $25,000.

5.2.1. In determining whether to accept the entire work on major construction projects, these procedures should be followed:

5.2.1.1 The contractor shall request acceptance in writing.

5.2.1.2 Concurrence with the request by the SANDAG Resident Engineer shall be in writing to the Executive Director and include these findings: (1) that the contract has been completed in accordance with the plans and specifications, (2) a statement as to the financial condition of the contract, and (3) a statement as to whether the contract was completed on time or with an apparent overrun.

5.2.1.3 The Executive Director shall accept the action and report the findings to the Board.

6. **Conflict of Interest**

6.1 A contractor is eligible for award of service contracts by SANDAG so long as the contract in question does not create an actual, potential, or apparent conflict of interest. A prohibited conflict of interest exists when, because of other activities, relationships, or contracts, a firm is or may be unable to render impartial, objective assistance or advice to SANDAG; or a firm’s objectivity in performing the contract work is or might be otherwise impaired; or where a firm would receive an unfair competitive advantage. Prohibited conflicts of interest include, but are not limited to, the following situations:

6.1.1 Any firm that provides design services or project management services to SANDAG for a design-bid-build project will be ineligible for award of a construction contract to construct the improvements, which are the subject of the design services.

6.1.2 Any firm for a design-bid-build project that provides design services to SANDAG will be ineligible for award of any contract to provide construction management services resulting from the specific project for which design services were provided.
6.1.3 Any firm that provides construction management services to SANDAG for a design-bid-build project will be ineligible for award of a construction contract for which construction management services were or will be provided.

6.1.4 Any firm that assists SANDAG or any of its member or affiliated agencies in the preparation of a design-build procurement document will not be allowed to participate as a bidder/offeror or join a team submitting a bid/offer in response to a design-build procurement document except under the provisions in Section 7.1.4 of Board Policy No. 016.

6.2 SANDAG shall not contract with, and will reject any bid or proposal submitted by, the following persons or entities, unless the Executive Director finds that special circumstances exist which justify the approval of such contract:

6.2.1 Persons employed by SANDAG;

6.2.2 Profit-making firms or businesses in which SANDAG employees serve as officers, principals, partners, or major shareholders;

6.2.3 Persons who, within the immediately preceding twelve (12) months, were employed by SANDAG and (1) were employed in positions of substantial responsibility in the area of service to be performed by the contract, or (2) participated in any way in developing the contract or its service specifications; or

6.2.4 Profit-making firms or businesses in which the former employees described in subsection 6.2.3 serve as officers, principals, partners or major shareholders.

6.3 SANDAG staff and third parties with whom SANDAG does business shall comply with SANDAG administrative policies concerning Standard of Conduct and all relevant Board Policies.

6.4 A Notice of Potential for Conflict of Interest shall be included when relevant in any procurement issued by SANDAG. The Notice shall be the policy of the Board as listed herein. Any agreement issued in accordance with this policy shall include or make reference to the policy listed herein.

6.5 A “firm” shall be defined as any company or family of companies where there is a single parent board of directors or staff of officers who can influence the policies and actions of the design company, construction management company, and the construction company.

6.6 “Ineligible” firms shall include the prime consultant for the services, subcontractors for portions of the services, and affiliates of either. An affiliate is a firm that is subject to the control of the same persons through joint ownership or otherwise.
6.7 If there is any doubt by a firm regarding a potential conflict of interest for a specific project or function, the appropriate member of management staff, depending on type of project, will, upon written request, provide a written ruling. This procedure is encouraged prior to submittal of proposals or bids. In the event a conflict of interest is determined to exist, a written appeal may be made by the affected firm to the Executive Director within five calendar days of notice from SANDAG the conflict. The Executive Director shall determine the adequacy of the appeal and make a subsequent final decision. No further appeal shall be considered.

7. Job Order Contracting

A Job Order Contract (JOC) is a competitively bid, firm fixed price, indefinite quantity contract that is based upon specific unit pricing contained in a unit price book (prepared by the public agency or by independent commercial sources) setting forth detailed repair and construction items of work, including descriptions, specifications, units of measurement and individual unit prices for each item of work. The JOC includes unit pricing for work at time of award, but not the specified quantity and location of the work to be performed. At the time a Job Order is issued, the scope of work will identify the quantity and specific location of the work to be performed. A JOC may be used when it will result in a cost savings through economies of scale or expedite the delivery of work.

7.1 General Requirements

7.1.1 JOCs shall be awarded under written agreement subject to the following limitations:

7.1.1.1 The specifications were advertised in accordance with Board Policy No. 024, Section 1, “Bidding Process” based on the maximum potential value of the JOC.

7.1.1.2 The specifications provided for sealed competitive bidding on unit-cost terms for all labor, material, and equipment necessary to perform all work contemplated for individual Job Orders.

7.1.1.3 The JOC does not exceed a term of three years in duration.

7.1.1.4 The JOC shall only be used for the performance of minor routine or recurring construction, or for the renovation, alteration, or repair of existing public facilities.

7.1.2 JOC may not contain any provision which would guarantee the contractor cumulative Job Orders in excess of $50,000.
7.2 Issuance of Job Orders

7.2.1 Following award of a JOC, Job Orders may be issued by the Executive Director in accordance with SANDAG Board Policies, administrative polices, and procedural manuals upon certification by that individual that it is not in conflict with other Board Policies and it is the best interest of SANDAG to use the JOC procurement process because one or more of the following criteria have been met:

7.2.1.1 Use of the JOC process will result in a cost savings through economies of scale or expedite the delivery of work; or

7.2.1.2 Compliance with the traditional competitive bidding requirements will not produce an advantage to SANDAG; or

7.2.1.3 Advertising for bids is undesirable because it will be practically impossible to obtain what is needed or required by an unforeseen deadline if the traditional competitive bidding method is used; or

7.2.1.4 The entity or entities providing funds for the project have authorized use of the JOC process.

7.2.2 An individual Job Order may not exceed the sum of $2,000,000, except in the case of an emergency as defined in Section 3.3.1 of this Policy, or as specifically authorized by the Executive Director, whose authorization shall not be delegated.

7.2.3 No public work that logically should be performed as a single contractual transaction requiring the expenditure of more than $2,000,000 shall be separated into separate Job Orders for purposes of avoiding this limitation.

7.2.4 Non-prepriced items of work may be included in Job Orders provided that the non-prepriced items are within the scope and intent of the JOC and are priced reasonably and in conformity all applicable laws, regulations and policies.

7.3 Job Order Contract Intergovernmental Agreements

7.3.1 The SANDAG Executive Director may permit, subject to requirements of this section and subject to such terms and conditions that the Executive Director may prescribe, any public entity, including the California Department of Transportation, or any municipal corporation, school or other special district within San Diego County, to participate via the Service Bureau in JOCs entered into by SANDAG, and may enter into any agreements necessary to do so.
8. **Design-Build Contracting**

“Design-build” is a contract procurement process in which both the design and construction of a project are procured from a single entity. Notwithstanding Section 1 of this Policy, SANDAG is permitted to use the design-build contracting method on transit projects in accordance with Public Contracts Code section 20209.5 et seq. A competitive negotiation process similar to the process described in Board Policy No. 016 for the procurement of services will be used to procure design build services.

Adopted November 2003
Amended December 2006
Amended December 2007
Amended December 2008
Amended January 2010
Amended November 2010
Amended February 2012
TransNet ORDINANCE AND EXPENDITURE PLAN RULES

The following rules have been adopted and amended by the SANDAG Board of Directors in its role as the San Diego County Regional Transportation Commission (RTC). The purpose of these rules is to implement the provisions of the original TransNet Ordinance (87-1) and the TransNet Extension Ordinance (04-01) and amendments thereto.

Rule #1: Procedure for Distribution of Revenues for Transportation Services for Seniors and the Disabled

Adoption Date: February 26, 1988 (Resolution RC88-2)

Amendment: Repealed November 18, 2005. This rule was superseded by Rule #11.

Rule #2: Loan of Funds for Privately Funded Projects

Adoption Date: April 22, 1988 (Resolution RC88-5)

Amendment: Amended November 18, 2005

Text: The Commission may approve a loan of sales tax funds to a city or county from its formula-based share of Local Street and Road funds to finance a project which is prohibited from receiving funding under Section 9 of Commission Ordinance 87-1 or Section 8 of Ordinance 04-01 if the following terms and conditions are met.

1. A finding is made by the Commission that absent private sector funding, the project would be an eligible street and road project.

2. The City or County agrees to enter into an agreement to repay the loan plus interest (at a rate determined by the Commission) prior to the termination of the sales tax in accordance with Section 3 of Commission Ordinance 87-1 or Section 3 of Ordinance 04-01.

3. That the City or County agrees to guarantee repayment of the loan if private developer funding is determined to be inadequate to repay the loan prior to termination of the sales tax.

Rule #3: Reimbursement of Local Funds to Advance Approved Projects

Adoption Date: May 27, 1988 (Resolution RC88-6)

Amendment: Amended November 18, 2005

Text: A city or county may advance improvements on a project(s) which is included in the approved transportation sales tax Program of Projects with local agency funds (other than private developer funds as set forth in Section 9 of Ordinance 87-1 or Section 8 of Ordinance 04-01) prior to sales tax funds being available and receive
reimbursement including interest from sales tax funds if it is determined by the Commission that the following terms and conditions are met.

1. The project(s) is included in the approved transportation sales tax Program of Projects, and no other financing technique is found to be more desirable or cost effective to utilize in order to advance the improvement.

2. The city or county shall be reimbursed for the local funds expended as soon as sales tax funds become available, or on a schedule agreed to between the local agency and the Commission.

3. That no more than 30 percent of the funds will be used for maintenance projects if the funds are borrowed from TransNet revenues pursuant to Section 2(C)(1) of Ordinance 04-01.

Rule #4:  SR 78 Corridor Reserve Fund Allocation Policies

Adoption Date: Originally Adopted May 26, 1989 (Resolution R-89-82)

Wording changed December 14, 1990 (Resolution RC91-10)

Amendment: Amended November 18, 2005

Text: For purposes of allocating funds under Section 2(a)(3) in Ordinance 87-1:

1. Only those projects designated as "funded" on the SR 78 Corridor project list approved on December 13, 1990 by the SR 78 Corridor Policy Committee are eligible to receive SR 78 Corridor Reserve Funds.

2. The list of SR 78 Corridor projects and their priority and funding eligibility may be revised by a majority vote of the SR 78 Corridor Policy Committee and the approval of the Board of Directors.

3. The basic contribution for a non-Caltrans project on the SR 78 Corridor Reserve funded list is 50 percent of the estimated right-of-way, engineering, and construction costs. However, the total amount of Corridor Reserve Funds designated for projects within one jurisdiction may be allocated to vary from the basic 50 percent for any given project as long as the cumulative total for programmed projects at any point in time does not exceed 50 percent.

4. The basic contribution for a Caltrans project on the SR 78 Corridor Reserve funded list is 100 percent of the estimated right-of-way, engineering, and construction costs.

5. Contributions from the SR 78 Corridor Reserve Fund to any one jurisdiction cannot exceed 50 percent (100 percent for Caltrans) of the project cost estimates shown on the approved funded list of December 13, 1990. If actual project costs are less than estimated, a maximum contribution of 50 percent (100 percent for Caltrans) of the new costs shall be in effect.
6. A project that for any reason is removed from the funded list can only be replaced by the next highest ranked unfunded project (or projects), regardless of jurisdiction and only if the funded list of projects does not exceed the total Corridor Reserve dollars available. As with other funded projects, Corridor Reserve funds can only be used to improve the replacement project(s) to minimal four-lane standards (six lanes at freeway interchanges).

Added June 22, 1990 (Resolution RC90-40):

7. SR 78 Corridor Reserve funds for right-of-way will not be encumbered until a project has environmental clearance and the first 25 percent of the total value of the right-of-way is acquired. When a total of 75 percent of the right-of-way has been acquired, the construction funds will be encumbered at the request of the agency.

Added December 14, 1990 (Resolution RC91-10):

8. All agencies submitting projects from the SR 78 Corridor Funded Project List for programming are encouraged to pursue matching funds from the state's SB 300 program.

Added February 22, 1991 (Resolution RC91-13):

9. Any new source of state highway funds for the San Diego region should be considered for allocation to the TransNet SR 78 Corridor Reserve to offset local funds which were used for projects which are normally the responsibility of the State, such as freeway-freeway interchange improvements and ramp metering systems.

**Rule #5: Use of Local Street and Road TransNet Funds for the Development of Transportation Demand Management Programs**

**Adoption Date:** August 25, 1989 (Resolution RC90-23)

**Amendment:** Amended November 18, 2005

**Text:** The development and implementation of a Transportation Demand Management Program shall be an eligible use of Local Street and Road funds pursuant to Section 19(E) of Ordinance 87-1 and Section 21(c) of Ordinance 04-01. Transportation Demand Management shall mean a comprehensive set of strategies designed to influence travel behavior with respect to mode, time, frequency, route, or distance in order to improve the efficiency and effectiveness of local streets and roads. Principal strategy measures involve, but are not limited to, ridesharing, alternative work hours, and parking management.
Rule #6: Fund Accounting and Interest Allocation

Adoption Date: March 23, 1990 (Resolution RC90-35)

Amendment: Amended November 18, 2005

Text: For the purposes of determining compliance with Section 12 of Ordinance 87-1 and Section 13 of Ordinance 04-01, each agency shall maintain a separate fund (fund accounting) for TransNet revenues, if possible. Where the creation of a separate fund is not possible due to accounting methodology used by the agency, an alternative approach to maintaining separate accountability for TransNet revenue and expenditures must be developed and submitted to the Commission staff for concurrence. Interest earned on TransNet revenues received by the agency must be allocated to the TransNet fund and used only for projects approved by the Commission in the Program of Projects. For accounting purposes, the interest earnings shall be considered to be expended first. Further, the Ordinances allow the agencies to retain any unused TransNet funds. Interest accrued should be applied to each active project that carries an outstanding balance. The agency can determine the method of the interest distribution to be validated by the audit.

Rule #7: Program of Projects Approval Process and Amendments

Adoption Date: March 23, 1990 (Resolution RC90-35)


Text: Each local agency shall develop a five-year list of projects to be funded with TransNet revenues under Section 2D of Ordinance 87-1 and Section 4D of Ordinance 04-01 in accordance with the Regional Transportation Improvement Program (RTIP) update schedule. All projects a local agency wishes to include in its Program of Projects (POP) must be consistent with the long-range Regional Transportation Plan and approved by the Commission for inclusion in the RTIP. A local agency’s projects shall not receive Commission approval until the Commission receives a resolution from the local agency that documents that the local agency held a noticed public meeting with an agenda item that clearly identified the proposed list of projects prior to approval by the local agency’s legislative body of the projects. The language that must be included in the resolution and the deadlines for submission shall be prescribed by the Commission. The resolution shall contain the provisions set forth in Rule #15.

A POP amendment shall be initiated when a local agency desires to revise the approved POP, which includes but is not limited to, adding a new project, deleting an existing project, revising the project scope, or otherwise changing the TransNet funds programmed. A TransNet POP amendment must be consistent with the requirements outlined in the RTIP. Projects proposed in the amendment must first be approved by the governing body of the local agency within the preceding 12 months. The local agency shall initiate the amendment process by holding a noticed public meeting with an agenda item that clearly identifies the proposed project amendments and submitting a resolution using the language and deadlines
prescribed by the Commission as documentation of governing body approval. The amendment must be approved by the Commission prior to the expenditure of funds on the new or amended projects.

Rule #8: Determination of New Transit Services

Adoption Date: March 23, 1990 (Resolution RC90-35)

Amendment: Amended November 18, 2005

Text: For the purpose of determining compliance with Section 4(B)(2)(c) of Ordinance 87-1, the level of service provided in FY 1988 shall be considered at the base level of service in existence prior to the availability of TransNet revenues which must be maintained through other funding sources. Compliance with the "new" service requirement shall be determined using the following procedure:

1. Determine the number of vehicle service miles operated during the fiscal year using TransNet revenues for any given operator by dividing the TransNet revenues for operations by the total systemwide operating cost for that operator and multiplying the total vehicle service miles operated by the quotient.

2. Subtract the number of miles determined in Step 1 from the total system vehicle service miles operated during the year.

3. If the adjusted number of miles from Step 2 is greater than or equal to the FY 1988 base level, then the compliance test is met.

4. The attached table of base statistics from FY 1988 (Attachment 1) will be used to determine compliance. These figures reflect all publicly funded operators within the MTDB (MTS) and North County Transit District (NCTD) service areas (Articles 4, 4.5, and 8) because TransNet revenues could potentially be used by the operators to fund service improvements on any of these systems.

Rule #9: Use of TransNet Revenue for Bus Purchases

Adoption Date: March 23, 1990 (Resolution RC90-35)

Amendment: Amended November 18, 2005

Text: TransNet revenues may be used to support the purchase of buses required to operate new services funded with TransNet revenues. The number of buses which can be purchased with TransNet revenues shall be determined using the following procedures.

1. Determine the number of annual new vehicle service miles service being operated in accordance with Rule Number 8 – Determination of New Transit Services.

2. Divide the number of new miles of service by the systemwide average annual vehicle services miles per bus for a given operator to determine
the equivalent number of buses required to operate the new service. Round up to the nearest whole number of bus equivalents.

The TransNet revenues used for bus purchases shall come out of the revenues available under Section 4(B)(2)(c) of Ordinance 87-1. The use of TransNet revenues for bus purchases shall be used to the maximum extent possible as matching funds for available state and federal capital funds. If, at some point in the future, the number of buses purchased with TransNet revenues cannot be justified based on the number of new miles being operated with TransNet revenues, then a pro-rated reimbursement to the TransNet fund will be required based on the remaining useful life of the vehicles. TransNet revenues may not be used to support the purchase of replacement buses for the “existing” (FY 1988) level of service. Any buses purchased with TransNet revenues will remain under the ownership of MTDB (MTS) or NCTD and be made available to the operator chosen to operate the new services.

Rule #10: Use of TransNet Revenues to Replace Reduced State and Federal Operating Support

Adoption Date: March 23, 1990 (Resolution RC90-35)

Amendment: Amended November 18, 2005

Text: For purposes of determining compliance with Section 4(B)(2)(c) of Ordinance 87-1, the maximum amount of TransNet funds that MTDB (MTS) or NCTD are eligible to use to replace federal funds in a given year is equal to the FY 1987 base year levels of federal and state operating support ($6,113,307 for MTS and $2,511,816 for NCTD) less the amount of state and federal operating support available in that year. The priority on the use of funds under this section is to provide new service improvements. MTS and NCTD are encouraged to use other available revenues, such as Transportation Development Act (TDA) funds, to offset reductions in state and federal funds, if possible, and to use TransNet funds under these sections for new service improvements.

Rule #11: Use of TransNet Revenues for Transportation Services for Seniors and the Disabled

Adoption Date: March 23, 1990 (Resolution RC90-35)

Amendment: Amended November 18, 2005, and December 21, 2007

Text: The funds made available under Section 4(B)(1) of Ordinance 87-1 or Section 4(c)(1) of Ordinance 04-01 for improved transportation services for seniors and the disabled shall be used to augment the revenues made available under the Transportation Development Act (TDA) Article 4.5 program for the same purposes. These TransNet funds shall be allocated to eligible service providers using the fund distribution formula approved by the SANDAG Board of Directors for use in distributing the TDA Article 4.5 funds. For accounting purposes, following the expenditure of fare revenues and other local and other local operating revenues,
the interest earnings on the TransNet and TDA funds shall be considered to be spent first, followed by the TDA funds, then the TransNet funds.

**Rule #12: Use of TransNet Revenues for Accessibility Improvements**

**Adoption Date:** March 23, 1990 (Resolution RC90-35)

**Text:** In the development of TransNet-funded local street and road projects, local jurisdictions may include, within the street right-of-way, improvements to enhance accessibility to the transportation system, including, but not limited to, accessibility improvements to bus stop areas.

**Rule #13: Investments**

**Adoption Date:** July 27, 1990 (Resolution RC91-2)

**Amendment:** Repealed November 18, 2005. This rule has been superseded by the Annual Investment Policy Update (see Resolution No. 2006-06 approved at the September 23, 2005, SANDAG Board of Directors meeting).

**Rule #14: Capital Equipment Acquisition Loans to SANDAG**

**Adoption Date:** November 16, 1990 (Resolution RC91-6)

**Text:** The loan of unused administrative allocations from TransNet funds to SANDAG for the purpose of acquiring office and computer equipment is authorized when lower cost financing is not available. The repayment schedule shall be based upon funding authorized in the SANDAG-approved budget and will include interest at a rate equal to the interest earning rate of the San Diego County Pooled Money Fund.

**Rule #15: Local Agency Hold Harmless Agreements**

**Adoption Date:** October 25, 1992 (Resolution RC92-7)

**Text:** Each local agency shall be required to hold harmless and defend the Commission against challenges related to local TransNet projects. This rule is to be implemented by requiring that each local agency agree in its resolution approving its projects for TransNet funding to hold the Commission harmless.

**Rule #16: Repayment of Commercial Paper Program Proceeds**

**Adoption Date:** September 23, 2005

**Amendment:** Amended November 18, 2005

**Text:** Each agency receiving proceeds from the TransNet Commercial Paper Program shall be responsible for its proportionate share of the ongoing interest and related administrative costs from the date the proceeds are received until the principal amount of the loan is fully repaid. Repayment of the principal amount shall
commence within three years of the agency's receipt of the proceeds and shall be completed within five years of the agency's receipt of the proceeds. Repayment of the proceeds may be accomplished by rolling the outstanding amount into a long-term bond issue during the five-year repayment period. In such cases, the agency would then be responsible for its proportionate share of the bond issuance costs and annual debt service costs. The repayment of debt, in all cases, is the first priority on the use of the agency's share of annual TransNet revenues.

Rule #17: Fiscal and Compliance Audits

Adoption Date: November 18, 2005

Amendment: Amended July 24, 2009, and November 19, 2010, and November 18, 2011

Text: I. Fiscal and Compliance Audit Procedures

The fiscal and compliance audit is an essential tool to determine that TransNet funds are being used for the intended purposes. The Commission has the fiduciary responsibility to ensure that the public funds are used in accordance with the TransNet Ordinance and Expenditure Plans (87-01 and 04-01).

Pursuant to the TransNet Extension Ordinance (04-01), the Independent Taxpayer Oversight Committee (ITOC) is responsible for the conduct of an annual fiscal audit and compliance audit of all TransNet-funded activities beginning with the FY 2009 audit. In order to complete the audits in a timely manner, the following audit schedule is set forth:

A. July/August: ITOC designee and appropriate SANDAG staff coordinate with the auditors to review the audits required for the year and provide all necessary documentation/information for the auditors to begin work.

B. September to November: Auditors schedule and perform site visits. Recipient agencies must be ready and available to meet with the auditors and provide requested financial schedules and other information necessary for the completion of the audit.

C. December 1 (required deadline): Regional Transportation Congestion Improvement Program (RTCIP) expenditure plan and financial records must be submitted for a review and audit.

D. November/December: Auditors issue preliminary draft reports to both SANDAG and the recipient agencies no later than December 31. Recipient agencies must be available to review and comment on the draft report in a timely manner. All outstanding issues should be resolved within four weeks of preliminary draft report issuance.

E. March: Auditors issue a report of compliance audit results and present to ITOC at its March meeting. ITOC presents initial finding(s) of the audit and its recommendations to the Transportation Committee.

F. May: ITOC issues all compliance reports and adopts the annual report.
G. June: The ITOC annual report, which includes results of the annual audit and its process, is presented to the SANDAG Board of Directors.

ITOC Responsibility: In accordance with the ITOC Responsibilities Section of the attachment to Commission Ordinance CO-04-01 entitled “STATEMENT OF UNDERSTANDING REGARDING THE IMPLEMENTATION OF THE INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE FOR THE TRANSNET PROGRAM”, ITOC will conduct an annual fiscal and compliance audit of all TransNet-funded activities using the services of an independent fiscal auditor to assure compliance with the voter-approved Ordinance and Expenditure Plan, and will prepare an annual report for presentation to the SANDAG Board of Directors that includes the results of the annual audit process.

SANDAG Responsibility: SANDAG will provide all information necessary to complete the audit.

Agency Responsibility: All agencies must be ready for the site visit, provide requested information, and review and comment on the draft reports in a timely manner.

If the auditor is unable to complete the audit for initial draft acceptance by the ITOC (per Rule #17(I)(E)), because an agency was not ready or did not provide the required information or reviews in a timely manner, then the agency will be deemed in noncompliance of the Ordinance. SANDAG will withhold future TransNet payments (except for required debt service payments) until the audit draft is completed and accepted by the ITOC.

II. Ordinance Requirements

Section 4(C)(5) of the TransNet Extension Ordinance contains the fiscal and compliance audit requirements applicable beginning in FY 2009.

Section 8 of the Ordinance contains the Maintenance of Effort requirements for the local agencies.

Section 9 of the Ordinance and the attachment “TransNet EXTENSION REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM” contain the Regional Transportation Congestion Improvement Program (RTCIP) requirements for the local agencies.

Section 11 of the Ordinance and the attachment to Commission Ordinance CO-04-01 entitled “STATEMENT OF UNDERSTANDING REGARDING THE IMPLEMENTATION OF THE INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE FOR THE TRANSNET PROGRAM” contains the ITOC spending requirements.

Section 12 of the Ordinance contains the Administrative Expenses requirements for SANDAG.

III. Audit Adjustments

The audit identifies the status of each project funded with TransNet funds - i.e., completed projects, projects that have negative balances, inactive projects, and ongoing projects. The agencies are responsible to work with the auditors to make proper adjustments as follows:
This section applies to funding allocated for the specified projects under the Highway and Transit Programs under Ordinance 87-1, including funding allocated for bicycle facility improvements. Under the TransNet Extension (Ordinance 04-01), this section applies to the Major Corridor funding - Section 4(A) and (B) and the four discretionary programs: (1) Transit Senior program – Section 4(C)(2); (2) Local Environmental Mitigation program – Section 4(D)(2); (3) Local Smart Growth Incentive program – Section 4(D)(3); and (4) Bicycle, Pedestrian, and Neighborhood Safety Program – Section 2(E).

1. Completed projects: once a project is identified as completed and there are TransNet funds remaining with that project, the agency is required to return the money back to the program. After the fiscal audit determines that the project has been completed, SANDAG will transmit a letter to the agency to return the funds, including interest earned, to the Commission. The agency must remit the balance within 60 days of the letter. Should an agency fail to respond in a timely manner, all future TransNet payments (including funds from the other programs) to that agency will be suspended until the funds are returned.

2. Projects with negative balances: if a project ending balance is negative, then a footnote should be provided detailing the subsequent year's intended action.

3. Inactive projects: if a project has had no activity over a period of two audits, the agency must either close out the project or note when the project will be completed (see Board Policy No. 035 for project completion deadlines and other Competitive Grant Program Procedures). Closed projects should no longer show in the following year's audit and any funds remaining must be returned to SANDAG (see instructions in Section III(A)(1)).

This section applies to funding allocated for the specified projects under the Local Street and Road Formula Program (Section 4(C) of Ordinance 87-1 and Section 4(D)(1) of Ordinance 04-01) and Transit Funding (Section 4(B) of Ordinance 87-1 and Sections 4(C)(1), 4(C)(3), and 4(C)(4) of Ordinance 04-01).

1. Completed projects: once a project is identified as completed and there are TransNet funds remaining with that project, including interest earnings, the agency is required to transfer the balance to another TransNet-eligible project (projects included in the approved Program of Projects and in accordance with Section 2(C)(1) of the Ordinance 04-01 for Local Street and Road Formula projects). The audit should make note to which project the funds will be transferred. Completed projects should no longer show in the following year's audit.

2. Projects with negative balances: if a project ending balance is negative, then a footnote should be provided detailing the subsequent year's intended action.
3. Inactive projects: if a project has had no activity over a period of two audits, other than interest earnings, the agency must either close out the project or note when the project will be completed. Closed projects should no longer show in the following year’s audit. Any remaining TransNet funds must be transferred to another TransNet-eligible project (projects included in the approved Program of Projects and in accordance with Section 2(C)(1) of the Ordinance 04-01 for Local Street and Road Formula projects).

4. Transfer of funds: any transfer of TransNet funds from one project to another requires the local agency to provide documentation that its governing body consents to the transfer proposed prior to or concurrent with the final issuance of the annual fiscal and compliance audit. Such documentation shall consist of a signed staff report or resolution. Transfers that require an amendment to the RTIP must follow the amendment process outlined in Rule #7. Transfers between Local Street and Road Formula projects are subject to Rule #18.

IV. Local Agency Balance Limitations

Based on the audit, an agency that maintains a balance of more than 30 percent of its annual apportionment (after debt service payments) must use the remaining balance to fund projects. SANDAG will defer payment until the recipient agency’s Director of Finance, or equivalent, submits to SANDAG a certification that the unused balance has fallen below the 30 percent threshold, and will remain below the threshold until such time that a new threshold is determined.

V. Annual Fiscal and Compliance Audit Report to the Board

Pursuant to the TransNet Extension Ordinance, beginning with the FY 2009 audits, ITOC is responsible for the annual fiscal and compliance audit of all TransNet-funded activities.

Rule #18: Local Street and Road Program

Adoption Date: June 23, 2006

Amendment: Amended July 24, 2009

Text: As specified in Section 2(C)(1) of the Ordinance 04-01, at least 70 percent of the revenues provided for local street and road purposes should be used for congestion relief purposes and no more than 30 percent for maintenance purposes. Grade separation projects are identified in Section 2(C)(1) of Ordinance 04-01 as projects that qualify as congestion relief projects. Attachment 2 provides a set of guidelines to be used in the implementation of this 30 percent maintenance limitation beginning with the 2006 Regional Transportation Improvement Program (RTIP) update. These guidelines apply to the programming of all available local TransNet funding (annual formula funds and prior year original TransNet carry-over balances) beginning with July 1, 2008 (Fiscal Year 2008-09).
It is the intent of this Section that over the life of Ordinance 04-01, local agencies do not cumulatively use more than 30 percent of the revenues for maintenance-related projects.

Rule #19: Conflict of Interest for ITOC Representatives

Adoption Date: December 15, 2006

Text: The Board intends to make every effort to ensure the representatives selected to serve on the Independent Taxpayers Oversight Committee (ITOC) are free from any bias that would interfere with objective decision making by the ITOC. The Conflict of Interest section of the “Statement of Understanding Regarding the Implementation of the Independent Taxpayer Oversight Committee for the TransNet Program,” which is part of the TransNet Extension Ordinance, states in part: “ITOC members shall not have direct commercial interest or employment with any public or private entity, which receives TransNet sales tax funds authorized by this Ordinance.” The Board interprets this language to impose the same level of restrictions on the ITOC representatives as those that apply to SANDAG Board members pursuant to California state law found at Government Code sections 87100 et seq. and 1090 et seq.

Rule #20: Selection Procedures for ITOC Representatives

Adoption Date: December 21, 2007

Text: The “Statement of Understanding Regarding the Implementation of the Independent Taxpayer Oversight Committee for the TransNet Program,” which is part of the TransNet Extension Ordinance, Section 3 under the heading “Membership and Selection Process” of that document states that a Selection Committee shall be established to select the ITOC members from the list of qualified candidates recommended by the technical screening committee. The Selection Committee is to consist of two members of the County of San Diego Board of Supervisors; the Mayor of the City of San Diego; and a mayor from each of the four subregions. It is the mayors from each of the subregions that are to select from among themselves to sit on the Selection Committee, not the representatives who sit on the Board who may or may not be a mayor. The members of the Selection Committee who are mayors from the subregions shall serve for a period of two years or until the designee no longer holds the office of mayor. At the end of this term, the mayors from the affected subregion(s) shall either inform the Clerk of the SANDAG Board that the same representative is being redesignated or identify the new mayor who they have selected to represent their subregion on the Selection Committee.

Rule #21: Accommodation of Bicyclists and Pedestrians

Adoption Date: February 22, 2008

Text: Adequate provisions for bicycle and pedestrian travel is determined within the context of the roadway type, its existing and planned surrounding land uses, existing bicycle and pedestrian plans, and current or planned public transit service.
When addressing the access needs dictated by land use, the responsible agency must consider demand created by current and expected land uses (as determined by the local general plan) within the useful life of the TransNet project. The table Appropriate Bicycle and Pedestrian Accommodation Measures provides a guide to appropriate accommodation measures for each transportation facility type and land use context. In the table, “urban” means within the urbanized area as defined by U.S. Census Bureau.

<table>
<thead>
<tr>
<th>Context/Facility Type</th>
<th>Bicycle Measures</th>
<th>Pedestrian Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban Highway</td>
<td>• Required facility type will be based on the recommendations for any regional bikeway corridors in urban highway alignments developed through the 2007 Regional Bicycle Plan. Pending completion of this plan, appropriate bicycle accommodation will be developed on a project by project basis by local and regional authorities in consultation with appropriate stakeholders. • Freeways and freeway interchanges may not eliminate existing bikeways or preclude planned bikeways on local streets and roads.</td>
<td>• Continuous sidewalks and marked crosswalks through freeway interchanges where sidewalks exist or are planned on the intersecting roadway. • Where new freeway construction severs existing pedestrian access, grade separated pedestrian crossings with no more than 0.3 mile between crossings.</td>
</tr>
<tr>
<td>Transit Project</td>
<td>• Bicycle lockers and racks at stations sufficient to meet normal expected demand. • Bicycle access to all transit vehicles except those providing exclusive paratransit service to the disabled as required by the Americans with Disabilities Act. • Transit priority measures on roadways may not prevent bicycle access.</td>
<td>• Direct sidewalk connections between station platforms and adjacent roadway sidewalks. • Pedestrian crossings where a new transit way severs existing pedestrian access with no more than 0.3 miles between crossings.</td>
</tr>
<tr>
<td>Major Urban Street</td>
<td>• Class 2 bike lanes</td>
<td>• Continuous sidewalks or pathways(^2), both sides of the street with marked crosswalks at traffic controlled intersections. • ADA compliant bus stop landings for existing and planned transit service.</td>
</tr>
<tr>
<td>Context/Facility Type</td>
<td>Bicycle Measures</td>
<td>Pedestrian Measures</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>----------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| Urban Collector Street (design speed >35 mph) | • Class 2 bike lanes                                                            | • Continuous sidewalks or pathways\(^2\), both sides of the street with marked crosswalks at traffic controlled intersections.  
• ADA compliant bus stop landings for existing and planned transit service. |
| Urban Collector Street (design speed ≤ 35 mph) | • Shared roadway. Where planned average daily motor vehicle traffic exceeds 6,500, the outside travel lane should be at least 14 feet wide. | • Continuous sidewalks or pathways\(^2\), both sides of the street.  
• ADA compliant bus stop landings for existing and planned transit service. |
| Urban Local Street                        | • Shared roadway                                                                  | • Continuous sidewalks or pathways\(^2\), both sides of the street.  
• ADA compliant bus stop landings for existing and planned transit service. |
| Rural Highway                             | • Minimum 8-foot paved shoulder                                                   | • ADA compliant bus stop landings for existing bus stops.                           |
| Rural Collector Road                     | • Minimum 8-foot paved shoulder                                                   | • Not required with no fronting uses.  
• Paved or graded walkway consistent with community character on streets with fronting uses.  
• ADA compliant bus stop landings for existing bus stops. |
| Rural Local Road                          | • Minimum 6-foot paved shoulder                                                   | • Not required with 85\(^{th}\) percentile speeds ≤ 25 mph.  
• Paved or graded walkway consistent with community character on streets with fronting uses and 85\(^{th}\) percentile speeds > 25 mph.  
• ADA compliant bus stop landings for existing bus stops. |

\(^1\) Application of these accommodation measures is subject to sound planning and engineering judgment to ensure the facility is reasonable and appropriate within the land use and transportation context of the overall project.

\(^2\) Unpaved pathways of decomposed granite or other suitable material that are set back from the roadway where feasible would be considered appropriate only on roads serving areas that are rural in nature.
Where a local jurisdiction has a bicycle or pedestrian master plan adopted by the city council or Board of Supervisors and approved by SANDAG, the local agency may use that plan to determine the appropriate means of accommodating bicyclists and pedestrians in a given project and at a minimum provide the facilities called for in the plan. These plans must be updated and approved no less than every five years to qualify as a means of satisfying this provision.

**Best Available Standards.** All bicycle facilities must be designed to the standards established in the California Highway Design Manual, Chapter 1000. Bicycle parking facilities should conform to the guidelines established in the Regional Bicycle Plan adopted by SANDAG. Shared roadways on collector streets should have a curb lane or curb lane plus shoulder that measures at least 14 feet. Where parallel parking is in place, consideration should be given to installing the shared lane pavement marker. All sidewalks must be designed consistent with the design standards established in the AASHTO Guide for the Planning, Design, and Operation of Pedestrian Facilities, the Department of State Architect’s California Access Compliance Reference Manual, and the U.S. Department of Transportation’s ADA Accessibility Guidelines for Buildings and Facilities (ADAAG). Consistency with the design recommendations in SANDAG’s Planning and Designing for Pedestrians is encouraged.

**Bicycle and Pedestrian Accommodation in Reconstruction Projects.** Street and road reconstruction is the time to re-evaluate the function of a road and its context, and to reallocate the right-of-way if appropriate to meet the needs of bicyclists and pedestrians. An agency is not required to acquire additional right of way to improve bicycle and pedestrian access. However, the agency should consider reduced motor vehicle lanes and lane widths, and reduced median widths as a means of providing the appropriate bicycle or pedestrian facility. While such an evaluation is recommended for reconstruction projects of any size, compliance with these guidelines is required for “major” reconstruction projects meeting the definitions established under Rule 18 of SANDAG Board Policy No. 031 regarding the guidelines for implementing the “70/30” requirement.

**When Provisions for Bicyclists and Pedestrians Accommodation May Be Excluded.** Section 4(E)(3) is based on the premise that pedestrians and bicyclists need safe and convenient access to the same destinations as other users of the public right of way. Consequently, those portions of the transportation network where pedestrians and bicyclists need not be accommodated are the exception, and the decision not to provide for them in a construction or major reconstruction project must be made by the responsible agency for good cause such as severe topographic or biological constraints. Any impacts on the roadway’s motor vehicle capacity that result from providing for pedestrian and bicycle access would not, in themselves, justify excluding bicycle and pedestrian facilities. However, these impacts and their mitigation costs should be considered in determining if the cost of providing the facilities is disproportionate to the probable use.

This provision only requires an agency to provide appropriate bicycle or pedestrian facilities that are within the construction or reconstruction area of the project. Consideration of the provision of sidewalks as part of major rehabilitation roadway projects involving only new pavement overlays of 1-inch thickness or greater (see Rule 18 under Board Policy 031) on streets where sidewalks do not currently exist would only be required if curb, gutter, and related drainage facilities were already in place.

The cost of providing for bicycle and pedestrian access can vary significantly relative to the overall project cost. For this reason, specifying a proportional or absolute limit on spending for bicycle or

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pedestrian improvements relative to probable use would not allow the kind of discretion necessary to make a significant investment in facilities when necessary, or to withhold an investment when the benefits are marginal. Therefore, the decision to exclude accommodations for bicyclist and pedestrians must be a policy-level decision made by the Board or city council based on the body of information about context, cost, and probable use available at the time. Such a decision must be made in the public hearing required by Section 5(A) of the Ordinance.

Pedestrian Access. Sidewalks or other walkways may be excluded from a project when it can be demonstrated that there are no uses (including bus stops) that would create demand for pedestrian access. In making this determination, the agency must consider the potential for future demand within the useful life of the project. Access to and from public transit, including crossing improvements, also must be considered and accommodated where there is existing or planned transit service.

Bicycle Access. A new project or major reconstruction project may not include the expected bikeway treatment when a suitable parallel route with the appropriate accommodations exists that would require no more than ¼-mile total out of direction travel.

Procedures for Excluding Accommodations for Pedestrians and Bicyclists from Projects. When an agency determines not to include bicycle or pedestrian accommodations in a project because the cost of doing so would be excessively disproportionate to the need or probable use, the agency must include a notice of that decision in the notice of the public hearing required by Sections 5(A) and Section 6 of the Ordinance. In submitting the project to SANDAG for inclusion in the TransNet Program of Projects as part of the Regional Transportation Improvement Program (RTIP) process, the agency must notify SANDAG that bicycle and/or pedestrian facilities, as described in Table 1 or in its bicycle or pedestrian master plan, will not be included in the project along with written justification for that decision. The decision and justification is subject to review and comment by SANDAG through the Bicycle-Pedestrian Working Group, which would forward its comments to the SANDAG Transportation Committee. The Independent Taxpayer Oversight Committee also would review and comment on such projects as part of its role in the RTIP process. The Transportation Committee in approving the TransNet Program of Projects must make a finding that the local decision not to provide bicycle or pedestrian facilities is consistent with the provisions of this Ordinance prior to approving the project for funding under the TransNet Program. If this consistency finding is not made, the agency would have the opportunity to revise its fund programming request for consideration in a future RTIP amendment.

Effective Implementation. This rule will be effective for projects added to the TransNet Program of Projects subsequent to their adoption by the SANDAG Board of Directors. Within three years of their adoption, the rule will be re-evaluated by SANDAG to ensure they are effectively encouraging provision of a balance transportation network without imposing an excessive cost burden on projects funded under the program.
Rule #22: TransNet Extension Ordinance Maintenance of Effort (MOE) base level implementation guidelines

Adoption Date: March 28, 2008

Text: Section 8 of the Extension Ordinance provides guidelines regarding the MOE base level calculation and implementation.

Section 8 of the Extension Ordinance states the intended purpose of the MOE requirement is to ensure that revenues provided from TransNet be used to augment, not supplant, existing local revenue. Some flexibility in accounting for spikes in expenditures would be consistent with the intent of ensuring that the local agencies do not supplant local funds with TransNet funds. Therefore, one-time expenditures that were a result of “banking” general fund monies and subsequently expending those funds during the base period Fiscal Years 2001 - 2003 may be isolated and removed so that the MOE is representative of a normal annual spending level, subject to review by the ITOC and approval by the Board of Directors.

In addition, the language in Section 8 of the Extension Ordinance states the MOE will be determined on the basis of “discretionary funds expended for street and road purposes...as was reported in the State Controller’s Annual Report of Financial Transactions for Streets and Roads.” The Extension Ordinance also states “the MOE also shall apply to any local agency discretionary funds being used for the other purposes specified under Section 4.” Based on this language, the MOE levels are to be established separately for each category in Section 4 of the Ordinance: major highway and transit congestion relief projects; transit programs to support seniors and disabled persons; specialized transportation services for seniors; monthly transit passes for seniors, disabled, and youth riders; transit operations; local streets and roads; habitat-related mitigation costs of local transportation projects; and the smart growth incentive program. The annual audits of the MOE expenditure requirement will report the expenditures for each of these separate categories.

Rule #23: Application of TransNet Extension Ordinance Regional Transportation Congestion Improvement Program (RTCIP) Requirements

Adoption Date: July 10, 2009

Amendment: Amended January 22, 2010, and November 19, 2010

A. Section 9 of Ordinance 04-01 provides that starting on July 1, 2008, each local agency in the San Diego region shall contribute $2,000 in exactions from the private sector, for each newly constructed residential housing unit in that jurisdiction to the RTCIP. Each agency is required to establish its own collection program, known as its RTCIP Funding Program. Each jurisdiction is required to either establish a new Fund for the RTCIP or to set up accounts specific to the RTCIP for tracking purposes. Interest earned on RTCIP revenues received by the jurisdiction must be allocated to the RTCIP Fund.
B. Local agencies, SANDAG staff, hired auditors, and the Independent Taxpayers Oversight Committee (ITOC) are subject to the timelines set forth in Rule #17, Section I (Fiscal and Compliance Audit Procedures) in this Board Policy, Ordinance 04-01, and the attachment to Ordinance 04-01 entitled “REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM” (RTCIP Attachment). Section 9 of Ordinance 04-01 states that any local agency that does not provide its “full” RTCIP contribution in a given fiscal year will not be eligible to receive funding for local streets and roads for the immediately following fiscal year. It further provides that any funding not allocated under 4(D)(1) as a result of this requirement shall be reallocated to the remaining local agencies that are in compliance with Section 9. This Rule #23 is intended to provide clarification regarding how this language will be implemented.

1. By June 30 of each year, which is the last day of SANDAG’s fiscal year, each local agency must record as revenue, the full amount of each RTCIP exaction due for any new residential unit subject to the RTCIP within its jurisdiction. This means that if the RTCIP exaction is not yet collected, the local agency should invoice, but does not need to collect all of the RTCIP exactions due in a given fiscal year by June 30. Each local agency may choose when the exaction is due, but in no event can the local agency allow a residential unit subject to the RTCIP to be occupied by a resident prior to receipt of the RTCIP exaction. The local agency must record the revenue in the fiscal year the exaction is due according to its Funding Program or when the revenue is received, whichever occurs first.

2. Section G(4) of the RTCIP Attachment states that each local agency shall have up to, but no more than seven years after receipt of the revenue to expend the revenues on Regional Arterial System or regional transportation infrastructure projects. To ensure consistency in implementation, this provision shall mean that the seven year term shall begin on the July 1 following the date on which the local agency recorded the exaction as revenue or received the revenue, whichever occurred first. If it is not spent within seven years it will be subject to the reallocation process in Section G(4) of the RTCIP Attachment.

3. Pursuant to Ordinance 09-01, which amended Ordinance 04-01, the audit reports for all RTCIP Funding Programs are to be completed by June of the fiscal year immediately following the end of the fiscal year being audited. If during the audit process it is determined that a local agency failed to collect the full amount of exactions due under its Funding Program, the local agency may cure the defect by recording the amount due as an account receivable for the fiscal year being audited and avoid losing its TransNet funding. If the local agency has already closed out its books for the fiscal year being audited by the time the RTCIP audit discloses the defect, the local agency may record the revenue and cure the defect in the current fiscal year in order to avoid losing its TransNet funding. The seven year period discussed in Section B(2) of this Rule will commence from
the fiscal year in which the revenue is recorded if this latter situation occurs.

4. The following exceptions will be permitted to the requirement that each local agency record as revenue, the full amount of each RTCIP exaction due for any new residential unit subject to the RTCIP within its jurisdiction by the June 30 deadline. These exceptions are permissible because the purpose of the RTCIP exactions is to mitigate residential traffic impacts on the regional transportation infrastructure. If a new unit subject to the RTCIP is not occupied this impact does not occur.

   a. If litigation, bankruptcy, or other similar situation occurs that delays occupation of a new residential unit pending resolution by the courts or another body assigned to resolve the dispute, and the local agency has invoiced, but been unable to collect amounts due under its Funding Program, the local agency may delay recording the account receivable until the outcome is known or the unit is occupied, whichever occurs first. The local agency shall provide documentation to the auditor establishing litigation, bankruptcy, etc. has occurred that has precluded the local agency from collecting the exaction.

   b. If a local agency records an RTCIP exaction as revenue and subsequently determines that the amount is uncollectible (i.e., the developer never completes the project or goes bankrupt), the local agency may write-off the RTCIP exaction until such time, if ever, the unit is occupied and subject to the RTCIP. The local agency shall provide documentation to the auditor establishing that the write-off was justified.

5. Due to the timeline for completion of RTCIP audits, it may be up to one year after the fiscal year being audited has ended before ITOC adopts a final report that includes a finding that a local agency failed to provide the full amount of RTCIP exactions due under its Funding Program. During this interim audit period, SANDAG will make the payments due to local agencies for local streets and roads pursuant to Section 4(D)(1) of Ordinance 04-01 in good faith by presuming that the audit will establish each local agency is in compliance. If, however, the audit establishes a local agency did not provide its full monetary contribution under the RTCIP and the local agency does not cure defects of which it was notified by the time the audit is finalized and adopted by the ITOC, then the local agency will have forfeited its Section 4(D)(1) contribution. Any amount paid to the local agency in the fiscal year following the year that was the subject of the audit will be retroactively owed to the Commission. SANDAG will deduct any such amount, with interest at the monthly Local Agency Investment Fund (LAIF) rate. This amount will be deducted from the local agency annual allocation during the next

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fiscal year in which the local agency is eligible for Section 4(D)(1) funding.

C. The Board has determined that a nursing home, home for the aged, assisted living facility, or similar institutional unit (“institutional unit”) is not the type of unit the RTCIP was intended to cover. Local agencies are not required to charge for a new institutional unit for purposes of compliance with the Ordinance’s RTCIP Funding Program requirements when the local agency documents that it has made the following findings prior to issuance of a final certificate of occupancy:

1. The individual unit has not both a bathroom and permanent built-in kitchen facilities equipped with a cooking range, refrigerator, and sink; and
2. The principal reason a person will live in the unit is because the person needs medical and/or nursing care; and
3. The local agency has required that the developer agree that the unit in substance will be used as health care facility rather than as a residence.

D. Section G(2) of the TransNet EXTENSION REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM, as amended on July 24, 2009, states that “each jurisdiction must submit its Funding Program documents, including an expenditure plan and financial records pertaining to its Funding Program, to the Independent Taxpayer Oversight Committee for a review and audit by December 1 of each year beginning December 1, 2009.

1 All references to “unit” in these criteria are intended to apply to an individual living unit, not the institutional facility as a whole.

Adopted: February, April, and May 1988; August 1989; March, July, and November 1990; October 1992; September and November 2005
# FY 1988 Base Year Statistics

(for use in TransNet Ordinance Rule #8)

**Metropolitan Transit Development Board (MTS) Area**

<table>
<thead>
<tr>
<th>Fund Source</th>
<th>Operator/Service</th>
<th>Vehicle Service Miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 4.0</td>
<td>Chula Vista Transit</td>
<td>559,734</td>
</tr>
<tr>
<td>Article 4.0</td>
<td>National City Transit</td>
<td>276,303</td>
</tr>
<tr>
<td>Article 4.0</td>
<td>County Transit System:</td>
<td></td>
</tr>
<tr>
<td>Article 4.0</td>
<td>Suburban Service</td>
<td>646,904</td>
</tr>
<tr>
<td>Article 4.0</td>
<td>Rural Bus</td>
<td>170,953</td>
</tr>
<tr>
<td>Article 4.0</td>
<td>Poway Fixed Route</td>
<td>313,425</td>
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<tr>
<td>Article 4.0</td>
<td>San Diego Transit</td>
<td>10,473,323</td>
</tr>
<tr>
<td>Article 4.0</td>
<td>San Diego Trolley</td>
<td>1,033,084</td>
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<tr>
<td>Article 4.0</td>
<td>Strand Express Agency</td>
<td>400,738</td>
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<tr>
<td>Article 4.0</td>
<td>Total</td>
<td>13,874,464</td>
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<tr>
<td>Article 8</td>
<td>County Transit System:</td>
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</tr>
<tr>
<td>Article 8</td>
<td>Express Bus</td>
<td>189,276</td>
</tr>
<tr>
<td>Article 8</td>
<td>Total</td>
<td>189,276</td>
</tr>
<tr>
<td>Article 4.0 Dial-A-Ride</td>
<td>El Cajon Express</td>
<td>308,331</td>
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<tr>
<td>Article 4.0 Dial-A-Ride</td>
<td>La Mesa Dial-A-Ride</td>
<td>251,516</td>
</tr>
<tr>
<td>Article 4.0 Dial-A-Ride</td>
<td>Lemon Grove Dial-A-Ride</td>
<td>62,090</td>
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<tr>
<td>Article 4.0 Dial-A-Ride</td>
<td>County Transit System:</td>
<td></td>
</tr>
<tr>
<td>Article 4.0 Dial-A-Ride</td>
<td>Poway Dial-A-Ride</td>
<td>23,030</td>
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<tr>
<td>Article 4.0 Dial-A-Ride</td>
<td>Poway Airporter</td>
<td>103,925</td>
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<td>Article 4.0 Dial-A-Ride</td>
<td>Spring Valley Dial-A-Ride</td>
<td>73,298</td>
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<tr>
<td>Article 4.0 Dial-A-Ride</td>
<td>San Diego Transit DART</td>
<td>309,370</td>
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<td>Article 4.0 Dial-A-Ride</td>
<td>Total</td>
<td>1,131,560</td>
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<tr>
<td>Article 4.5</td>
<td>Chula Vista Handytrans</td>
<td>128,807</td>
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<tr>
<td>Article 4.5</td>
<td>County Transit System – WHEELS</td>
<td>219,906</td>
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<td>Article 4.5</td>
<td>National City Wheels</td>
<td>15,159</td>
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<td>Article 4.5</td>
<td>Poway Call-A-Ride</td>
<td>60,156</td>
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<td>Article 4.5</td>
<td>San Diego Dial-A-Ride</td>
<td>1,149,541</td>
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<tr>
<td>Article 4.5</td>
<td>Total</td>
<td>1,573,623</td>
</tr>
</tbody>
</table>

**MTDB (MTS) Area Total** | 16,768,923
## North County Transit District

<table>
<thead>
<tr>
<th>Fund Source</th>
<th>Operator/Service</th>
<th>Service Miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 4.0</td>
<td>NCTD Fixed Route</td>
<td>7,651,408</td>
</tr>
<tr>
<td></td>
<td>NCTD FAST</td>
<td>126,744</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>7,778,152</td>
</tr>
</tbody>
</table>

| Article 4.5   | NCTD Lifeline     | 386,680       |
|               | Total             | 386,680       |

| NSDCTDB (NCTD) Area Total | 8,164,832 |
| REGIONAL TOTAL           | 24,933,755 |
The TransNet Ordinance requires that at least 70 percent of the revenues provided for local street and road purposes should be used to fund direct expenditures for facilities contributing to congestion relief. No more than 30 percent of these funds should be used for local street and road maintenance purposes. The required multi-year Regional Transportation Improvement Program (RTIP) project lists submitted by local agencies that are found to be out of compliance with this requirement will not be approved. Local agencies may request an exception to this requirement and must provide justification for such a request as part of its project list submittal.

The following table categorizes and lists the more typical types of facilities that are considered to contribute to congestion relief. For other facilities not listed, it must be demonstrated that congestion relief can be obtained before the project can be considered part of the 70 percent Congestion Relief category. Maintenance costs of items listed in the 70 percent Congestion Relief category are eligible under the 30 percent category. Facilities that are not considered to contribute to congestion relief (Items 28-30) are eligible under the 30 percent category.

<table>
<thead>
<tr>
<th>Congestion Relief (at least 70%)</th>
<th>Maintenance and Non-Congestion Relief (no more than 30%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>New or Expanded Facilities</strong></td>
<td></td>
</tr>
<tr>
<td>1. New roadways and bridges</td>
<td></td>
</tr>
<tr>
<td>2. Roadway and bridge widening</td>
<td></td>
</tr>
<tr>
<td>3. Roadway widening for bike lanes</td>
<td></td>
</tr>
<tr>
<td><strong>Major Rehabilitation and Reconstruction</strong></td>
<td></td>
</tr>
<tr>
<td>4. Roadway rehabilitation (grinding and overlay, or new structural pavement, or new overlay 1-inch thick or greater)</td>
<td>• Lane removal for bike lanes</td>
</tr>
<tr>
<td>5. Roadway realignment</td>
<td>• Pavement overlay (less than 1 inch)</td>
</tr>
<tr>
<td>6. Bridge retrofit or replacement</td>
<td>• Pot hole repair, chip seal, fog seal, crack seal (except when part of roadway rehabilitation project)</td>
</tr>
<tr>
<td>7. Roadway drainage improvements for the purpose of improving capacity-impeding conditions such as significant and frequent roadway flooding</td>
<td>• Roadway realignment that does not increase roadway capacity</td>
</tr>
<tr>
<td>8. New sidewalk or sidewalk widening</td>
<td>• Bridge replacement for aesthetic purposes</td>
</tr>
<tr>
<td><strong>Traffic Operations</strong></td>
<td>• Minor drainage improvements not part of a congestion relief project</td>
</tr>
<tr>
<td>9. Median installation for safety improvement or left-turn movement</td>
<td>• Stand alone landscaping project of an existing median</td>
</tr>
<tr>
<td>10. New traffic signal, passive permissive left turn (PPLT) installation, signal removal for congestion relief reasons, traffic signal upgrades, intersection lighting</td>
<td>• Traffic signal replacement, bulb replacement, hardware, software, inductive loop repair</td>
</tr>
<tr>
<td>11. Traffic signal coordination</td>
<td></td>
</tr>
<tr>
<td>12. Traffic signal interconnection</td>
<td></td>
</tr>
</tbody>
</table>
| Congestion Relief  
(at least 70%) | Maintenance and Non-Congestion Relief  
(no more than 30%) |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>13. Centrally controlled traffic signal optimization system</td>
<td>• Light bulb replacement</td>
</tr>
<tr>
<td>14. Traffic surveillance or detection system (video)</td>
<td>• Bus-only lanes that do not provide congestion relief</td>
</tr>
<tr>
<td>15. Traffic data collection system for performance monitoring purposes (in pavement detection, radar)</td>
<td>Non-Congestion Relief</td>
</tr>
<tr>
<td></td>
<td>28. Erosion control (unless required as part of a congestion relief project)</td>
</tr>
<tr>
<td></td>
<td>29. Landscaping (unless required as part of a congestion relief project)</td>
</tr>
<tr>
<td></td>
<td>30. Roadway signing and delineation (unless it is a congestion relief project)</td>
</tr>
</tbody>
</table>

Note: Staff costs for congestion relief project development (environmental, preliminary engineering, design, right-of-way acquisition, and construction management) are eligible expenditures under the 70 percent category. Staff costs for transportation infrastructure maintenance or traffic operations efforts are eligible under the 30 percent category. Costs for general TransNet fund administration and transportation planning are eligible up to 1 percent of annual revenues.

*To receive credit for providing congestion relief under the 70 percent category, smart growth-related infrastructure must be provided in one of the existing or planned (not potential) seven Regional Comprehensive Plan smart growth land use type characteristic areas: Metropolitan Center, Urban Center, Town Center, Community Center, Transit Corridor, Special Use Center, or Rural Community. Smart growth-related infrastructure built outside of one of the seven types of characteristic areas is eligible under the 30 percent category.
ADVERTISING POLICY

1. The San Diego Association of Governments (SANDAG) has determined that allowing revenue-generating advertising which does not compromise public or employee safety; or compromise the 511 or Transportation Demand Management message is a responsible means of maximizing use of SANDAG capital investments. Therefore, SANDAG may enter into license agreements with outside vendors to license advertising space for the purpose of generating revenue or in kind services. Issuance of such licenses must be in accordance with SANDAG procurement policies. Locations for revenue-generating advertising may include, but are not limited to: SANDAG Web sites, 511 phone system, data feeds, broadcast TV, print and or electronic communications, and promotions.

2. SANDAG public communication mechanisms are its property. Under certain terms and conditions SANDAG is willing to license use of its property to others. This Policy is intended to describe those terms and conditions.

3. The display of advertising carries with it a responsibility to protect the agency from potential litigation and to recognize the potential association of advertising images with SANDAG services while simultaneously respecting First Amendment principles. The agency addresses these issues through the responsible and consistent application of written criteria for advertising acceptability. It is not the intent of SANDAG to create a public forum through the acceptance of advertising.

4. SANDAG’s ability to communicate to the public directly is crucial to adequate dissemination of information to the public. SANDAG has a compelling interest in ensuring that its information distribution channels remain a place for public information concerning the SANDAG mission as reflected in the Annual Program Budget and Overall Work Program. Any use of the unique distribution channels at SANDAG’s command for purposes unrelated to or in conflict with its mission is to be avoided, as it effectively “pre-empts” the availability of information to the public regarding the SANDAG mission. For these reasons, SANDAG information distribution channels shall remain nonpublic forums and SANDAG shall maintain its right to limit access to these channels.

5. SANDAG may contract with outside vendors to license advertising space. Vendors for such contracts shall be solicited through competitive bids. Vendors shall be required to utilize competitive procurement procedures and to comply with this Policy.

6. Locations for revenue-generating advertising may include, but are not limited to: banner ads on Web sites, phone systems, data feeds, broadcast TV, and Transportation Demand Management products or services. Advertising includes “links” to other Web sites on SANDAG Web sites.
7. Recognizing that when sellers are associated with SANDAG, the sellers of the products or services could become associated with the credibility of SANDAG, SANDAG has an interest in ensuring that the public’s perception of SANDAG credibility is not negatively impacted by the advertising. Therefore, disclaimers should be placed on information distribution channels stating that SANDAG does not endorse or make any representations or warranties about the advertised products or services.

8. SANDAG has a legitimate interest in setting boundaries for access to its information distribution channels to meet the express public purposes set forth in this Policy. SANDAG will evaluate all advertising proposals on a viewpoint-neutral basis. Certain types of content will not further SANDAG’s mission and are therefore prohibited. Content prohibitions on advertising shall be as follows:

8.1. Advertising of all alcohol, tobacco, religious, political, or firearm products/services.

8.2. Advertising that promotes illegal activities.

8.3. Advertising that contains language which is obscene, vulgar, profane, scatological, or harmful to minors, as defined in California Penal Code Sections 311 and 313.

8.4. Advertising that appears to make personal attacks on individuals or upon any company, product, or institution; or disparages any service or product or is defamatory in any respect.

8.5. Advertising that may be interpreted to be offensive to a religious, ethnic, racial, political, or gender group. Advertising pertaining to controversial social issues including but not limited to religion, ethnicity, immigration, race, politics, or gender.

8.6. Advertising that portrays acts of violence, murder, sedition, terror, vandalism, or other acts of violence against persons or institutions.

8.7. Advertising that depicts nudity or portions of nudity that would be considered as offensive, distasteful, pornographic, or erotic, is obscene, or advertises adult entertainment.

8.8. Advertising that may be interpreted as condoning any type of illegal discrimination.

8.9. Advertising that contains images, copy, or concepts that denigrate public transportation.

8.10. Advertising that may conflict with any applicable federal, state, or local law, statute, or ordinance.

8.11. Advertising that contains false or grossly misleading information.
9. The following criteria will be used to evaluate issuance of a license:

9.1. Whether the advertising is from an official government entity.

9.2. Whether the advertising will provide the public official government information or services.

9.3. Whether the advertising complements existing information or services offered by SANDAG.

9.4. Whether the advertising is applicable to a wide audience.

9.5. Whether the advertising appears to be accurate and current.

9.6. Whether the advertising is relevant, useful, and authoritative for citizens, businesses, or government officials.

9.7. Whether the advertising is consistent with SANDAG purposes, projects, and/or mission.

9.8. Whether the advertising compromises public or employee safety; or compromises the 511 message.

10. SANDAG shall continuously review approved advertising to ensure that it complies with this Policy's criteria.

10.1. Upon written notice by the Executive Director of SANDAG on stated grounds that shall be reasonable and upon review of the General Counsel of SANDAG, any advertisement or other display deemed to be objectionable will be removed. No refund shall be made for the time such objectionable material was on display.

11. Quantity, quality, and placement of all advertising will be controlled by and subject to specific approval.

12. SANDAG reserves the right to reject any advertisement, commercial or noncommercial, which is not consistent with SANDAG policies. The Communications Director shall have authority to reject advertising that is inconsistent with this Policy. Before any advertisement is rejected, it may be referred to the SANDAG Office of General Counsel for a recommendation. A potential licensee whose advertising is rejected may appeal the decision to the Executive Director for review and a final decision.

13. SANDAG has several unique distribution channels at its disposal for disseminating transit and travel information for which it incurs no “space” cost (the fee charged for advertising space). Acceptable information for these distribution channels may include:

13.1. Cross-Promotional Information. On an occasional basis and only when space is available, the SANDAG Communications Director may use SANDAG distribution channels to participate in cross-promotional opportunities that offer a direct opportunity to promote the use of transit or congestion reduction strategies. Any materials distributed for this purpose must prominently include promotion of SANDAG
services (i.e., carpool or vanpool through RideLink or FasTrak® services). SANDAG will not donate a license for advertising space to any entity for purposes that are not directly related to the SANDAG mission. The outside organization involved either must bear the cost of producing such materials or, if approved by the SANDAG Communications Director, provide an equivalent or greater value in cross-promotional benefits (i.e., advertising space, editorial space, etc.). Any cross-promotional arrangement must be approved by the Communications Director or his/her designee based upon the criteria in this policy statement.

13.2. **“Added Value” Materials.** On an occasional basis and only when space is available, the SANDAG Communications Director may use SANDAG distribution channels to provide “added value” materials to its customers. Such materials must present a specific and time-dated offer uniquely provided for bus, rail, and registered carpool or vanpool customers (generally a money-saving discount) in which transit or registered carpooling can be used to access the redemption point. Any materials distributed for this purpose must prominently include the relevant SANDAG logo(s) and other wording approved by the SANDAG Communications Director to indicate that the offer is specifically designed for bus, rail, and registered carpool or vanpool customers. SANDAG will not donate a license for advertising space to any entity for purposes that are not directly related to the SANDAG mission. The outside organization involved must either bear the cost of producing such materials or, if approved by the SANDAG Communications Director, provide an equivalent or greater value in cross-promotional benefits (i.e., advertising space, editorial space, etc.). Any added value programs must be approved by the Communications Director or his/her designee based upon the criteria in this policy statement.

14.1. **Definitions**

14.1.1. **Added Value Materials:** Informational advertising which offers tangible benefit to patrons as a means of rewarding and retaining customers (i.e., a money-saving discount).

14.2. **Cross-Promotion:** A cooperative partnership in which two or more entities work together with the goal of jointly promoting their respective services.

14.3. **Governmental Entities:** Public entities specifically created by government action.

14.4. **Noncommercial Advertising:** A public service announcement, event notification, political statement, or other message which does not have as its primary purpose to propose a commercial transaction.

Adopted April 2008
Amended February 2012
SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
INTEREST RATE SWAP POLICY

The purpose of the Interest Rate Swap Policy of the San Diego County Regional Transportation Commission (SANDAG) is to establish guidelines for the use and management of interest rate swaps and options. The “Interest Rate Swap Policy” or the “Policy” is intended to provide general procedural direction regarding the use, procurement and execution of interest rate swaps. The Policy is intended to relate to various interest rate hedging techniques, including the contractual exchange of different fixed and variable rate payment streams through interest rate swap agreements and is not intended to relate to other derivative products that SANDAG may consider.

SANDAG is authorized under California Government Code Section 5922 to enter into interest rate swaps to manage the amount and duration of rate, spread, or risk when used in combination with the issuance of bonds or notes.

1. **Scope and Authority**

   This Interest Rate Swap Policy shall govern SANDAG’s use and management of all interest rate swaps and options. While adherence to this Policy is required in applicable circumstances, SANDAG recognizes that changes in the capital markets, SANDAG’s programs and other unforeseen circumstances may from time to time produce situations that are not covered by the Policy and will require modifications or exceptions to achieve policy goals. In these cases, management flexibility is appropriate provided specific authorization from the Board of Directors is obtained.

   The Interest Rate Swap Policy shall be reviewed and updated at least annually and presented to the Board of Directors for approval. Day-to-day responsibility for management of interest rate swaps shall fall within the responsibilities of the Director of Finance.

   SANDAG shall be authorized to enter into interest rate swap transactions only with qualified swap counterparties. The Director of Finance, in consultation with SANDAG’s bond counsel and financial advisor, shall have authority to select the counterparties, so long as the criteria set forth in the Interest Rate Swap Policy are met.

2. **Approach and Objectives**

   Interest rate swaps and options are appropriate interest rate management tools that can help SANDAG meet important financial objectives. Properly used, these instruments can increase SANDAG’s financial flexibility, hedge exposure to interest rate risk, provide opportunities for interest rate savings or enhanced investment yields, and help SANDAG manage its balance sheet through better matching of assets and liabilities. Swaps should be integrated into SANDAG’s overall debt program and should not be used for speculation or leverage.
Swaps are appropriate to use when they achieve a specific objective consistent with SANDAG’s overall financial strategies. They may be used, for example, to lock in a current market fixed rate or create additional variable rate exposure. They may also be used to produce interest rate savings, to limit or hedge variable rate exposure, to alter the pattern of debt service payments or for asset/liability matching purposes. Swaps may be used to cap, limit or hedge variable rate payments. Options granting the right to commence or cancel an underlying swap may be used to the extent the swap itself is consistent with these guidelines or SANDAG determines there are other advantages to be derived in purchasing or granting the option; however, SANDAG must determine if the use of any such option is appropriate and warranted given the potential benefit, risks, and SANDAG’s objectives. SANDAG, together with SANDAG’s financial advisor and bond counsel, shall periodically review SANDAG’s swap guidelines and recommend appropriate changes.

3. **Conditions for Use of Interest Rate Swaps and Options**

3.1 **Rationale**

SANDAG may use interest rate swaps and options if it is reasonably determined that the proposed transaction is expected to:

3.1.1 Optimize capital structure, including schedule of debt service payments and/or fixed vs. variable rate allocations.

3.1.2 Achieve appropriate asset/liability match.

3.1.3 Reduce risk, including:

3.1.3.1 Interest rate risk;

3.1.3.2 Tax risk; or

3.1.3.3 Liquidity renewal risk.

3.1.4 Provide greater financial flexibility.

3.1.5 Generate interest rate savings.

3.1.6 Enhance investment yields.

3.1.7 Manage exposure to changing markets in advance of anticipated bond issuances (through the use of anticipatory hedging instruments).

3.2 **Benefit Expectation**

Financial transactions, using fixed rate swaps or other derivative products, should result in debt service savings of at least 2% when compared to the projected debt service SANDAG would consider for traditional bonds or notes. This threshold will serve as a guideline and will not apply should the transaction, in SANDAG’s sole judgment, meet any of the other objectives outlined herein. The debt service savings target reflects the greater complexity and higher risk of derivative financial instruments. Such comparative savings analyses shall include, where applicable, the consideration of the probability (based on historical interest rate indices, where applicable, or other accepted analytic techniques) of the realization of savings for both the derivative and traditional structures.
For example, assuming a refunding of $100 million of existing bonds, if a traditional fixed rate advance refunding that does not use derivative products would have a present value savings threshold of $5.0 million, which is 5.0% of the refunded par, then a refunding structure utilizing a derivative product would have to achieve a threshold of $7.0 million in present value savings, or 7.0% of the refunded par. Therefore, the transaction utilizing a swap or other derivative product would have to generate an additional $2.0 million to meet the target. Such analysis should consider structural differences in comparing traditional vs. derivative alternatives, e.g., the non-callable nature of derivative transactions.

For variable rate or other swap transactions that do not result in a fixed interest rate, SANDAG will evaluate any additional value generated through the transaction in assessing the benefits of proceeding, including the ability to meet the objectives outlined herein. These benefits include, for example, managing interest rate or tax risk, optimizing the capital structure or further reducing interest expense.

In determining any benefit in implementing a fixed-to-variable swap, the cost of remarketing, in addition to the cost of credit enhancement or liquidity fees, must be added to the projected variable rate of the bonds or notes. Such a calculation should consider the trading performance of comparable bonds or notes and any trading premium resulting from a specific form of credit enhancement or liquidity and/or any impact related to broader industry trends.

3.3 Maximum Notional Amount

SANDAG will limit the total notional amount of outstanding interest rate swaps based on the proper management of risks, calculation of termination exposure, and development of a contingency plan. The total “net notional amount” of all swaps related to a bond or note issue should not exceed the outstanding or expected to be issued par amount of the related bonds or notes. For purposes of calculating the net notional amount, credit shall be given to any fixed versus variable rate swaps that offset for a specific bond or note transaction.

3.4 Maximum Maturity

SANDAG shall determine the appropriate term for an interest rate swap agreement on a case-by-case basis. In connection with the issuance or carrying of bonds or notes, the term of the swap agreement between SANDAG and a qualified swap counterparty shall not extend beyond the final maturity date of the related bonds or notes.

3.5 Liquidity Considerations

SANDAG shall consider the impact of any variable rate bonds or notes issued in combination with an interest rate swap on the availability and cost of liquidity support for other variable rate programs. SANDAG recognizes that there is a limited supply of letter of credit or liquidity facility support for SANDAG’s variable rate bonds or notes, and the usage of liquidity support in connection with an interest rate swap may result in higher overall financing costs. SANDAG shall consider the benefits of not using liquidity when using a fixed rate bond in conjunction with a swap to variable to create synthetic variable rate debt.
3.6 Call Option Value Considerations

When considering the relative advantage of an interest rate swap to fixed rate bonds, SANDAG will consider the value of the call option on fixed rate bonds, or the cost of including a call or cancellation option in a swap. The value derived from the ability to call bonds at a future date is foregone when using a “non-callable” swap for the remaining term of the bonds. While fixed rate bonds are typically structured with a call provision at a certain time, after which the bonds may be refunded, this opportunity may be lost through the utilization of a long-dated “non-callable” swap, impairing SANDAG’s ability to reap economic savings, unless this option is specifically included under the swap.

4. Interest Rate Swap Features

4.1 Interest Rate Swap Agreement

SANDAG will use terms and conditions as set forth in the International Swap and Derivatives Association, Inc. (“ISDA”) Master Agreement. The swap agreement between SANDAG and each swap counterparty shall include payment, term, security, collateral, default, remedy, termination, and other terms, conditions, provisions and safeguards as SANDAG, in consultation with its bond and general counsel and financial advisor, deems necessary or desirable.

Subject to the provisions contained herein, the terms of SANDAG’s swap agreement shall use the following guidelines:

4.1.1 SANDAG’s downgrade provisions triggering termination shall in no event be worse than those affecting the counterparty.

4.1.2 Governing law for swaps will be New York or California.

4.1.3 The specified indebtedness related to credit events in any swap agreement should be narrowly defined and refer only to indebtedness of SANDAG that could have a materially adverse affect on SANDAG’s ability to perform its obligations under the swap.

4.1.4 Collateral thresholds for the swap provider, and for SANDAG if applicable, should be set on a sliding scale reflective of credit ratings of the swap provider or guarantor. Collateral should be held by an independent third party.

4.1.5 Eligible collateral is outlined in Appendix A.

4.1.6 Termination value should be set by a “market quotation” methodology, unless SANDAG deems an alternative methodology to be appropriate.

4.1.7 SANDAG will consider the use of swap insurance to mitigate possible termination risk and also to mitigate the need for SANDAG to post collateral under the Credit Support Annex.
4.2 Interest Rate Swap Counterparties

4.2.1 Credit Criteria

SANDAG will only do business with highly rated counterparties or counterparties whose obligations are supported by highly rated parties. SANDAG will structure swap agreements to protect itself from credit deterioration of counterparties, including the use of credit support annexes or other forms of credit enhancement to secure counterparty performance. Such protection shall include any terms and conditions in SANDAG’s sole discretion are necessary or appropriate or in SANDAG’s best interest.

SANDAG will make its best efforts to work with qualified swap counterparties that at the time of execution of a swap transaction have a general credit rating of: (i) at least “Aa3” or “AA-” by one of the nationally recognized rating agencies and not rated lower than “A2” or “A” by any nationally recognized rating agency, or (ii) have a “AAA” subsidiary as rated by at least one nationally recognized credit rating agency. The nationally recognized rating agencies are Moody’s Investors Services, Inc., Standard and Poor’s Rating Services, and Fitch Ratings.

For lower rated (below “AA-”) counterparties, SANDAG will seek credit enhancement in the form of:

4.2.1.1 Contingent credit support or enhancement;
4.2.1.2 Collateral consistent with the policies contained herein;
4.2.1.3 Ratings downgrade triggers; or
4.2.1.4 Guaranty of parent, if any.

In addition, qualified swap counterparties must have a demonstrated record of successfully executing swap transactions as well as creating and implementing innovative ideas in the swap market.

4.3 Limitations on Termination Exposure to a Single Counterparty

In order to diversify SANDAG’s counterparty credit risk, and to limit SANDAG’s credit exposure to any one counterparty, limits will be established for each counterparty based upon both the credit rating of the counterparty as well as the relative level of risk associated with each existing and proposed swap transaction. The guidelines below provide general termination exposure guidelines with respect to whether SANDAG should enter into an additional transaction with an existing counterparty. SANDAG may make exceptions to the guidelines at any time to the extent that the execution of a swap achieves one or more of the goals outlined in these guidelines or provides other benefits to SANDAG. In general, the maximum Net Termination Exposure, as defined below, to any single counterparty should be set so that it does not exceed a prudent level as measured against the available financial resources of SANDAG.
Such guidelines will also not mandate or otherwise force automatic termination by SANDAG or the counterparty. Maximum Net Termination Exposure is not intended to impose retroactively any terms and conditions on existing transactions. Such provisions will only act as guidelines in making a determination as to whether or not a proposed transaction should be executed given certain levels of existing and projected net termination exposure to a specific counterparty. Additionally, the guidelines below are not intended to require retroactively additional collateral posting for existing transactions. Collateral posting guidelines are described in the “Collateral Requirements” section below. The calculation of net termination exposure per counterparty will take into consideration multiple transactions, some of which may offset the overall exposure to SANDAG.

Under this approach, SANDAG will set limits on individual counterparty exposure based on existing as well as new or proposed transactions. The sum of the current market value and the projected exposure shall constitute the Maximum Net Termination Exposure. For outstanding transactions, current exposure will be based on the market value as of the last quarterly swap valuation report provided by the financial advisor. Projected exposure shall be calculated based on the swap’s potential termination value taking into account possible adverse changes in interest rates as implied by historical or projected measures of potential rate changes applied over the remaining term of the swap.

For purposes of this calculation, SANDAG shall include all existing and projected transactions of an individual counterparty and all transactions will be analyzed in aggregate such that the maximum exposure will be additive.

The exposure thresholds, which will be reviewed periodically by SANDAG to ensure that they remain appropriate, will also be tied to credit ratings of the counterparties and whether or not collateral has been posted as shown in the table below. If a counterparty has more than one rating, the lowest rating will govern for purposes of the calculating the level of exposure.

The following chart provides the Maximum Net Termination Exposure to a swap counterparty given the lowest credit rating.

<table>
<thead>
<tr>
<th>Credit Rating Category</th>
<th>Maximum Collateralized Exposure</th>
<th>Maximum Uncollateralized Exposure</th>
<th>Maximum Total Termination Exposure</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAA</td>
<td>Not applicable</td>
<td>$50 million</td>
<td>$100 million</td>
</tr>
<tr>
<td>AA</td>
<td>$50 million</td>
<td>$50 million</td>
<td>$100 million</td>
</tr>
<tr>
<td>A</td>
<td>$30 million</td>
<td>$15 million</td>
<td>$45 million</td>
</tr>
<tr>
<td>Below A</td>
<td>$30 million</td>
<td>None</td>
<td>$30 million</td>
</tr>
</tbody>
</table>

If the exposure limit is exceeded by a counterparty, SANDAG shall conduct a review of the exposure limit per counterparty. SANDAG, in consultation with its bond counsel and financial advisor, shall explore remedial strategies to mitigate this exposure.
4.4 Collateral Requirements

As part of any swap agreement, SANDAG may require collateralization or other forms of credit enhancements to secure any or all swap payment obligations. As appropriate, SANDAG may require collateral or other credit enhancement to be posted by each swap counterparty under the following circumstances:

4.4.1 Each counterparty to SANDAG may be required to post collateral (subject to applicable thresholds) if the credit rating of the counterparty or parent falls below the “AA” category. Additional collateral for further decreases in credit ratings of each counterparty shall be posted by each counterparty in accordance with the provisions contained in the Credit Support Annex of the ISDA Agreement between each counterparty and SANDAG.

4.4.2 Threshold amounts shall be determined by SANDAG on a case-by-case basis. SANDAG will determine the reasonable threshold limits for the initial deposit and for increments of collateral posting thereafter.

4.4.3 In determining maximum uncollateralized exposure, SANDAG shall also consider and include, as applicable, financial exposure to the same corporate entities that it may have through other forms of financial dealings, such as securities lending agreements and commercial paper investments.

4.4.4 Collateral shall be deposited with a third party trustee, or as mutually agreed upon between SANDAG and the counterparty.

4.4.5 A list of acceptable securities that may be posted as collateral and the valuation of such collateral will be determined and mutually agreed upon during negotiation of the swap agreement with each swap counterparty. A complete list of acceptable securities and valuation percentages are included as Attachment A.

4.4.6 The market value of the collateral shall be determined on at least a weekly basis, or more frequently if SANDAG determines it is in SANDAG’s best interest given the specific collateral security.

4.4.7 SANDAG shall determine on a case-by-case basis whether other forms of credit enhancement are more beneficial to SANDAG.

4.5 Swap Insurance

If, after a cost/benefit analysis, it is determined that it would be beneficial to insure the interest rate swap, swap insurance will be pursued.

4.6 Security and Source of Repayment

SANDAG will generally use the same security and source of repayment (pledged revenues) for the interest rate swap as is used for the related bond or note issue.
4.7 Prohibited Interest Rate Swap Features

SANDAG will not use interest rate swaps that are: (i) speculative or create extraordinary leverage or risk, (ii) lack adequate liquidity to terminate without incurring a significant bid/ask spread, (iii) provide insufficient price transparency to allow reasonable valuation, or (iv) are used as investments.

5. Evaluation and Management of Interest Rate Swap Risks

Prior to the execution of any swap transaction, SANDAG’s Director of Finance, financial advisor and bond counsel shall evaluate the proposed transaction and report the findings to SANDAG’s Board. Such a review shall include the identification of the proposed benefit and potential risks. As part of this evaluation, SANDAG shall compute the Maximum Net Termination Exposure to the proposed swap counterparty.

5.1 Evaluation Methodology

SANDAG will review the following areas of potential risk for new and existing interest rate swaps:

<table>
<thead>
<tr>
<th>Type of Risk</th>
<th>Description</th>
<th>Evaluation Methodology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basis Risk</td>
<td>The mismatch between actual variable rate debt service and variable rate indices used to determine swap payments.</td>
<td>SANDAG will review historical trading differentials between the variable rate bonds or notes and the index.</td>
</tr>
<tr>
<td>Tax Risk</td>
<td>The risk created by potential tax events that could affect swap payments.</td>
<td>SANDAG will review the tax events in proposed swap agreements. It will also evaluate the impact of potential changes in tax law on LIBOR indexed swaps.</td>
</tr>
<tr>
<td>Counterparty Risk</td>
<td>The risk that the counterparty fails to make required payments.</td>
<td>SANDAG will monitor exposure levels, ratings thresholds and collateralization requirements.</td>
</tr>
<tr>
<td>Termination Risk</td>
<td>The risk that the transaction is terminated in a market dictating termination payment by SANDAG.</td>
<td>SANDAG will compute its termination exposure for all existing and proposed swaps at market value and under a worst-case scenario. SANDAG will consider use of swap insurance to mitigate this risk.</td>
</tr>
<tr>
<td>Rollover Risk</td>
<td>The mismatch of the maturity of the swap and the maturity of the underlying bonds or notes.</td>
<td>SANDAG will determine its capacity to issue variable rate bonds or notes that may be outstanding after the maturity of the swap.</td>
</tr>
<tr>
<td>Liquidity Risk</td>
<td>The inability to continue or renew a liquidity facility.</td>
<td>SANDAG will evaluate the expected availability of liquidity support for swapped and unhedged variable rate debt and will consider the use of variable rate debt that does not require liquidity (e.g., auction rate securities)</td>
</tr>
<tr>
<td>Credit Risk</td>
<td>The occurrence of an event modifying the credit rating of the issuer or its counterparty.</td>
<td>SANDAG will monitor the ratings of its counterparties and insurers.</td>
</tr>
</tbody>
</table>
5.2 Managing Interest Rate Swap Risks

5.2.1 Annual Report to the Board

Staff will evaluate the risks associated with outstanding interest rate swaps at least annually and provide a written evaluation to the Board of Directors. This evaluation will include the following information:

5.2.1.1 A description of all outstanding interest rate swaps, including related bond series, types of swaps, rates paid and received by SANDAG, existing notional amount, average life and remaining term of each swap agreement and the current termination value of outstanding swaps.

5.2.1.2 Separately for each swap, the actual debt service requirements versus the projected debt service on the swap transaction. For any swap used as part of a refunding, the actual cumulative savings versus the projected savings at the time the swap was executed.

5.2.1.3 The credit ratings of each swap counterparty, parent, guarantor and credit enhancer insuring the swap payments, if any.

5.2.1.4 Actual collateral posting by swap counterparty, if any, per swap agreement and in total by swap counterparty.

5.2.1.5 Information concerning any material event involving outstanding swap agreements, including a default by a swap counterparty, counterparty downgrade or termination.

5.2.1.6 An updated contingency plan to replace, or fund a termination payment in the event an outstanding swap is terminated.

5.2.1.7 The status of any liquidity support used in connection with interest rate swaps, including the remaining term and current fee.

SANDAG shall review the Interest Rate Swap Policy with the Board at least annually.

5.2.2 Contingency Plan

SANDAG shall determine the termination exposure of each of its swaps and its total swap termination payment exposure at least annually and prepare a contingency plan to either replace the swaps or fund the termination payments, if any, in the event one or more outstanding swaps are terminated. SANDAG shall assess its ability to obtain replacement swaps and identify revenue sources to fund potential termination payments.

5.3 Terminating Interest Rate Swaps

5.3.1 Optional Termination

SANDAG will structure interest rate swaps to include optional termination at the current market valuation, which would allow SANDAG to terminate a swap prior to its maturity if it is determined that it is financially advantageous to do so, but will not provide this right to the counterparty.
5.3.2 Mandatory Termination

In the event a swap is terminated as a result of a termination event such as a default or credit downgrade of either counterparty, SANDAG will evaluate whether it is financially advantageous to obtain a replacement swap or, depending on market value, make or receive a termination payment.

In the event SANDAG makes a swap termination payment, SANDAG shall attempt to follow the process identified in its swap contingency plan. SANDAG shall also evaluate the economic costs and benefits of incorporating a provision into the swap agreement that will allow SANDAG to make termination payments over time.

6. Disclosure and Financial Reporting

SANDAG will take steps to ensure that there is full and complete disclosure of all interest rate swaps to the SANDAG Board of Directors, rating agencies and in disclosure documents. With respect to its financial statements, SANDAG will adhere to the guidelines for the financial reporting of interest rate swaps as set forth by the Government Accounting Standards Board.

Adopted: November 2005
## APPENDIX A: ACCEPTABLE COLLATERAL

<table>
<thead>
<tr>
<th>SECURITY</th>
<th>VALUATION PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>(A) Cash</td>
<td>100%</td>
</tr>
<tr>
<td>(B) (x) Negotiable debt obligations issued by the U.S. Treasury Department or the Government National Mortgage Association (&quot;Ginnie Mae&quot;), or (y) mortgage backed securities issued by Ginnie Mae (but with respect to either (x) or (y) excluding interest only or principal only stripped securities, securities representing residual interests in mortgage pools, or securities that are not listed on a national securities exchange or regularly quoted in a national quotation service) and in each case having a remaining maturity of: (i) less than one year, (ii) greater than one year but less than 10 years, (iii) greater than 10 years</td>
<td>99%, 98%, 95%</td>
</tr>
<tr>
<td>(C) (x) Negotiable debt obligations issued by the Federal Home Loan Mortgage Corporation (&quot;Freddie Mac&quot;) or the Federal Home Loan Mortgage Association (&quot;Fannie Mae&quot;) or (y) mortgage backed securities issued by Freddie Mac or Fannie Mae but excluding interest only or principal only stripped securities, securities representing residual interests in mortgage pools, or securities that are not listed on a national securities exchange or regularly quoted in a national quotation service.</td>
<td>95%</td>
</tr>
<tr>
<td>(D) Any other collateral acceptable to SANDAG's sole discretion.</td>
<td>The valuation percentage shall be determined by the Valuation Agent from time to time and in its reasonable discretion.</td>
</tr>
</tbody>
</table>

For example, if a counterparty is required to post $1.0 million of collateral and wished to use Ginnie Mae’s with five years remaining to maturity, it would be required to post $1,052,632 ($1.0 million/0.95) to satisfy the collateral requirement.
APPENDIX B: GLOSSARY OF TERMS

Asset/Liability Matching
Matching the term and amount of assets and liabilities in order to mitigate the impact of changes in interest rates.

Bid/Ask Spread
The difference between the bid price (at which a market maker is willing to buy) and the ask price (at which a market maker is willing to sell).

Call Option
The right to buy an underlying asset (e.g. a municipal bond) after a certain date at a certain price. A call option is frequently embedded in a municipal bond, giving the issuer the right to buy, or redeem, the bonds at a certain price.

Collateral
Assets pledged to secure an obligation. The assets are potentially subject to seizure in event of default.

Downgrade
A negative change in credit ratings.

Forward Starting Swap
Interest rate swap that starts at some time in the future. Used to lock-in current interest rates.

Hedge
A transaction that reduces the interest rate risk of an underlying security.

Interest Rate Exchange Agreement
An agreement detailing the contractual exchange of interest payment streams between counterparties. Often the exchange of a fixed and a floating interest rate between two parties. Also called an interest rate swap.

Interest Rate Swap
An agreement detailing the contractual exchange of interest payment streams between counterparties. Often the exchange of a fixed and a floating interest rate between two parties. Also called an interest rate exchange agreement.

Liquidity Support:
An agreement by a bank to make payment on a variable rate security to assure investors that the security can be sold.

LIBOR
London Interbank Offered Rate. Often used as an index to compute the variable rate paid on an interest rate swap.

Maximum Net Termination Exposure
The aggregate termination payment for all existing and projected swap transactions that would be paid by an individual counterparty. For purposes of this calculation, the aggregate termination payment is equal to: (i) the termination payment based on the market value of all existing swaps, plus (ii) the expected worst-case termination payment of the proposed transaction. The expected worst-case termination payment shall be calculated assuming interest rates, as measured by the appropriate index (typically the Bond Buyer Revenue Bond Index or Bond Market Association), increase (or decrease) by two standard deviations from the sample mean over a period of time corresponding to the term of the swap.

Notional Amount
The amount used to determine the interest payments on a swap.

Termination Payment
A payment made by a counterparty that is required to terminate the swap. The payment is commonly based on the market value of the swap, which is computed using the rate of the initial swap and the rate on a replacement swap.
PROPOSED MEMORANDUM OF UNDERSTANDING
WITH THE CALIFORNIA HIGH-SPEED RAIL AUTHORITY
AND OTHER SOUTHERN CALIFORNIA TRANSPORTATION
AGENCIES

Introduction

Since 1993, the State of California has authorized the study of an intercity, high-speed train (HST) system that will connect the state's metropolitan areas, including San Diego. The California High-Speed Rail Authority (CHSRA) is the statewide agency charged with the planning and construction of this system. SANDAG and the other Southern California regional planning agencies continue to work with the CHSRA to advance San Diego’s HST corridor.

The CHSRA released the California High-Speed Rail Program Draft 2012 Business Plan on November 1, 2011, for public comment. The new business plan described a phased approach to construction that would allow the Authority to adapt to changing financial conditions as it moves forward, segment by segment. It also updated cost estimates, ridership figures, and funding expectations to reflect current economic realities. The SANDAG Board of Directors reviewed the overall provisions of the draft plan at its December 9, 2011, meeting and provided comments by the CHSRA’s January 16, 2012, deadline (Attachment 1). Comments centered on serious concerns of SANDAG with the current proposed HST system, including its schedule, funding plan, and ridership estimates. Ultimately, there was a lack of confidence expressed in the CHSRA being able to bring HST service to San Diego. SANDAG comments further suggested that the CHSRA consider improvements to the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor, an established passenger rail corridor and the nation’s second busiest, to connect the San Diego region to the Phase 1 HST system at the southern terminus at Anaheim. Specifically, improvements such as track capacity increases, grade separations, and corridor preservation would show early success and a statewide commitment to a network of rail services.

The Southern California regional planning agencies SANDAG has been coordinating with for these current efforts involving the CHSRA include the Southern California Association of Governments (SCAG), the Los Angeles County Metropolitan Transportation Authority (Metro), the Orange County Transportation Authority (OCTA), the Riverside County Transportation Commission (RCTC), the San Bernardino Associated Governments (SANBAG), and the Southern California Regional Rail Authority (METROLINK). SCAG has been leading an effort to work with the CHSRA and the other Southern California regional planning agencies to develop a Memorandum of Understanding

Recommendation

The Board of Directors is asked to authorize the Executive Director to execute a Memorandum of Understanding (MOU) with the California High-Speed Rail Authority (CHSRA) and other Southern California regional planning agencies in substantially the same form as Attachment 2.
(MOU) to move forward with a program of early investments in regional and local rail systems to facilitate interregional rail connectivity (Attachment 2). The draft MOU calls for an additional $1 billion in early investment in Southern California by the CHSRA above the already committed $950 million in Proposition 1A (2008) bonds for interregional rail services.

Discussion

Candidate Projects in the San Diego Region

Staff from the MOU agencies have worked for several months on a set of project evaluation criteria referenced in the draft MOU and a draft potential candidate list of improvement projects (Attachments 3 and 4, respectively). For the San Diego region, SANDAG and NCTD staffs developed the list of LOSSAN projects that includes high-priority double tracking, safety, and bridge replacement projects throughout San Diego’s portion of the LOSSAN corridor. According to the draft criteria, projects that are ready to go and can be implemented by 2020 would be given a higher score. Projects that are located on the CHSRA’s Phase 1 corridor between the Bay Area and Anaheim, also would be given a higher score. Although this is consistent with language in Proposition 1A, the MOU addresses the commitment to secure funding for feeder rail corridor such as the LOSSAN corridor south of Anaheim. Therefore, projects along San Diego’s portion of the corridor are eligible and should compete well in terms of project readiness, regional priority, enhanced capacity, independent utility, regional connectivity, and local matching funds.

MOU agencies are working to finalize the priority list based on the evaluation criteria by June 2012.

Los Angeles to San Diego via Inland Empire HST Corridor

SANDAG, the CHSRA, and a number of the same Southern California regional planning agencies also have been working cooperatively on planning for San Diego’s high-speed corridor via the Inland Empire, formally since 2009. A separate MOU regarding work on this HST corridor, which is different from the Draft Early Investment MOU (Attachment 2), was separately approved by the SANDAG Board of Directors at its December 9, 2011, meeting.

GARY L. GALLEGOS
Executive Director

2. Draft Early Investment MOU
3. Draft MOU Performance Evaluation Criteria
4. Draft Southern California Potential Early Investment Projects that Support Development of the California High Speed Train

Key Staff Contact: Linda Culp, (619) 699-6957, Linda.Culp@sandag.org
January 13, 2012                                                      File Number 3400900

Chairman Thomas J. Umberg                                                                                                      
Board of Directors                                                                                                               
California High-Speed Rail Authority                                                                                                
770 L Street, Suite 800                                                                                                           
Sacramento, CA 95814                                                                                                               

Dear Chairman Umberg:

SUBJECT: SANDAG Comments on the California High-Speed Rail Draft 2012 Business Plan                                                  

On behalf of the San Diego Association of Governments (SANDAG), we appreciate the opportunity to comment on the Authority’s Draft 2012 Business Plan. On December 9, 2011, the SANDAG Board of Directors received a presentation on the Draft Business Plan from the Authority’s consultants.

Our Board has tremendous doubts about the California High-Speed Rail Authority (CHSRA) proposal to provide high-speed train (HST) service in California and ultimately connect the HST system to the San Diego region. While we understand the updated cost estimate now includes typical escalation and inflation costs, the cost increase for the HST system is significant. The $98 billion proposal in the Draft Business Plan is a far cry from the original Proposition 1A cost estimates approved by the California voters in 2008, and the schedule, funding plan, and ridership estimates all appear highly speculative.

SANDAG has serious concerns about the Authority’s ability to deliver and operate an HST system statewide, given the lack of commitment and secured funding beyond the proposed initial construction segment in the Central Valley. While the Draft Business Plan discusses the full 800-mile statewide system, there is no firm commitment to completing the Los Angeles to San Diego corridor or specific timeframe or cost estimate for the Phase 2 segments once the Phase 1 segments are completed. Furthermore, there is no clear financing plan, especially at a time when the federal government is scaling back high-speed rail funding.

Clearly, the statewide HST system proposed in the Draft Business Plan is not the same system envisioned by the voters. San Diego taxpayers will pay hundreds of millions of dollars to fund high-speed rail bonds, while facing the prospect of an incomplete state system with no service to the San Diego region. We strongly believe it is time to rethink high-speed rail and examine better ways of providing value and rail service to our voters. As home to the nation’s second busiest rail corridor, there is an established customer base in the San Diego to Los Angeles market, and the Authority should be focusing on investments in this corridor.
A good first start would be to consider improvements to Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor, to connect the San Diego region to the Phase 1 HST system. Specifically, improvements such as track capacity increases, grade separations, corridor preservation, and station enhancements would show early success and a statewide commitment to a network of rail services. To this end, SANDAG staff has been working with the Authority and rail owners and operators and regional planning agencies in the LOSSAN corridor to detail a plan for improvements. This staff group, the Southern California Passenger Rail Planning Coalition, formed specifically to enhance joint planning and operations and identify early investments in the corridor.

The SANDAG Board of Directors has approved a $432 million program of improvements along the San Diego portion of the LOSSAN corridor, much of which is funded by our local transportation sales tax program known as TransNet. The ability to leverage the investments, not only in San Diego but in Orange and Los Angeles Counties, makes early investment success in the LOSSAN corridor a distinct possibility and one that should be actively pursued by the CHSRA. LOSSAN corridor improvements south of Anaheim would serve to improve service in the short-term and provide connectivity to the future high-speed rail system.

We urge the CHSRA to address the grave concerns raised by SANDAG as well as the Legislative Analyst’s Office, the Peer Review Group, among others, before embarking on the Authority’s current plan for the HST system. We would appreciate an enhanced level of coordination and serious consideration to SANDAG proposals for improving rail service in the existing LOSSAN rail corridor. Thank you for the opportunity to comment and share our concerns.

Sincerely,

JEROME STOCKS  
Chairman, SANDAG Board of Directors

LCU/dsn
DRAFT MOU

MEMORANDUM OF UNDERSTANDING CONTRACT # XXXXXX

BY AND BETWEEN

CALIFORNIA HIGH-SPEED RAIL AUTHORITY (CHSRA); SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG);

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY (Metro);

ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA);

RIVERSIDE COUNTY TRANSPORTATION COMMISSION (RCTC);

SAN DIEGO ASSOCIATION OF GOVERNMENTS (SANDAG);

SAN BERNARDINO ASSOCIATED GOVERNMENTS (SANBAG); and

SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY (METROLINK),

COLLECTIVELY REFERRED TO HEREIN AS THE “PARTIES”, FOR THE PREPARATION OF STUDY, DESIGN AND CONSTRUCTION OF HIGH-SPEED RAIL THROUGH THE SOUTHERN CALIFORNIA REGION, INCLUDING IDENTIFIED HIGH-SPEED RAIL CORRIDORS SOUTH OF BAKERSFIELD.

RECITALS:

Whereas, the California High-Speed Rail Authority (CHSRA) is responsible for planning, building and maintaining an 800-mile statewide high-speed rail system, providing more than 600,000 jobs and improved mobility through the development of safe, clean, reliable rail technology; and

Whereas, CHSRA, in partnership with the Federal Railroad Administration has completed and certified a Program EIR/EIS for a proposed California High-Speed Train (HST) network linking the major metropolitan areas of the State of California, and the HST system approved by the CHSRA includes corridors into and through Southern California; and

Whereas, the CHSRA’s responsibility for planning, construction and operation of high-speed passenger train service in California is exclusively granted to CHSRA by PUC Section 185032.a.2; and

Whereas, the CHSRA is charged with accepting grants, fees and allocations from the state, from political subdivisions of the state and from the federal government, foreign governments, and private sources (PUC section 185034(4)); and
Whereas, the CHSRA DRAFT 2012 Business Plan proposes to incrementally develop the HST utilizing a blended system and blended operations involving coordinated passenger rail system development and operations with existing passenger rail systems, and this emphasis reflects the recognition that a key to success in developing the statewide rail network, including the high-speed system, is in coordinated infrastructure development that improves, enhances and expands the integration of high-speed and regional/local passenger rail systems; and

Whereas, this blended approach requires a series of incremental investments in local rail corridors to prepare for integrated service and operations and the CHSRA recognizes the need for a collaborative effort with regional and local agencies to identify early investment projects along existing rail corridors, that increase speed, improve safety and efficiency, and create linkages between HST and local passenger rail service; and

Whereas, local transportation improvement projects are required to be included in a Regional Transportation Plan (RTP) and both the Southern California Association of Governments (SCAG) and the San Diego Association of Governments (SANDAG) are each charged with developing a RTP every four years for their respective regions to provide guidance for transportation investments within each region, and development of regional transportation strategies to address the regions’ mobility needs; and

Whereas, SCAG adopted the 2008 RTP to identify the facilities, services and programs necessary to meet the SCAG region’s travel needs through the year 2035, and that document recognizes the need for HSR ground transportation to serve these needs; and

Whereas, the Sustainable Communities and Climate Protection Act of 2008 (SB 375, Steinberg, Statutes of 2008) requires subsequent RTPs to include a Sustainable Communities Strategy (SCS), showing evidence of integrated planning, goals that establish and strengthen the crucial linkages between the economy, land use development and regional transportation system to improve access to jobs, education, healthcare, and regional amenities in ways that improve the overall quality of life in the region; and

Whereas, the DRAFT 2012 SCAG RTP identifies Phase 1 of the California High-Speed Rail program in the constrained plan to facilitate the development of HSR early investment projects in passenger rail corridors in the SCAG region and that the HST development objectives are consistent with achieving SB 375 goals to reduce greenhouse gas emissions by 8 percent per capita by 2020 and 16% by 2035; and

Whereas, SANDAG adopted the 2050 RTP on October 28, 2011, including a SCS, with similar transportation goals and including the Authority’s Phase 2 Los Angeles to San Diego via Inland Empire HST corridor in its constrained plan and extensive capital and operations improvements along the San Diego segment of the Los Angeles – San Diego – San Luis Obispo (LOSSAN) rail corridor, the nation’s second busiest passenger rail corridor, and

Whereas, the CHSRA already had an MOU in place with SCAG, Metro, OCTA, RTC, SANDAG, SANBAG, California Department of Transportation, Division of Rail, and the San Diego County Regional Airport
Authority that guide discussion and participation in the collaborative development of technical studies, sharing of technical information, and regional outreach coordination; and

Whereas, Metro, OCTA, SANDAG, SANBAG, RCTC and Metrolink are involved in the planning, funding, construction and/or operation of heavy and light rail transit, buses, and/or commuter train services in Los Angeles/Orange/Riverside/San Bernardino/San Diego counties and are considering intermodal service integration, including linkages to the proposed HST service; and

Whereas, it is the intent and purpose of this MOU to strengthen the working relationship between CHSRA and the Parties to facilitate the development and implementation of passenger rail improvements that will improve local passenger rail service and operations while preparing designated HST corridors for eventual HST operation to achieve region-wide systems integration of rail service in Southern California; and

Whereas, the PARTIES also intend to communicate and coordinate with rail operators such as Metrolink, Amtrak, COASTER, Burlington Northern & Santa Fe, Union Pacific Railroad and Caltrans’ Division of Rail in the development and implementation of rail improvements and enhancements; and to include them in the California State Rail Plan.

Now, THEREFORE, it is mutually understood and agreed to by the PARTIES as follows:

1. To collaboratively agree to the statement of purpose of the MOU in order to identify and move forward with a program of early investments in the regional and local rail systems to facilitate the blended approach as described in Chapter 2 of the CHSRA Draft 2012 Business plan regarding coordination of increasing interregional connectivity of the existing systems (rail, bus, airports, and highways).

2. Parties to this MOU agree to support improved rail operations in Southern California in a manner that is in keeping with the statutory requirements of Proposition 1A, and that prioritized projects supported by this MOU will emphasize the need to improve speed and operations into Southern California.

   Parties to the MOU agree to collaboratively partner in delivering the California High-Speed Rail project to Southern California as a whole by supporting efforts to obtain funding, enhance stakeholder support, secure environmental clearance and all other aspects that will move the implementation of Proposition 1A and all it endeavors to achieve.

4. Parties to this MOU agree to collaboratively improve and increase community outreach in Southern California to improve community understanding and support of the HSRA Business Plan and proposed projects in Southern California.

5. This MOU establishes a framework for the recommendation of candidate improvement projects for consideration for funding and implementation. The framework includes the application of performance-based criteria to prioritize candidate projects, select projects for funding consideration, and a process for the Parties to achieve regional consensus on the projects to be recommended to CHSRA for funding. A subsequent project level MOU (or other agreement(s)
may be developed to specify the details of approved projects that implement the goals of this MOU.

6. The PARTIES agree to work together through the Southern California Passenger Rail Planning Coalition to develop, refine and update the project development and selection process for projects that may be funded in whole or in part by the CHSRA that will be reviewed and approved by the Regional Chief Executive Officer’s Group, which is comprised of parties to this MOU.

7. The PARTIES have developed a list of candidate rail improvement and enhancement projects attached hereto as Attachment A. This list of projects will be further refined to prioritize these projects both according to their utility and extent that they achieve the goals identified in the CHSRA’s 2012 Business Plan in implementing projects related to the “Blended Systems and Blended Operations” concept. The projects are consistent with the CHSRA’s phased implementation strategy for developing the statewide High-Speed System. The candidate project list will be used to develop a “Prioritized Rail Improvement List” (PRIL) for a region-wide series of rail improvements and enhancements, including work on Phase 1 High-Speed Rail corridors and on feeder rail corridors that support the Blended Systems/Blended Operations model.

8. Attachment B details the performance criteria that will be used to review the candidate rail project list and refine the list through collaboration with the PARTIES to develop the PRIL. The PRIL will be completed, including approval of said list by all respective participating governing Boards of the PARTIES, by June, 2012.

9. The PRIL is intended to be incorporated into the California State Rail Plan as applicable.

10. PARTIES will utilize the PRIL to develop a specific funding plan, including investment by the California High-Speed Rail Authority, State and, and federal matching funds based upon an agreed strategy.

   a. CHSRA will work with the other parties to the MOU to seek early approval and release of the $950 million already committed to interregional service statewide.
   b. CHSRA will commit an additional $1 billion in unallocated Prop 1A funds to implement the PRIL projects that meet the performance criteria identified in Attachment B by 2020.
   c. CHSRA will work with necessary funding partners (state, private, and federal) to assist in seeking and releasing the funds necessary to implement the PRIL projects. Local agencies may provide local funds, real property or in-kind resources as matching funds where matching funds are required to qualify for grant funding. PARTIES agree to work together to identify appropriate amounts and types of local resources that may be used to support a specific PRIL project.
   d. CHSRA and appropriate local agencies will coordinate to obtain federal and private funding using a mutually agreed upon strategic approach. In the event that funding for the HST program is constrained by statute, rescission of existing law, change in funding requirements or eligibility, reduction in funding level or availability, the CHSRA shall
notify the Parties in a timely manner of same and provide a statement of impact of such change on the prioritized candidate list.

11. In the event that the funding provided for under this MOU is not approved by the CHSRA by 2020, the MOU is deemed to be terminated effective thirty (30) days upon notice by CHSRA.

12. Any non-CHSRA Party may withdraw from this MOU at any time prior to notice of a grant award for a PRIL project by giving notice to the other parties of the MOU of such termination (including the effective termination date) at least thirty (30) calendar days before the effective date of such termination.

13. If through any cause, the CSHRA shall fail to fulfill in a timely and proper manner its obligations under this MOU regarding approval of the prioritized candidate list or the PRIL, the other parties to the MOU shall thereupon have the right to withdraw from the MOU by giving not less than thirty (30) days written notice of the intent to terminate and specifying the effective date thereof.
<table>
<thead>
<tr>
<th>Number</th>
<th>Criterion</th>
<th>Description</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>County Priority</td>
<td>Specific priority for each county.</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Project Readiness by 2020</td>
<td>Project has the ability to have funding obligated for construction by 2020.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Fits Within Statutory Requirements for Proposition 1A Funding for Phase 1.</td>
<td>Project meets the requirements of Proposition 1A according to the Attorney General.</td>
<td>Need to discuss how other projects are addressed within criteria. If a project does not meet this requirement, how do we pursue other funding sources.</td>
</tr>
<tr>
<td>4</td>
<td>Regional Connectivity to the HST System/Linkages</td>
<td>The project contributes to the HSR system and the &quot;Blended Approach&quot; as a regional connector/feeder system.</td>
<td>See No. 2 above.</td>
</tr>
<tr>
<td>5</td>
<td>Improved Operations/Speed</td>
<td>The project improves speed and operational efficiency for the existing commuter service.</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Enables Development of the High Speed Train System</td>
<td>The project is located on a HSR corridor where the proposed project benefits the ultimate HSR system as well as existing commuter/intercity rail.</td>
<td>Need to discuss the projects in this relationship. How do we work with projects defined to gain capacity versus those that will ultimately benefit HSR; i.e: grade separation vs. grade crossing enhancement.</td>
</tr>
<tr>
<td>7</td>
<td>Independent Utility</td>
<td>The project has immediate benefit for commuter and intercity rail apart from HSR.</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Enhanced Capacity</td>
<td>The project increases commuter/intercity system capacity with additional trackage and/or signaling.</td>
<td>Several projects identified as &quot;double tracking&quot; have the possibility of varying degrees of benefit to the HSR system in the following ways: 1. Adding another track in the similar location as the existing track. 2. Adding another track while moving the track into the final location to accommodate HSR.</td>
</tr>
<tr>
<td>9</td>
<td>CPUC Hazard Ranking (Sec 190)</td>
<td>The project's ranking applying the CPUC Section 190 formula.</td>
<td>Provides an objective ranking.</td>
</tr>
<tr>
<td>10</td>
<td>Safety Improvements to Increase Speed</td>
<td>Grade crossing enhancement to correlate with speed or other operational improvement.</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Leverages Local Investment</td>
<td>Local or other funding matches or other in-kind resources.</td>
<td>This needs to be discussed further as to how it is applied.</td>
</tr>
</tbody>
</table>
## Potential Early Investment Projects that Support Development of the California High Speed Train

### Draft

#### Projects

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Rough Order of Magnitude Cost</th>
<th>Status</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Palm-LA-501</td>
<td>Blackstone Street - Closure</td>
<td>$2,000,000</td>
<td>HST PE/Env</td>
<td>Road crossing closure</td>
</tr>
<tr>
<td>Palm-LA-502</td>
<td>Polk Street - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
<td>(4 quad gates to improve speed &amp; safety)</td>
</tr>
<tr>
<td>Palm-LA-503</td>
<td>Hubbard Avenue - X-ing Improvements</td>
<td>$6,000,000</td>
<td></td>
<td>Grade Separate for HSR Development</td>
</tr>
<tr>
<td>Palm-LA-504</td>
<td>Macay Avenue - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
<td>Grade Separate for HSR Development</td>
</tr>
<tr>
<td>Palm-LA-505</td>
<td>Brand Boulevard - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
<td>Grade Separate for HSR Development</td>
</tr>
<tr>
<td>Palm-LA-506</td>
<td>Jesse Street - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
<td>Grade Separate for HSR Development</td>
</tr>
<tr>
<td>Palm-LA-507</td>
<td>Paxton Street - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
<td>Grade Separate for HSR Development</td>
</tr>
<tr>
<td>Palm-LA-508</td>
<td>Pierce Street - Closure</td>
<td>$2,000,000</td>
<td>HST PE/Env</td>
<td>Road crossing closure</td>
</tr>
<tr>
<td>Palm-LA-509</td>
<td>Osborne Street - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
<td>(4 quad gates to improve speed &amp; safety)</td>
</tr>
<tr>
<td>Palm-LA-510</td>
<td>Bradford Street - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
<td>Grade Separate for HSR Development</td>
</tr>
<tr>
<td>Palm-LA-511</td>
<td>Penrose Street - Closure</td>
<td>$2,000,000</td>
<td>HST PE/Env</td>
<td>Road crossing closure</td>
</tr>
<tr>
<td>Palm-LA-512</td>
<td>Buntland Boulevard - X-ing Improvements</td>
<td>$6,000,000</td>
<td></td>
<td>(4 quad gates to improve speed &amp; safety)</td>
</tr>
<tr>
<td>Palm-LA-513</td>
<td>Avila Avenue - Closure</td>
<td>$2,000,000</td>
<td></td>
<td>Grade Separate for HSR Development</td>
</tr>
<tr>
<td>Palm-LA-514</td>
<td>North Buena Vista Street - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
<td>(4 quad gates to improve speed &amp; safety)</td>
</tr>
<tr>
<td>Palm-LA-515</td>
<td>Sonora Avenue - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
<td>Grade Separate for HSR Development</td>
</tr>
<tr>
<td>Palm-LA-516</td>
<td>Grandview Avenue - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
<td>Grade Separate for HSR Development</td>
</tr>
<tr>
<td>Palm-LA-517</td>
<td>Chevy Chase - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
<td>Grade Separate for HSR Development</td>
</tr>
<tr>
<td>Palm-LA-518</td>
<td>Main Street - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
<td>Grade Separate for HSR Development</td>
</tr>
<tr>
<td>Palm-LA-519</td>
<td>Doran Street - Grade Separation</td>
<td>$40,000,000</td>
<td>HST PE/Env</td>
<td>Corrects serious safety concerns</td>
</tr>
<tr>
<td>Palm-LA-520</td>
<td>Rosterd Street - Grade Separation</td>
<td>$40,000,000</td>
<td>HST PE/Env</td>
<td>New Grade Separation</td>
</tr>
<tr>
<td>Palm-LA-521</td>
<td>Sheldon Street - Grade Separation</td>
<td>$40,000,000</td>
<td>HST PE/Env</td>
<td>New Grade Separation</td>
</tr>
<tr>
<td>Palm-LA-522</td>
<td>Van Nuyas Boulevard - Grade Separation</td>
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</tr>
<tr>
<td>Ana-LA-501</td>
<td>Alondra Boulevard - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
<td>(4 quad gates to improve speed &amp; safety)</td>
</tr>
<tr>
<td>Ana-LA-502</td>
<td>Carmenita Road - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
<td>Grade Separate for HSR Development</td>
</tr>
<tr>
<td>Ana-LA-503</td>
<td>Pioneer Boulevard - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
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</tr>
<tr>
<td>Ana-LA-504</td>
<td>Vermont - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
<td>Grade Separate for HSR Development</td>
</tr>
<tr>
<td>Ana-LA-505</td>
<td>South St. - X-ing Improvements</td>
<td>$5,000,000</td>
<td></td>
<td>Grade Separate for HSR Development</td>
</tr>
<tr>
<td>Ana-LA-506</td>
<td>Broadway - X-ing Improvements</td>
<td>$5,000,000</td>
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</tr>
<tr>
<td>Ana-LA-507</td>
<td>Sycamore - Closure</td>
<td>$2,000,000</td>
<td></td>
<td>Road crossing closure</td>
</tr>
<tr>
<td>Ana-LA-508</td>
<td>Santa Ana - Closure</td>
<td>$2,000,000</td>
<td></td>
<td>Road crossing closure</td>
</tr>
<tr>
<td>Ana-LA-509</td>
<td>Rosecrans Ave / Marquardt Ave Grade Separation</td>
<td>$150,000,000</td>
<td>Designed</td>
<td>PUC Rank #1 New Grade Separation</td>
</tr>
<tr>
<td>Ana-LA-510</td>
<td>Norwalk Blvd / Los Nietos Rd - Grade Separation</td>
<td>$40,000,000</td>
<td>Designed</td>
<td>New Grade Separation</td>
</tr>
<tr>
<td>Ana-LA-511</td>
<td>State College Blvd Grade Separation</td>
<td>$70,000,000</td>
<td>PSR Complete</td>
<td>PUC Rank #37 Road Under</td>
</tr>
<tr>
<td>Ana-LA-512</td>
<td>Bell Rd Grade Separation</td>
<td>$78,000,000</td>
<td>Planning/PAED</td>
<td>Road Over</td>
</tr>
<tr>
<td>Ana-LA-513</td>
<td>Orange Grove Ave Grade Separation</td>
<td>$90,000,000</td>
<td>Planning/PSR</td>
<td>Road Under</td>
</tr>
<tr>
<td>LA-CY1</td>
<td>Durfee Grade Separation</td>
<td>$50,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Riv-S01</td>
<td>McKinley Street Grade Separation</td>
<td>$36,000,000</td>
<td>Planning/PAED</td>
<td>New Grade Separation</td>
</tr>
</tbody>
</table>
## Projects

<table>
<thead>
<tr>
<th>Code</th>
<th>Category</th>
<th>Description</th>
<th>Status</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>RIV-S02</td>
<td>John Wayne OTC (serves Mt. Riverside line)</td>
<td>⊕ Julapa Road Grade Separation</td>
<td>Planning</td>
<td>⊕ PUC Rank #21 New Grade Separation</td>
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</table>

**RIV-S02**

<table>
<thead>
<tr>
<th>Code</th>
<th>Category</th>
<th>Description</th>
<th>Status</th>
<th>Details</th>
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</thead>
<tbody>
<tr>
<td>LA-C01</td>
<td>CP Brighton to CP Rancho Double Track</td>
<td>⊕ CP Brighton to CP Rancho Double Track</td>
<td>Planning</td>
<td>⊕ HST PE/Env Double track single track territory, Independent utility if the existing track is relocated. There is a significant cost difference.</td>
</tr>
<tr>
<td>LA-C02</td>
<td>Glendale Slide Relocation</td>
<td>⊕ Glendale Slide Relocation</td>
<td>Planning</td>
<td>⊕ HST PE/Env Relocate existing UPRR storage. Independent utility if the existing track is relocated. There is a significant cost difference.</td>
</tr>
<tr>
<td>LA-C03</td>
<td>Glendale Station Relocation</td>
<td>⊕ Glendale Station Relocation</td>
<td>Planning</td>
<td>⊕ HST PE/Env Relocate existing UPRR storage. Independent utility if the existing track is relocated. There is a significant cost difference.</td>
</tr>
<tr>
<td>LA-C04</td>
<td>Vincent Sidings Extension (to 11,000 ft.)</td>
<td>⊕ Vincent Sidings Extension (to 11,000 ft.)</td>
<td>Planning</td>
<td>⊕ Extension of existing siding.</td>
</tr>
<tr>
<td>LA-C05</td>
<td>Palmdale Sidings Installation</td>
<td>⊕ Palmdale Sidings Installation</td>
<td>Planning</td>
<td>⊕ HST PE/Env Capacity and operations impact.</td>
</tr>
<tr>
<td>LA-C06</td>
<td>Santa Clarita to Newhall Double Track (includes 4 grade Xings &amp; Santa Clarita platforms)</td>
<td>⊕ Santa Clarita to Newhall Double Track (includes 4 grade Xings &amp; Santa Clarita platforms)</td>
<td>Planning</td>
<td>⊕ Planning</td>
</tr>
<tr>
<td>LA-C07</td>
<td>Bob Hope Airport Station Expansion</td>
<td>⊕ Bob Hope Airport Station Expansion</td>
<td>Planning</td>
<td>⊕ Planning Airport station adjacent to future HSR station.</td>
</tr>
<tr>
<td>LA-C08</td>
<td>Union Station Run Through Tracks</td>
<td>⊕ Union Station Run Through Tracks</td>
<td>Environmental</td>
<td>⊕ Needed for capacity impacts for HSR and rail growth in southern California</td>
</tr>
<tr>
<td>LA-C09</td>
<td>Riverside to San Bernardino Double Track</td>
<td>⊕ Riverside to San Bernardino Double Track</td>
<td>Planning</td>
<td>⊕ Planning</td>
</tr>
<tr>
<td>LA-C10</td>
<td>Van Nuys Station Platform</td>
<td>⊕ Van Nuys Station Platform</td>
<td>Planning</td>
<td>⊕ Planning</td>
</tr>
<tr>
<td>LA-C11</td>
<td>Central to CP Archibald</td>
<td>⊕ Central to CP Archibald</td>
<td>Planning</td>
<td>⊕ Planning</td>
</tr>
<tr>
<td>LA-C12</td>
<td>CP Rochester to CP Nolan Double Track</td>
<td>⊕ CP Rochester to CP Nolan Double Track</td>
<td>Planning</td>
<td>⊕ Planning</td>
</tr>
<tr>
<td>LA-C13</td>
<td>Gulf to CP Rocky Point Double Track</td>
<td>⊕ Gulf to CP Rocky Point Double Track</td>
<td>Planning</td>
<td>⊕ Planning</td>
</tr>
<tr>
<td>LA-C14</td>
<td>CP Beach to CP Losalt Double Track</td>
<td>⊕ CP Beach to CP Losalt Double Track</td>
<td>Planning</td>
<td>⊕ Planning</td>
</tr>
<tr>
<td>LA-C15</td>
<td>CP Lilac to CP Rancho Double Track</td>
<td>⊕ CP Lilac to CP Rancho Double Track</td>
<td>Planning</td>
<td>⊕ Planning</td>
</tr>
<tr>
<td>LA-C17</td>
<td>CP Rana to CP SB Jct. Double Track</td>
<td>⊕ CP Rana to CP SB Jct. Double Track</td>
<td>Planning</td>
<td>⊕ Planning</td>
</tr>
<tr>
<td>OC-C01</td>
<td>Laguna Point to San Juan Capistrano Passing Siding</td>
<td>⊕ Laguna Point to San Juan Capistrano Passing Siding</td>
<td>Planning</td>
<td>⊕ Planning</td>
</tr>
<tr>
<td>OC-C02</td>
<td>Irvine 3rd Main Track Extension</td>
<td>⊕ Irvine 3rd Main Track Extension</td>
<td>Planning/Env.</td>
<td>⊕ Environmental Siding</td>
</tr>
<tr>
<td>SD-C01</td>
<td>San Onofre to Pulgas Double Track</td>
<td>⊕ San Onofre to Pulgas Double Track</td>
<td>Planning/Env.</td>
<td>⊕ Environmental Siding</td>
</tr>
<tr>
<td>SD-C02</td>
<td>Eastbrook to Shell Double Track</td>
<td>⊕ Eastbrook to Shell Double Track</td>
<td>Planning</td>
<td>⊕ Planning</td>
</tr>
<tr>
<td>SD-C03</td>
<td>Los Penasquitos Bridge Replacement</td>
<td>⊕ Los Penasquitos Bridge Replacement</td>
<td>Planning</td>
<td>⊕ Designing</td>
</tr>
<tr>
<td>SD-C04</td>
<td>X-ings Improvements</td>
<td>⊕ X-ings Improvements</td>
<td>Planning</td>
<td>⊕ Criss crossing safety improvements/curve out times.</td>
</tr>
<tr>
<td>SD-C05</td>
<td>Carlsbad Villa Double Track</td>
<td>⊕ Carlsbad Villa Double Track</td>
<td>Planning</td>
<td>⊕ 1.1 miles of double track, new bridge across Buena Vista Lagoon.</td>
</tr>
<tr>
<td>SD-C06</td>
<td>San Elipio Lagoon Double Track</td>
<td>⊕ San Elipio Lagoon Double Track</td>
<td>Planning</td>
<td>⊕ 1.9 miles of double track, new bridge across San Elijo Lagoon.</td>
</tr>
<tr>
<td>SD-C07</td>
<td>Elvira to Morena Double Track</td>
<td>⊕ Elvira to Morena Double Track</td>
<td>Planning</td>
<td>⊕ 2.0 miles of double track, curve realignments</td>
</tr>
<tr>
<td>SD-C08</td>
<td>San Diego Bridge Replacement/Double Track</td>
<td>⊕ San Diego Bridge Replacement/Double Track</td>
<td>Planning</td>
<td>⊕ 1.1 miles of double track, new bridge across San Diego Lagoon.</td>
</tr>
<tr>
<td>SD-C09</td>
<td>Sonoro to Miramar Ph 2</td>
<td>⊕ Sonoro to Miramar Ph 2</td>
<td>Planning</td>
<td>⊕ 2.1 miles of double track, curve realignments</td>
</tr>
<tr>
<td>SD-C10</td>
<td>Balboa Lagoon Bridge Replacement</td>
<td>⊕ Balboa Lagoon Bridge Replacement</td>
<td>Planning</td>
<td>⊕ Additional lagoon railway bridge replacements in city of Carlsbad.</td>
</tr>
<tr>
<td>SD-C11</td>
<td>Lagoon Bridge Replacements/Double Track</td>
<td>⊕ Lagoon Bridge Replacements/Double Track</td>
<td>Planning</td>
<td>⊕ Additional lagoon railway bridge replacements in San Diego County.</td>
</tr>
<tr>
<td>SD-C12</td>
<td>Tecolote to Friar Double Track</td>
<td>⊕ Tecolote to Friar Double Track</td>
<td>Planning</td>
<td>⊕ 0.9 miles of double track, second bridge across San Diego River.</td>
</tr>
</tbody>
</table>

**Total**: $3,838,250,000
The Regional Transportation Congestion Improvement Program (RTCIP), an element of the TransNet Extension Ordinance, requires the 18 cities and the County of San Diego to collect an exaction from the private sector for each new housing unit constructed in their jurisdiction. The RTCIP has been implemented in the San Diego region since July 1, 2008.

The TransNet Extension Ordinance requires SANDAG to annually adjust the minimum RTCIP fee amount on July 1 of each year, based on an analysis of construction cost indices, but never less than 2 percent. The purpose of this annual adjustment is to ensure the RTCIP retains its purchasing power to improve the regional arterial system. Staff has evaluated construction cost trends and relevant indices, and based on this analysis, a 2 percent fee adjustment is recommended. This would raise the minimum RTCIP exaction from $2,123 to $2,165 beginning July 1, 2012.

Discussion

Background

The purpose of the RTCIP is to help ensure future development contributes its proportional share of the funding needed to pay for the regional arterial system and related regional transportation facility improvements, as defined in the most recent Regional Transportation Plan adopted by SANDAG. The RTCIP funding programs fall under the responsibility of the 19 local jurisdictions, which have established these programs under the state’s Mitigation Fee Act. The jurisdictions must maintain their RTCIP funding programs and comply with specific administrative requirements in order to remain eligible for their TransNet local street and roads funding.

Section 9 of the TransNet Extension Ordinance requires the RTCIP exaction to be increased annually in an amount not to exceed the percentage increase set forth in the Engineering Construction Cost Index published by the Engineering News Record (ENR) or a similar cost of construction index. However, the Ordinance also states that in no event shall the increase be less than 2 percent per year.
The Ordinance allows for flexibility in choosing an appropriate index. SANDAG staff evaluated changes recorded in the Engineering Construction Cost Index published by the ENR and the Caltrans Construction Cost Index (CCI). Each index collects a different set of cost factors to determine construction cost trends. The ENR CCI represents an average from 20 cities across the nation and is based on price changes in four areas: lumber, cement, structural steel, and labor. Over the past year, the ENR CCI between February 2011 and January 2012 (latest available) has increased 1.93 percent. The Caltrans CCI is based on actual transportation project bid prices from throughout the state for earthwork, aggregate, concrete, asphalt, and steel. The Caltrans CCI has increased 9 percent over the past year.

Based on staff’s evaluation, the ENR CCI has more closely tracked the trends SANDAG has been experiencing in its project bid prices over the past year than the Caltrans CCI. Although over the past year the ENR CCI has recorded a 1.93 percent increase in price levels, the minimum adjustment allowed by the RTCIP Section of the TransNet Extension Ordinance is 2 percent. Staff’s evaluation identified two trends that have affected construction costs over the past year. First, early in 2011, the effects of very low interest rates increased the demand for non-labor construction related commodities, temporally pushing up their prices. As the year wore on, however, the demand for these construction commodities fell as economic growth sputtered, leaving commodity prices at the end of the year below the level recorded early in the year, but above the level recorded the previous year. A second factor affecting the ENR CCI was the relatively slower rate of growth in wages compared to construction commodities, keeping the ENR CCI below the Caltrans CCI, which does not include the price effects of changes in labor costs.
1. Please rate each of the following items in terms of its usefulness in meeting the Retreat goals as described above. "1" indicates that it was extremely useful and "5" indicates that it was not at all useful.

<table>
<thead>
<tr>
<th>Item</th>
<th>1 - Extremely Useful</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5 - Not at all Useful</th>
<th>Did Not Attend</th>
<th>Rating Average</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wednesday: Regional Beach Sand Project II Update</td>
<td>31.3% (5)</td>
<td>18.8%</td>
<td>6.3%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>43.8% (7)</td>
<td>3.50</td>
<td>16</td>
</tr>
<tr>
<td>Wednesday: Dinner Speaker - Mark Fabiani</td>
<td>25.0% (4)</td>
<td>25.0%</td>
<td>25.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>25.0% (4)</td>
<td>3.00</td>
<td>16</td>
</tr>
<tr>
<td>Thursday: Year in Review</td>
<td>37.5% (6)</td>
<td>31.3%</td>
<td>6.3%</td>
<td>18.8%</td>
<td>0.0%</td>
<td>6.3% (1)</td>
<td>2.31</td>
<td>16</td>
</tr>
<tr>
<td>Thursday: Where Have We Been and Where Are We Going</td>
<td>31.3% (5)</td>
<td>43.8%</td>
<td>18.8%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>6.3% (1)</td>
<td>2.13</td>
<td>16</td>
</tr>
<tr>
<td>Thursday: Collaboration with State Agencies that Hold the Cards</td>
<td>43.8% (7)</td>
<td>31.3%</td>
<td>18.8%</td>
<td>6.3%</td>
<td>0.0%</td>
<td>0.0% (0)</td>
<td>1.88</td>
<td>16</td>
</tr>
<tr>
<td>Thursday: Transit-Oriented Development</td>
<td>31.3% (5)</td>
<td>50.0%</td>
<td>12.5%</td>
<td>6.3%</td>
<td>0.0%</td>
<td>0.0% (0)</td>
<td>1.94</td>
<td>16</td>
</tr>
<tr>
<td>Thursday: No Coma Session - Physical or Mental</td>
<td>25.0% (4)</td>
<td>31.3%</td>
<td>6.3%</td>
<td>6.3%</td>
<td>12.5%</td>
<td>18.8% (3)</td>
<td>3.06</td>
<td>16</td>
</tr>
<tr>
<td>Thursday: San Diego Regional Assets Considered</td>
<td>18.8% (3)</td>
<td>56.3%</td>
<td>12.5%</td>
<td>6.3%</td>
<td>0.0%</td>
<td>6.3% (1)</td>
<td>2.31</td>
<td>16</td>
</tr>
<tr>
<td>Thursday: Working with Higher Education for Better Transportation Solutions</td>
<td>12.5% (2)</td>
<td>37.5%</td>
<td>25.0%</td>
<td>12.5%</td>
<td>0.0%</td>
<td>12.5% (2)</td>
<td>2.88</td>
<td>16</td>
</tr>
<tr>
<td>Thursday: Miles McPherson</td>
<td>31.3% (5)</td>
<td>43.8%</td>
<td>18.8%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>6.3% (1)</td>
<td>2.13</td>
<td>16</td>
</tr>
<tr>
<td>Friday: Southern California Works</td>
<td>50.0% (8)</td>
<td>25.0%</td>
<td>6.3%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>18.8% (3)</td>
<td>2.31</td>
<td>16</td>
</tr>
<tr>
<td>Friday: Talking Cars / Hearing Roads</td>
<td>20.0% (3)</td>
<td>20.0%</td>
<td>26.7%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>33.3% (5)</td>
<td>3.40</td>
<td>15</td>
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</table>
### 2. How strongly do you agree or disagree with the following statements?

<table>
<thead>
<tr>
<th>Statement</th>
<th>1 - Strongly Agree</th>
<th>2 - Agree</th>
<th>3 - Neutral</th>
<th>4 - Disagree</th>
<th>5 - Strongly Disagree</th>
<th>0 - No Opinion</th>
<th>Rating Average</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>There was enough time spent in scheduled sessions</td>
<td>43.8% (7)</td>
<td>50.0% (8)</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>6.3% (1)</td>
<td>1.81</td>
<td></td>
</tr>
<tr>
<td>There was enough time provided for open discussion</td>
<td>37.5% (6)</td>
<td>50.0% (8)</td>
<td>0.0% (0)</td>
<td>6.3% (1)</td>
<td>0.0% (0)</td>
<td>6.3% (1)</td>
<td>2.00</td>
<td></td>
</tr>
<tr>
<td>The sessions were conducive to meaningful participation and discussion</td>
<td>37.5% (6)</td>
<td>56.3% (9)</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>6.3% (1)</td>
<td>1.88</td>
<td></td>
</tr>
<tr>
<td>I enjoy having a keynote speaker at Wednesday's dinner</td>
<td>50.0% (8)</td>
<td>31.3% (5)</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>18.8% (3)</td>
<td>2.25</td>
<td></td>
</tr>
<tr>
<td>I enjoy having a physical session after lunch</td>
<td>37.5% (6)</td>
<td>6.3% (1)</td>
<td>18.8% (3)</td>
<td>12.5% (2)</td>
<td>0.0% (0)</td>
<td>25.0% (4)</td>
<td>3.06</td>
<td></td>
</tr>
<tr>
<td>I enjoy having a mental session after lunch</td>
<td>12.5% (2)</td>
<td>12.5% (2)</td>
<td>18.8% (3)</td>
<td>12.5% (2)</td>
<td>0.0% (0)</td>
<td>43.8% (7)</td>
<td>4.06</td>
<td></td>
</tr>
<tr>
<td>I enjoy having a motivational speaker</td>
<td>56.3% (9)</td>
<td>25.0% (4)</td>
<td>12.5% (2)</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>6.3% (1)</td>
<td>1.81</td>
<td></td>
</tr>
<tr>
<td>The facilities met my expectations</td>
<td>62.5% (10)</td>
<td>31.3% (5)</td>
<td>6.3% (1)</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>1.44</td>
<td></td>
</tr>
<tr>
<td>Overall, the Retreat met my expectations</td>
<td>50.0% (8)</td>
<td>50.0% (8)</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>1.50</td>
<td></td>
</tr>
</tbody>
</table>

Please explain any "Disagree" or "Strongly Disagree" responses.
3. Are you a(n):

<table>
<thead>
<tr>
<th>Role</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>SANDAG Board member or alternate</td>
<td>66.7%</td>
<td>10</td>
</tr>
<tr>
<td>Elected official</td>
<td>53.3%</td>
<td>8</td>
</tr>
<tr>
<td>Other government agency representative</td>
<td>13.3%</td>
<td>2</td>
</tr>
<tr>
<td>Private sector/community-based organization</td>
<td>6.7%</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>13.3%</td>
<td>2</td>
</tr>
</tbody>
</table>

Other (please specify) 3

answered question 15
skipped question 1

4. What did you like most about the 2012 SANDAG Board of Directors Retreat?

<table>
<thead>
<tr>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
</tr>
<tr>
<td>----------</td>
</tr>
<tr>
<td>12</td>
</tr>
</tbody>
</table>

answered question 12
skipped question 4

5. What aspects of the Retreat could be changed to make it better?

<table>
<thead>
<tr>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
</tr>
<tr>
<td>----------</td>
</tr>
<tr>
<td>11</td>
</tr>
</tbody>
</table>

answered question 11
skipped question 5
Q2. How strongly do you agree or disagree with the following statements?

<table>
<thead>
<tr>
<th></th>
<th>Statement</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>A couple of suggestions: don’t have the physical session immediately after lunch. Wait 30-60 minutes. The venue for Thursday night dinner is not conducive to conversation. It is far too noisy. The past 2 years, the service has been less than exceptional for the price is not of a higher quality than what is served Wednesday night. If the prices are comparable, I’d opt for Thursday night dinner to be at the conference center where conversation can be held. The round tables are much more conducive to conversation than the Italian restaurant where one can only hear the person to one’s immediate side.</td>
<td>Feb 4, 2012 5:32 PM</td>
</tr>
<tr>
<td>2</td>
<td>Time well spent and some outstanding panels.</td>
<td>Feb 4, 2012 1:32 AM</td>
</tr>
<tr>
<td>3</td>
<td>Need more time for questions.</td>
<td>Feb 3, 2012 9:52 PM</td>
</tr>
<tr>
<td>4</td>
<td>Love the location.</td>
<td>Feb 3, 2012 8:16 PM</td>
</tr>
</tbody>
</table>

Q3. Are you a(n):

<table>
<thead>
<tr>
<th></th>
<th>Role</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SANDAG staff</td>
<td>Feb 9, 2012 10:44 PM</td>
</tr>
<tr>
<td>2</td>
<td>Staff</td>
<td>Feb 7, 2012 9:43 PM</td>
</tr>
<tr>
<td>3</td>
<td>SANDAG staff</td>
<td>Feb 3, 2012 8:16 PM</td>
</tr>
<tr>
<td></td>
<td>Response</td>
<td>Date</td>
</tr>
<tr>
<td>---</td>
<td>--------------------------------------------------------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>1</td>
<td>Barona is a great venue, beautiful property. Seems to meet our needs very well.</td>
<td>Feb 10, 2012 9:38 PM</td>
</tr>
<tr>
<td>2</td>
<td>Barona is a great spot for the retreat</td>
<td>Feb 9, 2012 10:44 PM</td>
</tr>
<tr>
<td>3</td>
<td>The TOD discussion was the most informative.</td>
<td>Feb 7, 2012 4:48 PM</td>
</tr>
<tr>
<td>4</td>
<td>Enjoyed panel with State Agencies and panel with So. Cal Reps (SCAG, OCTA...)</td>
<td>Feb 6, 2012 6:25 PM</td>
</tr>
<tr>
<td>5</td>
<td>Venue Physical session Motivational Speaker Hospitality suite</td>
<td>Feb 4, 2012 5:32 PM</td>
</tr>
<tr>
<td>6</td>
<td>Interaction with panelists.</td>
<td>Feb 4, 2012 1:32 AM</td>
</tr>
<tr>
<td>7</td>
<td>Convenient location; attentive staff; logistics were well thought out.</td>
<td>Feb 4, 2012 12:32 AM</td>
</tr>
<tr>
<td>8</td>
<td>So Cal Works</td>
<td>Feb 3, 2012 11:08 PM</td>
</tr>
<tr>
<td>9</td>
<td>good discussions on regional issues</td>
<td>Feb 3, 2012 10:27 PM</td>
</tr>
<tr>
<td>10</td>
<td>Interaction with others. Speakers were very informative.</td>
<td>Feb 3, 2012 9:52 PM</td>
</tr>
<tr>
<td>11</td>
<td>The focused time to delve into topics, discuss and learn.</td>
<td>Feb 3, 2012 9:43 PM</td>
</tr>
<tr>
<td>12</td>
<td>Range of discussions on numerous issues, opportunity to meet leaders from the southern CA region.</td>
<td>Feb 3, 2012 9:31 PM</td>
</tr>
<tr>
<td></td>
<td>Comment</td>
<td>Date</td>
</tr>
<tr>
<td>---</td>
<td>-------------------------------------------------------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>1</td>
<td>It would be helpful to have a draft agenda available early on in the RSVP process so we can make an informed decision about what day/s to attend.</td>
<td>Feb 10, 2012 9:38 PM</td>
</tr>
<tr>
<td>2</td>
<td>The novelty of the Cucina has worn off</td>
<td>Feb 9, 2012 10:44 PM</td>
</tr>
<tr>
<td>3</td>
<td>Don't promote the hospitality suite</td>
<td>Feb 7, 2012 9:43 PM</td>
</tr>
<tr>
<td>4</td>
<td>While it is nearly impossible to do, limit the length of the elected official's questions.</td>
<td>Feb 7, 2012 4:48 PM</td>
</tr>
<tr>
<td>5</td>
<td>It was noisy as one panel left and the next panel started, making it hard to hear.</td>
<td>Feb 6, 2012 6:25 PM</td>
</tr>
<tr>
<td>6</td>
<td>See comments above for #2</td>
<td>Feb 4, 2012 5:32 PM</td>
</tr>
<tr>
<td>7</td>
<td>Thsi one will be hard to top. Some of the panels might be improved but none was a waste of time.</td>
<td>Feb 4, 2012 1:32 AM</td>
</tr>
<tr>
<td>8</td>
<td>Wonder if we can do more to promote the Year in Review. I'm pretty much a 100% attendee but until I saw the handout didn't appreciate how much was accomplished this year. Well done.</td>
<td>Feb 4, 2012 12:32 AM</td>
</tr>
<tr>
<td>9</td>
<td>Could pair or matched the speakers differently.</td>
<td>Feb 3, 2012 9:52 PM</td>
</tr>
<tr>
<td>10</td>
<td>Let's go back to Borrego when it re-opens!</td>
<td>Feb 3, 2012 9:43 PM</td>
</tr>
</tbody>
</table>
Background

• SAFETEA-LU funds two formula grant programs
  – Job Access & Reverse Commute (JARC)
  – New Freedom

• SANDAG designated agency to award grants for San Diego urbanized area

• Grants for capital, operations, or mobility management with local matching funds requirement
Process

- Transportation Committee approved process and award criteria in September 2011
- Announcement of availability issued September 2011
- Scored by evaluation committees

JARC Recommendations

- $1,613,512 available from Federal Fiscal Year 2011 funding
- 18 proposals submitted - $3,018,896 total
- Nine of 18 recommended for funding; ninth is partial funding
New Freedom Recommendations

• $800,765 available from Federal Fiscal Year 2011 funding
• 11 proposals submitted – $1,050,958 total
• Nine of 11 recommended for funding: ninth is partial funding

Agencies Recommended for Funding

• JARC
  – MTS
  – St. Madeleine Sophie’s Center
  – NCTD
• New Freedom
  – Peninsula Shepherd Center
  – City of La Mesa
  – San Ysidro Health Center
  – NCTD
  – City of San Marcos
  – ITN
  – FACT
  – Renewing Life
Next Steps

- Include projects in RTIP
- Submit grant applications to Federal Transit Administration by April 2012

Recommendation

The Transportation Committee recommends that the Board of Directors approve the Job Access and Reverse Commute and New Freedom Projects proposed for selection as shown in Attachment 1.
Proposed Memorandum of Understanding with the California High-Speed Rail Authority and Other Southern California Transportation Agencies

Board of Directors
February 24, 2012

Overview

- Connects major metropolitan areas
- San Diego’s connection via Inland Empire
- LOSSAN Corridor both:
  - Shared between Burbank and Anaheim
  - Feeder to HST
Funding

- Proposition 1A (2008):
  - $9 billion for HST network
  - $950 million for connecting projects
  - Defines Phase 1 as Bay Area to Anaheim
- CHSRA has secured $3.2 billion in federal funds
- Initial construction segment in Central Valley
- Draft MOU addresses additional $1 billion for southern California

Projects

- Capacity, safety, and other improvements in 5 counties
- HST Phase 1 and Phase 2 and Feeder Corridors
- 12 projects in San Diego County:
  - Double Track
  - Lagoon Bridge Replacements
  - Grade Crossing Improvements
Proposed Evaluation Criteria

- Project readiness by 2020
- Local or other funding availability
- Enhanced capacity
- Independent utility
- Regional connectivity to HST
- Improved operations or speed
- Safety improvement
- County priority
- Grade separation ranking by CPUC
- Prop 1A statutory requirements (i.e., Phase 1)
- Ultimate benefit to HST system

Timeline

- 5 of 8 agencies have approved to date
- CHSRA revised business plan scheduled for release by April 2012
- Prioritized project list by June 2012
Recommendation

The Board of Directors is asked to authorize the Executive Director to execute a Memorandum of Understanding (MOU) with the California High-Speed Rail Authority (CHSRA) and other Southern California regional planning agencies in substantially the same form as Attachment 2.