

INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

September 10, 2014

AGENDA ITEM NO.: **1B**

Action Requested: APPROVE

JULY 9, 2014, MEETING MINUTES

File Number 1500200

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

1. APPROVAL OF MINUTES FOR THE MAY 14, AND JUNE 11, 2014, ITOC MEETINGS (APPROVE)

Action: Upon a motion by Brad Barnum, and a second by Vice Chair Kai Ramer, the ITOC voted to approve the May 14, 2014, meeting minutes, but due to abstentions and an insufficient number of votes, this item did not pass. Yes – Chair Tibbitts, Vice Chair Ramer, and Mr. Barnum. No - None. Abstain – Paul Fromer, Stewart Halpern, and Carolyn Lee. Absent - Dick Vortmann.

Action: Upon a motion by Ms. Lee, and a second by Mr. Fromer, the ITOC approved the June 11, 2014, meeting minutes. Yes – Chair Tibbitts, Vice Chair Ramer, Mr. Fromer, Mr. Halpern, and Ms. Lee. No - None. Abstain – Mr. Barnum. Absent - Mr. Vortmann.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS (INFORMATION)

There were no public or member comments.

CONSENT

3. PROGRESS REPORT ON *TransNet* EARLY ACTION PROGRAM PROJECTS (INFORMATION)

This report provided an overview of the *TransNet* Early Action Program projects in terms of cost control and schedule adherence based on data provided through the Dashboard reporting system. This item relates to the required reporting process specified under Paragraph 10 of the *TransNet* Extension Ordinance.

Action: Consent Item No. 3 was presented for information.

REPORTS

4. ANNUAL SELECTION OF ITOC CHAIR AND VICE CHAIR (APPROVE)

In accordance with ITOC Bylaws, at the first regular meeting following commencement of the SANDAG fiscal year, the ITOC shall select a Chair and Vice Chair to serve a term of one year.

José A. Nuncio, *TransNet* Program Director, presented the item.

Action: Upon a motion by Ms. Lee, and a second by Mr. Halpern, the ITOC approved the selection of Mr. Ramer to serve as ITOC Chair for Fiscal Year (FY) 2015. Yes – Chair Tibbitts, Vice Chair Ramer, Mr. Barnum, Mr. Fromer, Mr. Halpern, and Ms. Lee. No - None. Abstain – None. Absent - Mr. Vortmann.

Action: Upon a motion by Mr. Tibbitts, and a second by Mr. Halpern, the ITOC approved the selection and Mr. Barnum, to serve as ITOC Vice Chair for FY 2015. Yes – Chair Ramer, Mr. Barnum, Mr. Fromer, Mr. Halpern, Ms. Lee, and Mr. Tibbitts. No - None. Abstain – None. Absent - Mr. Vortmann.

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

Ariana zur Nieden, Senior Regional Planner, provided this briefing to keep the ITOC informed about relevant SANDAG actions taken on *TransNet*-related projects and programs.

Ms. zur Nieden provided a summary of Transportation Committee and Board of Directors actions on agenda items that the ITOC has reviewed: Proposed 2014 *TransNet* Bond Issuance and 2014 ITOC Annual Report.

Action: This item was presented for information.

6. OVERVIEW OF PROPOSED 2014 *TransNet* BOND ISSUANCE (DISCUSSION/POSSIBLE ACTION)

On February 28, 2014, the Board of Directors approved the 2013 *TransNet* Plan of Finance update. In anticipation of the issuance of approximately \$350 million in long-term fixed-rate debt to support the *TransNet* Early Action Program, staff updated the ITOC on the final bond strategy as the documents were being readied for recommendation by the Transportation Committee and approval by the Board of Directors later this month. The ITOC was asked to discuss the upcoming bond issuance and the participation by the Cities of Del Mar and Santee in the *TransNet* debt financing program.

André Douzdjian, Finance Director, and Marney Cox, Chief Economist, presented the item.

Tim McDermott, Finance Director, City of Santee, and Carl Schmitz, Principal Civil Engineer, City of Santee, presented information on the projects to be funded by the bond issuance.

The ITOC expressed support for the proposed 2014 *TransNet* Bond Issuance.

Action: This item was presented for discussion.

7. FISCAL YEAR 2014 PROPOSED *TransNet* AGREED-UPON PROCEDURES (APPROVE)

The FY 2014 *TransNet* fiscal and compliance audit process is currently under way. The independent audit firm of Mayer Hoffman McCann has reviewed the FY 2013 Agreed-Upon Procedures (AUP) and has developed the recommended FY 2014 AUP.

Lisa Kondrat-Dauphin, Senior Accountant, introduced the item.

Marc Davis, Mayer Hoffman McCann, presented the proposed AUP for the FY 2014 audits.

The ITOC requested that a step be added to the FY 2014 AUP that reports on ending local street and road balances for each jurisdiction and asked staff to incorporate the results into future ITOC annual reports.

Action: Upon a motion by Mr. Halpern, and a second by Mr. Fromer, the ITOC approved the proposed AUP for the FY 2014 audits, as amended. Yes – Chair Ramer, Vice Chair Barnum, Mr. Fromer, Mr. Halpern, Ms. Lee, and Mr. Tibbitts. No - None. Abstain – None. Absent - Mr. Vortmann.

8. DRAFT 2014 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM: INCLUDING THE DRAFT AIR QUALITY CONFORMITY DETERMINATION (DISCUSSION)

SANDAG, serving as the region’s Metropolitan Planning Organization, is required by state and federal laws to develop and adopt a Regional Transportation Improvement Program (RTIP), a multi-year program of proposed major highway, arterial, transit, and nonmotorized projects, including the *TransNet* Program of Projects (POP). The 2014 RTIP covers Fiscal Years 2015 to 2019, and is due to the state by October 1, 2014. The Transportation Committee is scheduled to release the draft 2014 RTIP including the draft air quality conformity analysis for a 30-day public review and comment period, and to schedule a public hearing for the September 5, 2014, Transportation Committee meeting. The ITOC was asked to review and provide comments to the proposed 2014 RTIP POP focusing its review on *TransNet*-funded projects.

Michelle Smith, Associate Financial Analyst, presented the item.

The ITOC asked staff to reach out to the City of San Diego to confirm the accuracy of open to traffic dates shown for projects proposed in the 2014 Draft RTIP.

Action: This item was presented for discussion.

9. *TransNet* SENIOR MINI-GRANT PROGRAM: STATUS UPDATE AND CALL FOR PROJECTS FOR FOURTH CYCLE OF GRANT FUNDING (DISCUSSION)

This report provided an overview of the progress made to date by each existing grant recipient and the upcoming call for projects for the *TransNet* Senior Mini-Grant program. The call for projects for the fourth cycle of the Senior Mini-Grant program is anticipated for release on July 25, 2014. As part of this cycle, only minor changes to the evaluation and scoring criteria are proposed. The ITOC was asked to review and discuss proposed revisions to the evaluation and scoring criteria for consistency with the *TransNet* Extension Ordinance provisions.

Danielle Kochman, Associate Regional Planner, presented the item, including an update on training provided by the Senior Mini-Grant Program grantee, North County Transit District.

Action: This item was presented for discussion.

10. *TransNet* SMART GROWTH INCENTIVE PROGRAM AND ACTIVE TRANSPORTATION GRANT PROGRAM: STATUS UPDATE AND PROPOSED GRANT AMENDMENT (RECOMMEND)

This report provided an overview of the progress made through March 31, 2014, for projects awarded through the *TransNet* Smart Growth Incentive Program and Active Transportation Grant Program.

Suchi Mukherjee, Regional Planner 1, presented the item.

Pam Drew, City of Carlsbad, presented information regarding the request for a no-cost, time-only schedule extension for the City of Carlsbad's Active Village Campaign.

Action: Upon a motion by Mr. Fromer, and a second by Ms. Lee, the ITOC recommended that the Transportation Committee approve a no-cost, time-only schedule extension for the City of Carlsbad's Active Village Campaign. Yes – Chair Ramer, Vice Chair Barnum, Mr. Fromer, Mr. Halpern, Ms. Lee, and Mr. Tibbitts. No - None. Abstain – None. Absent - Mr. Vortmann.

11. *TransNet* SMART GROWTH INCENTIVE PROGRAM AND ACTIVE TRANSPORTATION GRANT PROGRAM: CALL FOR PROJECTS FOR THIRD CYCLE OF GRANT FUNDING (DISCUSSION)

The call for projects for the third cycle of the *TransNet* Smart Growth Incentive Program and Active Transportation Grant Program is anticipated for release on October 24, 2014. Due to the similar timeframes and program elements, staff is conducting the third call for these two grant programs simultaneously. As part of this cycle, only minor changes to the program guidelines are proposed. The ITOC was asked to review and discuss the proposed modifications to the program guidelines for consistency with the *TransNet* Extension Ordinance.

Carolina Gregor, Senior Regional Planner, presented the item.

The ITOC expressed support for a ten percent local match requirement on both the Active Transportation Grant Program and Smart Growth Incentive Program call for projects, and for removal of the \$500,000 over/under threshold applicable to Active Transportation Grant Program capital grants.

Action: This item was presented for discussion.

12. FUTURE MEETING SCHEDULE (INFORMATION)

The next regular ITOC meeting is scheduled for Wednesday, September 10, 2014, at 9:30 a.m.

13. ADJOURNMENT

Chair Ramer adjourned the meeting at 12:15 p.m.

**INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE
 MEETING ATTENDANCE FOR JUNE 11, 2014**

JURISDICTION/ORGANIZATION	NAME	ATTENDING	COMMENTS
Civil/Traffic Engineering	Jonathan Tibbitts	Yes	
Finance/Budgeting	Stewart Halpern	Yes	
Biology/Environmental	Paul Fromer	Yes	
Licensed Engineer	Kai Ramer	Yes	Chair
Right of Way Acquisition	Carolyn Lee	Yes	
Private Sector	Dick Vortmann	No	
Contractor/Construction	Brad Barnum	Yes	Vice Chair
ADVISORY MEMBERS LISTED BELOW (ATTENDANCE NOT COUNTED FOR QUORUM PURPOSES)			
San Diego County Auditor's Office	Tracy Drager (1st Alt.)	Yes	
SANDAG STAFF MEMBERS LISTED BELOW			
José Nuncio, <i>TransNet</i> Program Director Ariana zur Nieden, Senior Regional Planner			