Board Members

Jack Dale, Chair
Councilmember, City of Santee
(Representing East County)

Jim Janney, First Vice Chair
Mayor, City of Imperial Beach
(Representing South County)

Don Higginson, Second Vice Chair
Mayor, City of Poway
(Representing North County Inland)

Matt Hall
Mayor, City of Carlsbad
(Representing North County Coastal)

Vacant
City of San Diego

Greg Cox
Chairman, County of San Diego

Board Alternates

Terry Sinnott
Mayor, City of Del Mar
(Representing North County Coastal)

Art Madrid
Mayor, City of La Mesa
(Representing East County)

Ron Morrison
Mayor, City of National City
(Representing South County)

Chris Orlando
Councilmember, City of San Marcos
(Representing North County Inland)

Marti Emerald
Councilmember, City of San Diego

Sherri Lightner
Councilmember, City of San Diego

Bill Horn
Supervisor, County of San Diego

Gary L. Gallegos
Executive Director, SANDAG

EXECUTIVE COMMITTEE AGENDA

Friday, September 13, 2013
9 to 10 a.m.
SANDAG, 7th Floor Conference Room
401 B Street
San Diego

AGENDA HIGHLIGHTS

• FEDERAL AND STATE LEGISLATIVE STATUS REPORTS

• MATTERS TO BE COMMUNICATED IN ACCORDANCE WITH AUDITING STANDARDS

PLEASE TURN OFF CELL PHONES DURING THE MEETING

MISSION STATEMENT

The 18 cities and county government are SANDAG serving as the forum for regional decision-making. SANDAG builds consensus, makes strategic plans, obtains and allocates resources, plans, engineers, and builds public transit, and provides information on a broad range of topics pertinent to the region’s quality of life.

San Diego Association of Governments  ·  401 B Street, Suite 800, San Diego, CA 92101-4231
(619) 699-1900  ·  Fax (619) 699-1905  ·  www.sandag.org
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EXECUTIVE COMMITTEE  
Friday, September 13, 2013

ITEM #  

+1. APPROVAL OF JULY 12, 2013, MEETING MINUTES  

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS  

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

REPORTS (3 through 6)

3. REQUEST FOR RESPONSE TO PUBLIC INQUIRY  

At the June 14, 2013, Board Policy meeting, a request was made to direct staff to verify/respond to information provided by a member of the public regarding greenhouse gas emissions reductions. SANDAG Board Policy No. 001: Operations Policy requires Board of Directors approval for staff to perform work in excess of four hours on a project that is not in the Program Budget. Because the requested work is estimated to take more than four hours, the Executive Committee is asked to discuss the request and provide further direction.

+4. FEDERAL AND STATE LEGISLATIVE STATUS REPORTS (Victoria Stackwick and Jaymie Bradford)  

Periodic status reports on legislative activities are provided to the Executive Committee throughout the year. This report provides a summary of the various state and federal activities. The Executive Committee is asked to approve a support position on Assembly Bill 401 (Daly), which would provide statewide authority for the use of design build on transportation projects.

+5. REVIEW OF DRAFT BOARD AGENDAS (Renée Wasmund)  

+A. Draft Board Business Agenda - September 27, 2013  
+B. Draft Board Policy Agenda - October 11, 2013  

APPROVE

APPROVE

APPROVE

APPROVE
+6. MATTERS TO BE COMMUNICATED IN ACCORDANCE WITH AUDITING STANDARDS (Jennifer Farr, Mayer Hoffman McCann PC; André Douzdjian)

In accordance with the Statement of Auditing Standards 114 (SAS 114), the auditor should communicate with those charged with governance: (a) the auditor’s responsibilities under generally accepted auditing standards; (b) an overview of the planned scope and timing of the audit; and (c) significant findings from the audit. Items (a) and (b) are included in the attached letter. Item (c) will be communicated after the audit is complete and the Comprehensive Annual Financial Report (CAFR) is issued. The CAFR is anticipated for presentation at the January 2014 Executive Committee and Board of Directors meetings.

7. 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.

8. UPCOMING MEETINGS

The next meeting of the Executive Committee is scheduled for Friday, October 11, 2013, at 9 a.m.

9. ADJOURNMENT

+ next to an agenda item indicates an attachment
EXECUTIVE COMMITTEE DISCUSSION AND ACTIONS
JULY 12, 2013

Chairman Jack Dale (East County) called the meeting of the SANDAG Executive Committee to order at 9 a.m. The attendance sheet for the meeting is attached.

1. APPROVAL OF THE JUNE 14, 2013, MEETING MINUTES

Action: Upon a motion by First Vice Chair Jim Janney (South County) and a second by Supervisor Greg Cox (Chairman, County of San Diego), the minutes of the June 14, 2013, Executive Committee meeting were unanimously approved.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

There were no public comments.

CONSENT (3)

3. LEGISLATIVE STATUS REPORT (INFORMATION)

Victoria Stackwick, Senior Legislative Analyst, provided the status reports from SANDAG state and federal representatives.

CHAIR’S REPORT (4)

4. PERFORMANCE EVALUATION OF EXECUTIVE DIRECTOR (RECOMMEND)

Pursuant to the employment agreement with the Executive Director, the Board of Directors is required to annually review his performance. If the Executive Director’s performance is determined to be satisfactory, the Board is required to adjust his base salary in accordance with the employment agreement provisions.

Chairman Dale presented this item.

Action: Upon a motion by Supervisor Bill Horn (County of San Diego) and a second by Mayor Matt Hall (North County Coastal), the Executive Committee recommended that the Board of Directors approve the Executive Director’s Performance Evaluation for the period July 2012 to June 2013, determining his performance satisfactory. Mayor Bob Filner (City of San Diego) voted no.

Jack Shu, Cleveland National Forest Foundation, spoke in opposition to this item.
Action: Upon a motion by Supervisor Horn and a second by Second Vice Chair Don Higginson (North County Inland), the Executive Committee recommended that the Board of Directors approve a 7 percent bonus award to the Executive Director based on accomplishment of the Performance Objectives during the past year. Mayor Filner and Mayor Hall voted no.

The Executive Committee discussed the Performance Objectives for the period July 2013 to June 2014 and Chairman Dale directed staff to work with Executive Committee members to update the Performance Objectives based on the discussion at this meeting.

REPORTS (5 through 7)

5. PROPOSED FY 2014 PROGRAM BUDGET AMENDMENT: SAN DIEGO RIVER TRAIL PROJECTS (APPROVE)

Working in cooperation with the San Diego River Conservancy, SANDAG has been awarded a grant from the California State Coastal Conservancy to support development of two segments of the regional bike network along the San Diego River Trail.

Stephan Vance, Senior Regional Planner, presented this item.

Action: Upon a motion by First Vice Chair Janney and a second by Supervisor Cox, the Executive Committee approved: (1) a FY 2014 Program Budget amendment to add $168,000 for Capital Improvement Project (CIP) 1223052: San Diego River Trail QUALCOMM Stadium Segment, and $332,000 for CIP 1223053: San Diego River Trail Carlton Oaks Segment; and (2) authorized the Executive Director to enter into an agreement to accept funding from the California State Coastal Conservancy for implementation of the new projects. Mayor Filner abstained.

6. REVIEW OF DRAFT BOARD AGENDAS (APPROVE)

+A. JULY 26, 2013, DRAFT BOARD BUSINESS AGENDA

Renée Wasmund, Chief Deputy Executive Director, presented this item.

Action: Upon a motion by Second Vice Chair Higginson and a second by Supervisor Cox, the Executive Committee approved the July 26, 2013, Draft Board Business Agenda, as amended.

+B. SEPTEMBER 13, 2013, DRAFT BOARD POLICY AGENDA

Ms. Wasmund presented this item.

Action: Upon a motion by Second Vice Chair Higginson and a second by Supervisor Cox, the Executive Committee approved the September 13, 2013, Draft Board Policy Agenda.

7. REQUEST FOR RESPONSE TO PUBLIC INQUIRY (DISCUSSION/POSSIBLE ACTION)

Action: Upon a motion by Supervisor Cox and a second by First Vice Chair Janney, the Executive Committee deferred this item to the next meeting.
8. CONTINUED PUBLIC COMMENTS

There were no continued public comments.

9. UPCOMING MEETINGS

The August 9, 2013, meeting has been cancelled. The next regularly scheduled meeting of the Executive Committee is Friday, September 13, 2013, at 9 a.m.

10. ADJOURNMENT

Chairman Dale adjourned the meeting at 9:54 a.m.

Attachment: Attendance Sheet
## CONFIRMED ATTENDANCE
### SANDAG EXECUTIVE COMMITTEE MEETING
### JULY 12, 2013

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<tr>
<th>GEOGRAPHICAL AREA</th>
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<td>City of Poway</td>
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<td>Greg Cox</td>
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<td></td>
<td>___</td>
<td>Bill Horn</td>
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FEDERAL AND STATE LEGISLATIVE STATUS REPORTS

Introduction

Periodic status reports on legislative activities are provided to the Executive Committee throughout the year. This report provides a summary of the various federal and state activities, including Assembly Bill 401 (Daly) (AB 401), which would provide statewide authority for the use of design build procurement for transportation projects. Status reports from SANDAG federal and state representatives are included as Attachments 1 and 2, respectively.

Recommendation

The Executive Committee is asked to approve a support position for AB 401, which would provide statewide authority for the use of design build procurement for transportation projects.

Discussion

FY 2014 Federal Appropriations Process

Department of Transportation

On June 27, 2013, the Transportation, Housing, and Urban Development Appropriations Committees in both the House of Representatives and the Senate approved bills (H.R. 2610 and S. 1243) to appropriate funding for transportation related programs for FY 2014. There are major differences between the two funding measures, which will make it difficult to reach a resolution in time for the beginning of FY 2014 on October 1, 2013. In the absence of an agreed upon appropriations act, Congress is expected to enact a continuing resolution that would include funding transportation programs at FY 2013 levels and keep the federal government operating into the new fiscal year.

Both pending appropriations bills would fund the core highway and transit programs from the Highway Trust Fund (HTF) at $40.3 billion and $8.6 billion, respectively. These are the annual levels authorized by the current federal surface transportation authorization, Moving Ahead for Progress in the 21st Century.

The House and Senate bills differ significantly in program funding levels for several other transportation programs not funded through the HTF. The Senate would provide $1.94 billion for the Federal Transit Administration New Starts Program, and the House proposal would provide $1.8 billion in program funding. Funding this critical program at lower levels could impact the proposed federal funding schedule for major transit capital projects nationwide, including the Mid-Coast Corridor Transit Project. Likewise, the Senate measure would allocate $1.45 billion for
Amtrak, while the House would fund the program at $950 million. The Senate bill would continue
to fund the Transportation Investment Generating Economic Recovery Grant Program at
$550 million, would provide $100 million for high-speed rail grants nationwide, and would add
$500 million in funding for a new supplemental bridge replacement program. None of these
programs were included in the House proposal.

The House of Representatives was expected to consider H.R. 2610 earlier this summer. However, the
bill was pulled due of lack of support for the proposed funding levels included in the legislation.

General Services Administration

On April 10, 2013, the Administration released its budget request for the General Services
Administration (GSA). The proposed budget would allocate $816 million for new construction and
acquisition of public buildings. Specifically, the Administration's proposal includes $226 million for
the San Ysidro Land Port of Entry Expansion and Reconfiguration Project.

On June 6, 2013, the House of Representatives passed H.R. 2217, the FY 2014 Homeland Security
Appropriations Act, which makes dramatic cuts to the GSA budget. The spending proposal would
provide a total of $635 million for new construction and renovations, of which $50 million would be
set aside for all new construction projects nationwide. While the San Ysidro Port of Entry Expansion
Project would be eligible to receive some or all of the proposed $50 million allocation, the House-
passed measure does not allocate any funding specifically for the San Ysidro Project.

On July 25, 2013, the Senate Appropriations Committee voted 16 to 14 to favorably report out
S. 1371, the Financial Services and General Government Appropriations Act of 2014. The measure
included the President’s request to fund the San Ysidro Land Port of Entry Expansion and
Reconfiguration Project at $226 million. The measure is now awaiting consideration by the full
Senate. Following Senate action, the bill would go to a conference committee, where differences
between the Senate and House proposals could be worked out.

State Legislative Update

Assembly Bill 401 (Daly)

AB 401 was introduced on February 15, 2013, as a project-specific measure to authorize
Orange County Transportation Authority (OCTA), sponsor of the legislation, to utilize design build
procurement on the Interstate 405 improvement project. Language was included in the original bill
to require Caltrans employees to perform construction inspection services for the project. AB 401
advanced through the Assembly with little opposition.

On June 12, 2013, Legislative Counsel issued an opinion stating the language specific to
construction inspection services violated Proposition 35, passed by voters in 2000 to ease contracting
out regulations for architectural and engineering services on public works projects. Since that time,
OCTA has worked with various stakeholders on amended language in order to address the
Legislative Counsel’s opinion.

In August, OCTA introduced negotiated amendments to broaden the scope of the legislation
statewide. As currently proposed (last amended September 3, 2013), AB 401 would authorize
Caltrans to utilize design build procurement for up to ten state highway projects, and would
provide design build authority for expressways approved as part of a local expenditure plan prior to January 1, 2014. The bill includes revised language accepted by Legislative Counsel to continue the requirement that Caltrans employees or consultants under contract perform inspection services on state highway projects. The design build authorization would expire January 1, 2024.

Previous legislation, Senate Bill 4X2 (Cogdill) (Second Extraordinary Session, Chapter 2, Statutes of 2009) authorized design build procurement for 15 state highway projects. In 2010, Riverside County Transportation Commission sponsored AB 2098 (Miller) (Chapter 250) to authorize design build procurement on the State Route 91 (SR 91) Project. SR 91 represented the sixteenth project under AB 4X2 authority, which expires January 1, 2014.

AB 401 passed the Senate Transportation and Housing Committee on August 20, 2013, and the Senate Appropriations Committee on August 30, 2013. Action by the full Senate is expected during the first week in September.

Staff recommends the Executive Committee approve a support position for AB 401, which is consistent with 2013 Legislative Goal No. 11B, which supports efforts to expand available methods of transportation project delivery, including design-build and other methods that expedite connectivity with state and federal transportation systems.

Next Steps

The State Legislative Recess begins September 13, upon adjournment. The Governor has until October 13 to sign or veto legislation. Pending Executive Committee action, staff would transmit a letter of support on AB 401 to the Governor.

KIM KAWADA
TransNet and Legislative Affairs Program Director

Attachments: 1. Report from Peyser and Associates
               2. Report from Ellison Wilson Advocacy

Key Staff Contacts: Victoria Stackwick, (619) 699-6926, victoria.stackwick@sandag.org
                   Jaymie Bradford, (619) 699-1994, jaymie.bradford@sandag.org
## Activity Report for SANDAG
### July, 2013

**Peyser Associates LLC**

### Date | Activity
--- | ---
7/2 | Emails regarding trolley renewal groundbreaking invitations
7/9 | Biweekly teleconference with SANDAG, MTS, and NCTD
 | Follow-up emails regarding border grant program legislation
7/10 | Mid-Coast Executive Briefing (teleconference)
7/16 | Memo to SANDAG and MTS on planning for September FTA Meeting and other Mid-Coast activities
 | Telecons with R. Molofsky, Amalgamated Transit Union and P. Jablonski, MTS
 | E-mail exchange with M. Nelson, Office of Sen. Feinstein
7/17 | Telecon with V. Stackwick re: Delegation support letter on Mid-Coast
 | E-mail exchange with P. Jablonski and S. Cooney of MTS on 13(c) issue.
7/18 | Prepare weekly transportation update and send to SANDAG, MTS, NCTD
 | Teleconference with S. Johnson and V. Stackwick regarding tolling interoperability
7/23 | Biweekly teleconference with SANDAG, MTS, and NCTD
7/24 | Telecon with V. Stackwick regarding border grant program legislation and Mid-Coast project
7/25 | Prepare weekly transportation update and send to SANDAG, MTS, NCTD
7/29 | Email exchange with Rep. Peters’ staff regarding THUD appropriations

New York – Washington, DC
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<td>Email exchanges with R. Molofsky, Amalgamated Transit Union (ATU); P. Jablonski and S. Cooney, MTS on 13(c) issue</td>
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<td>8/12</td>
<td>Meeting with J. Shaw, California Transit Assn. on 13(c) issue</td>
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<tr>
<td>8/15</td>
<td>Monthly teleconference regarding Mid-Coast</td>
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<tr>
<td>8/16</td>
<td>Email exchanges with P. Jablonski on 13(c) issue</td>
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<tr>
<td>8/21</td>
<td>Submit requests to congressional offices for September meetings in DC for SANDAG and MTS leaders</td>
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<td>Discussion of FY 2014 appropriations process with V. Stackwick</td>
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<td>8/22</td>
<td>Email exchange with S. Cooney, MTS re: September meetings in DC</td>
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<td>8/23</td>
<td>Email exchange with R. Molofsky, ATU re: impact of 13(c) on JARC grant</td>
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<td>8/27</td>
<td>Participate in State Route 11 Update conference call ; email to P. Jablonski and S. Cooney, MTS on JARC grant</td>
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<td>8/28</td>
<td>Telecon with P. Jablonski, MTS on 13(c) issue and Mid-Coast LRT process</td>
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<tr>
<td>8/29</td>
<td>Participate by phone in APTA Reauthorization Task Force meeting</td>
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New York – Washington, DC
TO: SANDAG BOARD OF DIRECTORS  
FROM: ELLISON WILSON ADVOCACY, LLC  
SUBJECT: SANDAG LEGISLATIVE ACTIVITY REPORT – JULY & AUGUST 2013

CAPITOL UPDATE

On July 5th, the Assembly began its Summer Recess, and the Senate began shortly thereafter on July 12th. Each reconvened from Summer Recess on August 5th and 12th respectively. Since this time, the Legislature has been furiously working as the first year of the 2013-14 Legislative Session comes to a chaotic conclusion.

August 30th was the deadline for all bills to be heard by fiscal committees and thus was the day that both the Senate and Assembly Appropriations Committees held their suspense hearings – which dictated the final fate of many bills. The fights will now shift to the floors of each house until September 13th – the last day for each house to pass any bills. Interim Recess begins upon the adjournment of the Legislature on September 13th. The Governor has until October 13th to sign or veto all bills by the Legislature on or before September 13th and in the Governor’s possession after September 13th.

ACTIVITY REPORT

7/2: Reviewed and analyzed SANDAG communications on SB 556 (Corbett) re: impact on FSP program; Met with CHP representative on SB 556 re: FSP program and urged a Freeway Service Patrol (FSP) exemption; communicated results of CHP meeting to SANDAG staff; reviewed SANDAG communication on AB 946 re: transit buses in Monterey and Santa Cruz counties.

7/3: Reviewed and analyzed amendments to Speaker’s transportation planning bill AB 1290; provided subsequent update to SANDAG staff; provided policy committee updates to SANDAG staff on AB 266 (Blumenfield) re: extension of the white sticker and green sticker Clean Air Vehicle programs, 557 (Hill) re: high speed rail, and SB 731 (Steinberg) re: CEQA.

7/9: Researched the status of SCA 4 and 8, which would lower the voting threshold to 55% for transportation projects; Provided subsequent update to SANDAG staff that both were pulled from the day’s Senate Trans & Housing Committee hearing.

7/10: Communication with SANDAG staff on SCA 4 & 8, as well as SB 556 (Corbett)

7/11: Communication with SANDAG staff on SB 556

7/17: Researched request from SANDAG staff re: AB 340, which was passed last year (also known as PEPRA), that established a 180-day cooling off period before retirees could be re-employed.

7/31: Reviewed and analyzed proposed amendments to AB 401 (Daly) re: expanding the design-build authority statewide, until 2024, RTPAs will have authority for local, street and state highway projects, and Caltrans will have authority for 10 projects.
8/5: Weekly teleconference with SANDAG staff
8/6: Researched potential Active Transportation Program legislation to be introduced pursuant to budget negotiations, including a discussion with CalCOG Executive Director; Reviewed letter from Transportation Coalition for Livable Communities (of which SANDAG is a member) of CARB Scoping Plan
8/8: Obtained and provided to SANDAG staff an outline of the proposal that the administration has been working on with the stakeholders on the Active Transportation Program; obtained and provided to SANDAG staff a copy of opposition letter to SB 556 from the League of California Cities.
8/12: Weekly teleconference with SANDAG staff
8/13: Reviewed and analyzed amendments to AB 401 and discussed with author’s staff; provided subsequent update to SANDAG staff on AB 401 amendments and policy committee hearing date.
8/14: Researched request from SANDAG staff to confirm Brian Kelly confirmation hearing information and provided subsequent update; attended/monitored Assembly Local Government Committee hearing on SB 731 (Steinberg) re: CEQA reform and provided subsequent update to SANDAG staff
8/15: Researched request from SANDAG staff re: California Legislative Staff Education Institute
8/19: Attended/monitored Senate Appropriations Committee hearing re: AB 1290 (Perez) and provided subsequent update to SANDAG staff.
8/20: Provided floor updates to SANDAG staff on AB 14 (Lowenthal) re: state freight plan and AB 528 (Lowenthal) re: State Rail Plan and High-Speed Rail Authority business plan; reviewed amendments to AB 266 (Blumenfield) re: HOV and provided updates to SANDAG staff
8/21: Researched request from SANDAG staff re: AB 179 (Bocanegra) which expands limitations on access to personal information to incorporate transit systems that use electronic fare cards.
8/23: Reviewed and analyzed amendments to AB 401 (Daly) and provided them to SANDAG staff; provided floor update on AB 528 (Lowenthal) to SANDAG staff
8/26: Weekly teleconference with SANDAG staff; reviewed and analyzed proposed amendments to SB 556 (Corbett) to exempt FSP
8/27: Attended/monitored Senate Transportation & Housing Committee hearing on SCA 4 & 8 and provided subsequent update to SANDAG staff; Provided update to SANDAG staff on SB 556 amendments and SB 557 (Hill) re: Bay Area high-speed rail
8/28: Reviewed and analyzed Active Transportation Program bills, AB 105 and SB 99, and provided subsequent update to SANDAG staff.
8/29: Attended/monitored Senate and Assembly budget committees re: SCA 4 & 8 and SCA 3, which establishes that local governments would remain subject to the California Public Records Act, and provided subsequent update to SANDAG staff
8/30: Attended/monitored Senate and Assembly appropriations committees’ suspense hearings.
**San Diego Association of Governments**

**EXECUTIVE COMMITTEE**

September 13, 2013

AGENDA ITEM NO.: 5A

Action Requested: APPROVE

**REVIEW OF SEPTEMBER 27, 2013, DRAFT BOARD BUSINESS AGENDA**

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<td>APPROVAL OF MEETING MINUTES</td>
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<td>3.</td>
<td>ACTIONS FROM POLICY ADVISORY COMMITTEES</td>
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<td>This item summarizes the actions taken by the Borders Committee on July 26, the Transportation and Regional Planning Committees on September 6, the Executive Committee on September 13, and the Transportation Committee on September 20, 2013.</td>
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<td>+4.</td>
<td>PROPOSED FY 2014 PROGRAM BUDGET AMENDMENT: ORANGE AND GREEN LINE FIBER OPTIC CABLE PROJECT (Chip Finch)*</td>
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<td>The Transportation Committee recommends that the Board of Directors authorize the Executive Director to enter into a Memorandum of Understanding with Metropolitan Transit System to accept $1,317,617 for the Orange and Green Line Fiber Optic Cable Project (CIP 1144400) and approve the proposed amendment to the FY 2014 Program Budget, in substantially the same form as attached to the report.</td>
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+5. PROPOSED FY 2014 PROGRAM BUDGET AMENDMENT: SANTA MARGARITA RIVER BRIDGE AND SECOND TRACK PROJECT (San Diego Council President Todd Gloria, Transportation Committee Chair; Ramon Ruelas)

The Santa Margarita River Bridge and Second Track Project will add new double track in addition to replacing the existing single-track bridge with a new double-track bridge. Several unanticipated circumstances and events have resulted in impacts to the overall project schedule and cost, which cannot be absorbed by the existing project budget. The Transportation Committee recommends that the Board of Directors approve an amendment to the FY 2014 Program Budget to provide $3 million in additional funding to complete the project.

+6. QUARTERLY FINANCE REPORT AND ANNUAL INTEREST RATE SWAP EVALUATION - PERIOD ENDING JUNE 30, 2013 (Lisa Kondrat-Dauphin, André Douzdjian, and Marney Cox)*

This quarterly report provides various finance-related items to the Board of Directors: (1) a quarterly report of investments, including all money under the direction or care of SANDAG; (2) an annual report and evaluation of all outstanding interest rate swaps; and (3) information about the latest developments in the financial markets, the economy, and sales tax revenues.

+7. QUARTERLY PROGRESS REPORT ON TRANSPORTATION PROJECTS - APRIL TO JUNE 2013 (Michelle Merino)*

This quarterly report summarizes the current status of major transit, highway, arterial, traffic management, and transportation demand management projects in the SANDAG five-year Regional Transportation Improvement Program for the period April to June 2013.

+8. SAN DIEGO FORWARD: THE REGIONAL PLAN: INPUT RECEIVED FROM SPRING AND SUMMER SERIES OF REGIONAL PLAN PUBLIC WORKSHOPS (Phil Trom)*

SANDAG held a series of public workshops around the region from May through July on topics related to San Diego Forward: The Regional Plan. This report summarizes the input received from the workshops and lays out next steps in the planning process, including a workshop in mid-October on scenario planning efforts.

+9. REPORT SUMMARIZING DELEGATED ACTIONS TAKEN BY THE EXECUTIVE DIRECTOR (André Douzdjian)*

In accordance with various SANDAG Board Policies, this report summarizes certain delegated actions taken by the Executive Director since the last Board of Directors meeting.

+10. REPORT ON MEETINGS AND EVENTS ATTENDED ON BEHALF OF SANDAG (Kim Kawada)

Board members will provide brief reports orally or in writing on external meetings and events attended on behalf of SANDAG since the last Board of Directors meeting.

+11.
CHAIR’S REPORT (12 through XX)

+12. PERFORMANCE EVALUATION OF EXECUTIVE DIRECTOR* APPROVE

The Executive Committee recommends that the Board of Directors approve:
(1) the Executive Director’s Performance Evaluation for the period July 2012 to June 2013, determining his performance satisfactory; and (2) a bonus award to the Executive Director based on accomplishment of the performance objectives during the past year. The Board of Directors also is asked to discuss the Executive Director’s proposed performance objectives for the period July 2013 to June 2014, and either approve the objectives or provide further direction on possible amendments.

+13. APPOINTMENT OF NOMINATING COMMITTEE FOR SANDAG BOARD OFFICERS* INFORMATION

In accordance with the SANDAG Bylaws, the Chair will appoint up to a six-person nominating committee for Board officers, made up of Board members from each of the four subregions and a member from the City of San Diego and the County of San Diego. The nominating committee will submit its slate of nominees, in writing, for mailing to Board members in or around November.

REPORTS (14 through XX)

+14. APPROVAL OF PROPOSED SOLICITATIONS AND CONTRACTS (First Vice Chair Jim Janney; Laura Coté)* APPROVE

The Board of Directors is asked to review and approve the proposed solicitations and contract awards summarized in the attached reports:

A. Solicitations
B. Contract Awards

+15. REGIONAL BIKE EARLY ACTION PROGRAM (San Diego Council President Todd Gloria, Transportation Committee Chair; Chris Kluth)* APPROVE

The Transportation Committee recommends that the Board of Directors approve a Regional Bike Early Action Program to advance certain high-priority bike capital projects from the Regional Bicycle Plan.

+16. TransNet ENVIRONMENTAL MITIGATION PROGRAM: FY 2014 MANAGEMENT AND MONITORING ALLOCATIONS AND COMPETITIVE LAND ACQUISITION GRANT CALL FOR PROJECTS (Lemon Grove Mayor Mary Sessom, Regional Planning Committee Chair; Keith Greer, SANDAG)* APPROVE

The Regional Planning and Transportation Committees recommend that the Board of Directors approve: (1) funding allocations totaling $4 million toward implementation of regional land management and biological monitoring; and (2) release of a Call for Projects for a competitive land acquisition grant program using economic benefit funding, pursuant to an executed Memorandum of Agreement with state and federal agencies on the implementation of the Environmental Mitigation Program.
17. **FINAL MITIGATED NEGATIVE DECLARATION FOR DOWNTOWN BUS RAPID TRANSIT STATIONS** (San Diego Council President Todd Gloria, Transportation Committee Chair; Jennifer Williamson)*

The Board of Directors is asked to: (1) adopt the Final Mitigated Negative Declaration for the Downtown Bus Rapid Transit Stations; (2) adopt the Mitigation Monitoring and Reporting Program; and (3) authorize staff to move forward into final design and construction of the stations.

18. 

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, October 11, 2013, at 10 a.m. The next Board Business meeting is scheduled for Friday, October 25, 2013, 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
REVIEW OF OCTOBER 11, 2013, DRAFT BOARD POLICY AGENDA

ITEM #

1. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Public comments under this agenda item will be limited to five public speakers. Members of the public shall have the opportunity to address the Board on any issue within the jurisdiction of SANDAG that is not on this agenda. Other public comments will be heard during the items under the heading “Reports.” Anyone desiring to speak shall reserve time by completing a “Request to Speak” form and giving it to the Clerk of the Board prior to speaking. Public speakers should notify the Clerk of the Board if they have a handout for distribution to Board members. Public speakers are limited to three minutes or less per person. Board members also may provide information and announcements under this agenda item.

REPORTS (2 through 3)

+2. SAN DIEGO FORWARD: THE REGIONAL PLAN: PROPOSED TRANSPORTATION PROJECT EVALUATION CRITERIA (San Diego Council President Todd Gloria, Transportation Committee Chair; Rachel Kennedy)* APPROVE

In May the Board of Directors accepted the vision and goals for San Diego Forward: The Regional Plan. SANDAG uses transportation project evaluation criteria and performance measures informed by these goals to develop the revenue constrained multimodal transportation network. The Transportation and Regional Planning Committees recommends that the Board of Directors accept the proposed transportation project evaluation criteria prepared for the Regional Plan.

+3. BEST PRACTICES ANALYSIS AND OPTIONS FOR BOARD/COMMITTEE REPORTS (Colleen Windsor) DISCUSSION/POSSIBLE ACTION

In response to a request by the Board of Directors, staff has surveyed select metropolitan planning organizations and transit agencies to determine best practices and options for effective report writing. In addition, Board members and key stakeholders were interviewed to determine what they would like to see in Board/Policy Advisory Committee reports. This report will provide options for the Board’s consideration.
4. CONTINUED PUBLIC COMMENTS

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

5. UPCOMING MEETINGS

The next Board Business meeting is scheduled for Friday, October 25, 2013, at 9 a.m.

6. ADJOURNMENT

+ next to an agenda item indicates an attachment
* next to an agenda item indicates a San Diego County Regional Transportation Commission item
MATTERS TO BE COMMUNICATED IN ACCORDANCE
WITH AUDITING STANDARDS

Introduction

The independent certified public accounting audit firm of Mayer Hoffman McCann P.C. will be performing the annual audit of SANDAG for the fiscal year ended June 30, 2013. Mayer Hoffman McCann P.C. was selected through a competitive procurement process, with the FY 2013 audit encompassing the first year of a multiyear contract for independent auditing services.

Discussion

Professional auditing standards require that as part of an audit, the auditor inquire of those in governance to ascertain whether those in governance have knowledge of matters that might have a bearing on the auditor’s risk assessment for the annual audit of SANDAG financial statements. Additionally, in compliance with the Statement of Auditing Standards (SAS) No. 114, the auditor is required to communicate certain matters to the governing body, including an overview of the planned scope and timing of the audit. In summary, the required communication contains audit risk areas identified by the auditors and the planned audit approach to address those risks. Mayer Hoffman McCann P.C. will present to the Executive Committee the SAS No. 114 letter, included as Attachment 1.

Also, in accordance with SAS No. 114, the auditor should communicate with those charged with governance significant findings from the completed audit. Significant findings will be communicated in an additional SAS No. 114 letter after the audit is complete and the FY 2013 Comprehensive Annual Financial Report (CAFR) is issued. The CAFR is anticipated for presentation at the January 2014 Executive Committee and Board of Directors meetings.

ANDRÉ DOUZDJIAN
Director of Finance

Attachment: 1. SAS No. 114 Required Audit Communications Letter

Key Staff Contact: André Douzdjian, (619) 699-6931, andre.douzdjian@sandag.org
August 13, 2013

Executive Committee
San Diego Association of Governments
San Diego, California

We are in the process of planning the audit of the San Diego Association of Governments ("SANDAG") for the year ending June 30, 2013.

Professional auditing standards require that, as a part of our audit, we inquire of those in governance to ascertain whether or not the Executive Committee (the “Committee”) has knowledge of matters that might have a bearing on the auditor’s risk assessment for the annual audit of SANDAG’s financial statements.

Examples of these matters are:

- Known or suspected instances of employee fraud
- Areas in which the internal controls of SANDAG are thought by the Committee to be weak
- Known or suspected misstatements in the accounting records of SANDAG
- Known or suspected use of improper accounting practices by SANDAG
- Any awareness of pressure upon SANDAG or SANDAG management with respect to achieving certain financial results
- Matters that warrant particular attention during the audit
- Information about unusual transactions or other matters relevant to the audit

Please email Jennifer Farr at JFarr@cbiz.com within 45 days from the date of this letter if the Committee has any matters to report that meet the above criteria.

Statement on Auditing Standards No. 114 requires the auditors to communicate the planned scope and timing of the audit. Additionally, at the conclusion of the audit, we plan to meet with the Committee to communicate the auditor’s responsibilities under generally accepted auditing standards and significant findings from the audit.

**Timing of Audit**

We began the interim audit procedures in June 2013. We plan to begin final audit fieldwork for Sourcepoint, the Automated Regional Justice Information System, and SR-125 in early October 2013 and for SANDAG and the San Diego County Regional Transportation Commission in November 2013. We began fieldwork on TDA and TransNet agency recipients in August 2013.

**Planned Scope of Audit**

In addition to our standard audit approach, we have modified our audit plan to include additional testing in the following risk areas:
• Risk of error in implementing GASB Statement No. 63 and 65: As a result of the new accounting standards being implemented for the fiscal year ended June 30, 2013, we will review the SANDAG’s journal entries to remove unamortized bond issuance costs. We will also ensure the financial statements contain all required new report headings and titles as well as related disclosures.

• Risk of errors recording interest rate swaps: The accounting for interest rate swap agreements is complex and involves significant estimates. We plan to independently calculate the fair market values of SANDAG’s interest rate swap agreements to ensure the amounts reflected in the financial statements are fairly stated and properly disclosed. We will also review SANDAG’s hedge effectiveness calculations.

• Risk of fraud or error resulting from information systems. Due to recent upgrades to the accounting system, we plan to utilize an information system specialist to evaluate controls. We will also use the specialist to evaluate controls over SR-125 information systems.

• Risk of errors associated with recording capital asset additions: As a result of the significance of capital projects, we plan to test the most significant capital projects to ensure asset additions are properly recorded and removed from construction in progress when completed. We also plan to test uses of bond proceeds to ensure they are for allowable projects.

• Risk of errors in record OPEB liability: We will review the most recent Other Post Employment Benefit actuarial valuation for compliance with GASB Statement No. 45. We will ensure SANDAG is recording the OPEB liability accurately and all footnote disclosures are complete.

If any member of the Committee has information relevant to our audit (matters involving amounts that would be significant to the financial statements of SANDAG taken as a whole), please contact the undersigned at JFarr@cbiz.com.

Sincerely,
Mayer Hoffman McCann P.C.

[Signature]

Jennifer Farr, C.P.A.
Shareholder