The meeting of the TransNet Independent Taxpayer Oversight Committee (ITOC) was called to order by Chair Paul Fromer at 9:33 a.m.

1. APPROVAL OF MEETING SUMMARY

Action: Upon a motion by Jonathan Tibbitts and a second by Dick Vortmann, the ITOC approved the April 10, 2013, meeting summary.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

There were no public comments.

3. QUARTERLY TransNet FINANCIAL REPORTS FOR THE PERIOD ENDING MARCH 31, 2013, AND OTHER FINANCIAL DATA (INFORMATION)

Staff provides certain TransNet financial information on a quarterly basis in accordance with requests from the ITOC as well as in response to a recommendation from the first TransNet Triennial Performance Audit.
ITOC members requested additional detail in the TransNet Extension Quarterly Report to reflect cumulative percentages for total disbursements by line item compared to the percentages allowed per the TransNet Extension Ordinance.

Action: This item was presented for information only.

REPORTS (4 through 10)

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

Kim Kawada, TransNet and Legislative Affairs Program Director, provided the monthly briefing to keep the ITOC informed about relevant SANDAG actions taken on TransNet-related projects and programs.

Ms. Kawada provided a summary of Transportation Committee and Board of Directors actions on agenda items that the ITOC has reviewed: TransNet Smart Growth Incentive Program and Active Transportation Program: Quarterly Status Update and Proposed Grant Amendments; TransNet Environmental Mitigation Program (EMP) Economic Benefit: Amendment to Memorandum of Agreement with Wildlife Agencies and Caltrans; TransNet EMP Land Management Grants Program: Quarterly Status Update and Proposed Grant Amendment; TransNet EMP: FY 2013 Land Management Grants Evaluation Results; 2012 Regional Transportation Improvement Program (RTIP) Amendment No. 5; 2012 RTIP Amendment No. 2, Including Air Quality Redetermination; Draft FY 2014 TransNet Early Action Program and Regional Bikeway Program Budget Update; and Mid-Coast Corridor Transit Project.

Action: This item was presented for information only.

5. FY 2012 TransNet TRIENNIAL PERFORMANCE AUDIT REPORT: IMPLEMENTATION OF CHAPTER 3 RECOMMENDATIONS FOR THE LOCAL STREET AND ROAD PROGRAM (DISCUSSION)

Chapter 3 of the FY 2012 TransNet Triennial Performance Audit report included Recommendation Nos. 3 through 6, which propose that SANDAG take a greater role in monitoring and reporting performance of the Local Street and Road program. To address these performance audit recommendations, staff continues to work with the Cities and County Transportation Advisory Committee (CTAC) to gather existing local agency information to address the audit recommendations.

Alex Estrella, Senior Transportation Planner, and Maryam Babaki, City of San Marcos, presented the proposed performance monitoring categories that could be included in future annual State of the Commute reports or regular reports to the ITOC.

Ariana zur Nieden, Associate Regional Planner, presented the proposed approach for addressing Recommendation No. 7 from the performance audit, which proposes that the ITOC consider replacement of the 30 percent fund balance rule with a more effective measure to monitor performance. She summarized the variety of other monitoring reports that the ITOC receives concerning TransNet Local Street and Road program revenues, agency balances, and planned projects.
The ITOC discussed other measures that would be useful in monitoring performance of the Local Street and Road program in lieu of the current 30 percent fund balance requirement and asked staff to include the following information in future reports: (1) backlog and overall goals/needs in each proposed performance monitoring table; and (2) include fund balances for each recipient agency showing programmed amounts, actual amounts spent, and encumbered/committed funds. Fund balances would include both Maintenance of Effort (MOE)/general fund and TransNet amounts.

**Action:** This item was presented for discussion.

6. **TransNet ACTIVE TRANSPORTATION GRANT PROGRAM: PROPOSED GRANT AMENDMENT (RECOMMEND)**

SANDAG approved the first round of TransNet Smart Growth Incentive Program projects in May 2009, and the first round of Active Transportation Program grants in June 2009.

Suchi Mukherjee, Regional Planner I, presented the item.

**Action:** Upon a motion by John Chalker and a second by Mr. Tibbitts, the ITOC recommended that the Transportation Committee approve a no-cost, time-only schedule amendment for the City of Escondido’s Creek Bike Path Lighting and Restriping project.

7. **TransNet SMART GROWTH INCENTIVE PROGRAM: GRANT APPLICATION SCORING RESULTS FOR THE FY 2013 CYCLE (DISCUSSION)**

In July 2012, the ITOC reviewed the proposed program objectives and criteria for the Smart Growth Incentive Grant Program. On September 28, 2012, the SANDAG Board of Directors approved the eligibility and scoring criteria and authorized the release of the Call for Projects for the FY 2013 cycle. The projects have been reviewed and scored based on the criteria approved by the Board.

Stephan Vance, Senior Regional Planner, presented the item.

The ITOC reviewed and discussed the proposed Smart Growth Incentive Program projects for TransNet funding eligibility.

**Action:** This item was presented for discussion.

8. **DRAFT 2013 ITOC ANNUAL REPORT (DISCUSSION)**

Ms. zur Nieden presented the item.

The ITOC discussed the draft 2013 ITOC Annual Report and provided changes on the proposed content and format to staff.

**Action:** This item was presented for discussion.
9. NORTH COUNTY TRANSIT DISTRICT MANAGEMENT STRUCTURE OVERVIEW AND SPRINTER UPDATE (INFORMATION)

Ryan Bailey, Chief Financial Officer, North County Transit District (NCTD), provided an update on the progress NCTD is making toward resuming SPRINTER operations. In addition, Mr. Bailey provided an overview of recent changes to the agency's organizational management structure.

Action: This item was presented for information.

10. OVERVIEW OF DEVELOPMENTS IN THE FINANCIAL MARKETS (INFORMATION)

André Douzdjian, Director of Finance, and Marney Cox, Chief Economist, provided the quarterly briefing to inform the ITOC about the latest developments in the financial markets, the economy, and sales tax revenues, and the strategies being explored and implemented to minimize possible impacts to the TransNet program.

Action: This item was presented for information.

11. FUTURE MEETING SCHEDULE

The next regular ITOC meeting is scheduled for Wednesday, June 12, 2013, at 9:30 a.m.

12. ADJOURNMENT

Chair Fromer adjourned the meeting at 11:56 a.m.