Board Members

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

Ron Roberts, Vice Chair
Supervisor, County of San Diego

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

Jim Wood
Mayor, City of Oceanside
(Representing North County Coastal)

Todd Gloria
Councilmember, City of San Diego

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

Board Alternates

Bill Wells
Mayor, City of El Cajon
(Representing East County)

Bill Horn
Chair, County of San Diego

Sam Abed
Mayor, City of Escondido
(Representing North County Inland)

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

Sherri Lightner
Council President, City of San Diego

Lorie Zapf
Councilmember, City of San Diego

Pamela Bensoussan
Deputy Mayor, City of Chula Vista
(Representing South County)

Gary L. Gallegos
Executive Director, SANDAG

EXECUTIVE COMMITTEE AGENDA

Friday, February 13, 2015
9 to 10 a.m.
SANDAG, 7th Floor Conference Room
401 B Street
San Diego

AGENDA HIGHLIGHTS

• FY 2016 PRELIMINARY PROGRAM BUDGET
• FY 2014 AUDITED COMPREHENSIVE ANNUAL FINANCIAL REPORT

PLEASE SILENCE ALL ELECTRONIC DEVICES 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.
Welcome to SANDAG. Members of the public may speak to the Executive Committee on any item at the time the Committee is considering the item. Please complete a Speaker’s Slip, which is located in the rear of the room, and then present the slip to the Clerk of the Committee seated at the front table. Members of the public may address the Committee on any issue under the agenda item entitled Public Comments/Communications/Member Comments. Public speakers are limited to three minutes or less per person. The Executive Committee may take action on any item appearing on the agenda.

Public comments regarding the agenda can be sent to SANDAG via comment@sandag.org. Please include the agenda item, your name, and your organization. Email comments should be received no later than 12 noon, two working days prior to the Executive Committee meeting. Any handouts, presentations, or other materials from the public intended for distribution at the Executive Committee meeting should be received by the Committee Clerk no later than 12 noon, two working days prior to the meeting.

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

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EXECUTIVE COMMITTEE
Friday, February 13, 2015

ITEM NO.  RECOMMENDATION
+1. APPROVAL OF MEETING MINUTES  APPROVE
The Executive Committee is asked to review and approve the minutes from its January 9, 2015, meeting.

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. REVIEW OF DRAFT BOARD AGENDAS (Kim Kawada)  APPROVE
+3A. Draft Board Business Agenda - February 27, 2015

+4. FY 2016 PRELIMINARY PROGRAM BUDGET (Tim Watson)  DISCUSSION
This item provides an update on progress made in the development of the FY 2016 Program Budget, including strategic goals, project objectives, and preliminary revenue estimates.

+5. FY 2014 AUDITED COMPREHENSIVE ANNUAL FINANCIAL REPORT  (Jennifer Farr, Mayer Hoffman McCann P.C.; André Douzdjian)  INFORMATION
In accordance with SANDAG Bylaws, the FY 2014 Comprehensive Annual Financial Report (CAFR) audit has been completed and is presented for informational purposes. Additionally, in compliance with the Statement of Auditing Standards 114, the independent auditor should communicate certain matters to the governing body. Copies of the CAFR will be distributed to each member agency.

+6. LEGISLATIVE STATUS REPORT (Robyn Wapner)  INFORMATION
Periodic status reports on legislative activities are reported to the Executive Committee throughout the year. This report provides a summary of the various state and federal activities.
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,
March 13, 2015, at 9 a.m.

9. ADJOURNMENT

+ next to an agenda item indicates an attachment
REVIEW OF THE FEBRUARY 27, 2015, DRAFT BOARD BUSINESS AGENDA

ITEM NO. | RECOMMENDATION
---|---
+1. APPROVAL OF MEETING MINUTES | APPROVE
+1A. January 9, 2015, Board Policy Meeting Minutes
+1B. January 23, 2015, Board Business 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 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 (Robyn Wapner) | APPROVE
This item summarizes the actions taken by the Policy Advisory Committees since the last Board Business Meeting. The Board of Directors is asked to ratify these actions.

CONSENT

+4. APPROVAL OF PROPOSED SOLICITATIONS AND CONTRACTS (Laura Coté)* | APPROVE
The Board of Directors is asked to review and approve the proposed solicitations and contract awards summarized in the attached reports.

+4A. Solicitations
+4B. Contract Awards

+5. OVERVIEW OF DEVELOPMENTS IN THE FINANCIAL MARKETS AND QUARTERLY FINANCE REPORT FOR THE PERIOD ENDING DECEMBER 31, 2014 (André Douzdjian, Lisa Kondrat-Dauphin, and Marney Cox)* | INFORMATION
This quarterly report provides various finance-related items to the Board of Directors, including: (1) a quarterly report of investments, including all money under the direction or care of SANDAG; (2) an update on the SANDAG debt portfolio; and (3) information about the latest developments in the financial markets, the economy, and sales tax revenues.
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.

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 October through December 2014.

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.

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 assist transit operators and local agencies in their capital and operational planning. The Transportation Committee recommends that the Board of Directors: (1) approve the FY 2016 Transportation Development Act (TDA) and Federal Transit Administration (FTA) revenue apportionments, and FY 2016 TransNet and State Transit Assistance (STA) revenue allocations; and (2) approve the revenue estimates for FY 2017 to FY 2020 for TDA, FTA, TransNet, and STA.

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 2.5 percent adjustment to the RTCIP, raising the minimum fee from $2,254 to $2,310 beginning July 1, 2015.

This report provides the annual status update on the implementation of the TransNet Environmental Mitigation Program.
+12. FY 2014 AUDITED COMPREHENSIVE ANNUAL FINANCIAL REPORT
(André Douzdjian)*

In accordance with SANDAG Bylaws, the FY 2014 Comprehensive Annual Financial Report audit has been completed and is presented for informational purposes. Additionally, in compliance with the Statement of Auditing Standards No. 114, this report includes communication of certain matters from the independent auditor to the Board of Directors as the governing body.

+13. ANNUAL UPDATE ON THE ACTIVITIES OF CRIMINAL JUSTICE RESEARCH UNIT AND CLEARINGHOUSE (Cynthia Burke)

As part of the SANDAG Criminal Justice Clearinghouse, regional crime and arrest statistics as well as statistics related to drug use among the offender population are tracked on a regular basis. SANDAG has maintained these statistics since the late 1980s and remains the only regional source for up-to-date historical information. An overview and update of the activities and accomplishments of the Criminal Justice Research Unit and the Clearinghouse will be provided.

+14. APPOINTMENT OF POLICY ADVISORY COMMITTEE MEMBERS
(Kim Kawada)

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.

CHAIR’S REPORT

+15. SUMMARY OF ANNUAL SANDAG BOARD OF DIRECTORS RETREAT
(Colleen Windsor)*

This report provides a summary of the discussion at the annual SANDAG Board of Directors Retreat held on January 28-30, 2015.

REPORTS

+16. TransNet ENVIRONMENTAL MITIGATION PROGRAM: LAND ACQUISITION GRANT PROGRAM APPRAISAL RESULTS AND RECOMMENDATION
(Solana Beach Mayor Lesa Heebner, Regional Planning Committee Chair; Keith Greer)*

The Transportation and Regional Planning Committees recommend that the Board of Directors approve the award of TransNet Environmental Mitigation Program land acquisition grant funding.

APPROVE
+17. FUNDING RECOMMENDATIONS FOR FEDERAL FY 2013 AND FY 2014 ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES AND FY 2016 AND FY 2017 TransNet SENIOR MINI-GRA NT PROGRAMS (San Diego Councilmember Todd Gloria, Transportation Committee Chair; Audrey Porcella)*

The Transportation Committee recommends that the Board of Directors approve the funding recommendations for the Federal Transit Administration Enhanced Mobility of Seniors and Individuals with Disabilities (Section 5310) and TransNet Senior Mini-Grant programs.

+18. PROPOSED CAP-AND-TRADE PROJECT SUBMITTALS (San Diego Councilmember Todd Gloria, Transportation Committee Chair; Robyn Wapner)

At its February meetings, the Transportation Committee reviewed and approved the submission of concept proposals by SANDAG for the South Bay Bus Rapid Transit and Inland Rail Trail projects under the Affordable Housing and Sustainable Communities (AHSC) Program, and the submission of applications for the proposed SANDAG projects under the Transit and Intercity Rail Capital (TIRC) Program respectively. The Board of Directors is asked to: (1) approve the proposed full application submittals for the AHSC Program, pending invitation by the Department of Housing and Community Development; and (2) approve the proposed project submittals for the TIRC Program.

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 13, 2015, at 10 a.m.
The next Board Business meeting is scheduled for Friday, March 27, 2015, at 9 a.m.

21. ADJOURNMENT

+ next to an agenda item indicates an attachment

* next to an agenda item indicates that the Board of Directors also is acting as the San Diego Regional Transportation Commission for that item
REVIEW OF THE MARCH 13, 2015, DRAFT BOARD POLICY AGENDA

ITEM NO.

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. DRAFT FY 2016 PROGRAM BUDGET (Vice Chair Ron Roberts; André Douzdjian, Kurt Kroninger, Jim Linthicum, Laura Coté, Muggs Stoll, and Jose Nuncio)*

Staff has developed the Draft FY 2016 Program Budget, including the Overall Work Program, Regional Operations, Administration, and Capital Program components based on direction from the Executive Committee. SANDAG Bylaws require the Board of Directors to approve a preliminary budget by April 1 of each year. The Board of Directors is asked to discuss the Draft 2016 Program Budget.

3. CONTINUED PUBLIC COMMENTS

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

4. UPCOMING MEETINGS

The next Board Business meeting is scheduled for Friday, March 27, 2015, at 9 a.m.

5. ADJOURNMENT

+ next to an agenda item indicates an attachment
FY 2016 PRELIMINARY PROGRAM BUDGET

Introduction

The process of developing the FY 2016 Program Budget is under way. This report provides a summary of the current funding environment and highlights of the Overall Work Program (OWP) and Regional Operations components of the FY 2016 Program Budget. The Executive Committee is asked to review and provide comments on the proposed FY 2016 Program Budget project objectives for the OWP and Regional Operations.

Discussion

The SANDAG Program Budget includes a summary of the agency’s overall authority and mandates, detailed work element descriptions, the Administration and Board budgets, the TransNet Program, the Capital Program, and a summary of the agency’s personnel and organizational structure. Included in the Program Budget is the OWP, which is a federally-required document describing regional planning activities relating to the development and funding of transportation infrastructure.

The first step in the development of the annual Program Budget is to update the Strategic Goals and the Areas of Emphasis (Attachment 1). The Strategic Goals are long-term financial and performance goals that change minimally on an annual basis. The Areas of Emphasis – designed to support the Strategic Goals – are updated each year to highlight structural changes or particular areas of focus for the coming year.

The Areas of Emphasis updates for FY 2016 are relatively minor; they continue to emphasize Modeling and Research, Sustainable Development, Sustainable Mobility Programs and Services, External Support and Communications, and Regional Operations and Services as the highest priorities for SANDAG.

Attachment 2 provides a summary of the objectives for each of the proposed work elements, categorized by Area of Emphasis. The TransNet Program, Capital Program, Administration, and Board budget components will be addressed in more detail in March 2015 as part of the FY 2016 Draft Program Budget document.

Current Funding Environment

Local Sales Tax Revenue – More than half of the recurring planning revenue that funds the OWP comes from sales tax-based sources (Transportation Development Act and TransNet). Through the
first two quarters of the current fiscal year (FY 2015), sales tax revenue received from the State Board of Equalization was approximately 4 percent higher than revenue received during the same period last year. SANDAG, working cooperatively with staff from the County of San Diego, the North County Transit District (NCTD), and the Metropolitan Transit System (MTS), continue to project 4 percent growth over FY 2014 actual receipts, and have agreed on an additional 5 percent growth projection for FY 2016. More details regarding transportation revenue estimates will be brought to the Board of Directors later this month.

The moderate increases in taxable transactions and sales tax revenue experienced over the past two years is expected to continue into the near future. This moderate growth trend is expected despite some economic volatility at the national level. During the past year, the national economy recorded a more volatile trend in growth than recorded during recent years. Nationwide, after a rocky start with the Gross Domestic Product falling 2.1 percent during the first quarter of the calendar year (2014), the economy grew 4.5 percent in the second quarter and 5 percent during the third quarter; the preliminary estimate for the fourth quarter is 2.6 percent growth. Altogether, for the calendar year, despite the volatility, the overall growth rate of 2.4 percent was in line with levels recorded since the end of the Great Recession.

A much less volatile indicator of economic growth during the past year has been the increase in employment. Nationwide, nearly 3 million jobs were generated during 2014, an increase of about 2 percent, representing the largest annual increase since 1999. The San Diego economy created nearly 46,000 jobs during 2014, a growth rate of more than 3 percent and the largest increase since the late 1990s. During the year the unemployment rate also continued to decline, dropping more than a full percentage point nationwide and in the San Diego region. In December 2014, local unemployment dropped below the nation's for only the second time since the start of the Great Recession.

There is broad concern that the rising value of the dollar in the international trade market, combined with slow economic growth in Asia, Europe, and most developing economies, will slow the U.S. economy. With the heightened level of economic uncertainty here and abroad, SANDAG staff is recommending maintaining the moderate increase in local sales tax based revenues.

Federal and State Revenue – Federal and state recurring revenues comprise the remainder of the flexible annual funding for the OWP. The revenue projections are essentially flat based on preliminary estimates received from the state and federal governments, and are subject to both the state and federal governments approving their annual budgets. Actual allocations of Metropolitan Planning Organization Planning funding will be announced in subsequent notices appearing in the Federal Register.

Other Revenue and Grants – Dedicated grants, enterprise revenue, and ongoing multi-year federal and state grant programs provide funding for other projects and programs in the OWP and Regional Operations budget components. The outlook for Managed Lanes and toll road revenue appear robust enough to continue to fund these operations well into the future. Congestion Management and Air Quality and Federal Highway Administration funds contribute significantly to the Transportation Demand Management (TDM) and Intelligent Transportation Systems (ITS) programs. The County Probation Office and other state and local agencies continue to supply

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1 Including Russia, Argentina, Brazil, China, and Mexico.
funding for SANDAG Applied Research functions, which includes Criminal Justice research, economic analysis, and demographic forecasting.

**Contingency Reserve** – The ending balance of the uncommitted Contingency Reserve as of June 30, 2014, was approximately $12.1 million. The uncommitted balance represents approximately 27 percent of the FY 2015 OWP Budget, which exceeds the minimum target of 10 percent, as required by SANDAG Board Policy No. 030: Contingency Reserve Policy. In addition, staff is completing the analysis and development of appropriate levels of contingency reserve and insurance coverage needs for other SANDAG programs, including the State Route 125 Toll Road (SR 125 Toll Road), Motorist Aid, Interstate 15 FasTrak®, Automated Regional Justice Information System (ARJIS), Administrative Services, and the Capital Program. Further details will be brought forth as part of the FY 2016 Draft Program Budget.

**Highlights of the Proposed FY 2016 Overall Work Program and Regional Operations**

The proposed FY 2016 OWP includes the continuation or completion of several significant work efforts and the start of several new activities, summarized below and in more detail in Attachment 2 (work element numbers are shown in parentheses):

**Overall Work Program**

- Complete work on San Diego Forward: The Regional Plan, including the final Environmental Impact Report (EIR), addressing comments received for the draft Plan and air quality conformity determination, and related public outreach activities (31020.00).

- Continue implementation of the 2050 Regional Transportation Plan and its Sustainable Communities Strategy (2050 RTP/SCS), including detailed advanced planning for the new rail segments and advancing Active Transportation implementation, including the Regional Bike Early Action Plan, Active Transportation education programs, and Safe Routes to Transit (33002.00, 33007.00, and 33210.00).

- Provide ongoing quality control, data maintenance, and enhancement of transportation models, including the addition of Active Transportation and small area modeling in the Activity Based Model, development of an updated demographic and economic forecasting model, and enhancements to the geographic information systems (GIS) parcel-based land inventory system (Landcore) (23000.00, 23004.00, and 23006.00).

- Complete work on the On-Board Transit Passenger Survey and begin efforts for a Household Travel Behavior Survey, the largest transportation-related survey effort by SANDAG that provides key base data for regional transportation planning (23011.00).

- Evaluate San Diego County's implementation of Assembly Bill 109 (Committee on Budget, 2011) regarding public safety realignment, documenting its impacts on the region (23450.00).

- Begin data collection and updates for the Series 14 Regional Growth Forecast, the foundation for the next SANDAG Regional Plan (31009.00).

- Respond to direction from the Board of Directors to refine funding priorities and develop a draft expenditure plan for a potential Quality of Life ballot measure (32000.00).
• Continue with award-winning efforts on habitat conservation, energy and climate planning, and collaborative efforts with member agencies to produce energy efficiency upgrades (32001, 32003.00, and 32007.00).

• Continue to administer the TransNet Smart Growth Incentive, Active Transportation, Senior and Disabled transit services, and Environmental Mitigation Programs, which provide resources and incentives to member agencies, transit operators, and other organizations (33001.00, 33201.00, and 32001.00).

• As part of ongoing work in the Los Angeles – San Diego – San Luis Obispo Rail Corridor planning, study potential track reconfigurations at the San Diego Santa Fe Depot in support of all rail services (34006.00).

• Advance regional TDM strategies, including targeted outreach to regional employment centers, increasing participation in the Regional Vanpool Program, development of an Active Traffic and Demand Management Plan for Interstate 805 South, and continue the TeleworkSD pilot (33107.02, 33107.04, and 33107.10).

• Continue implementation of a Tribal Consultation Plan to involve tribal nations in the regional planning (34005.00).

• Working in cooperation with the MTS and NCTD, implement planned enhancements to the Passenger Counting Program, with the goal of automating the program to improve accuracy and decrease annual costs (33203.00).

• Conduct a Regional Mobility Hubs study, which focuses on an integrated suite of transportation services, supporting amenities, and urban design enhancements that bridge the distance between transit centers and an individual origin or destination. Potential hub features could include carshare, bikeshare, neighborhood electric vehicles, dynamic parking strategies, real-time traveler information, wayfinding, and improved bicycle and pedestrian connectivity. (33308.00).

• Initiate work on other new grant-funded projects, including an analysis of methods for Understanding Regional Truck Flows, Implementation of Regional Electric Vehicle Plan to assist in the provision of technical resources for implementing electric vehicle infrastructure, and a Regional Transit Signal Priority Study to identify the most cost effective locations to implement transit signal priority technology on existing local bus routes (32010.00, 31021.00, and 33213.00).

• Develop websites using responsive design, enabling ease of use across all platforms (e.g., smartphones, tablets, PCs, Macs) (73003.00)

Regional Operations

• Continue operations of the SR 125 toll road, including implementing plans for a centralized tolling system (33121.00).

• Deploy additional ARJIS enhancements to the Cognos reporting system for real-time data updates, Tactical Automated Response to increase information sharing, and enhanced GIS
services, including the regional crime mapping dashboard; and expand the use of the Graffiti Tracking Program (73503.00, 73513.00, 73516.00, and 73519.00).

**Next Steps**

SANDAG staff will meet with regional and federal funding agencies in mid-February 2015 to review priorities for the use of federal planning funds for the FY 2016 Program Budget and OWP. On March 13, 2015, staff will seek authorization from the Executive Committee to distribute the Draft FY 2016 Program Budget to the funding agencies for review. The Board of Directors also is scheduled to review and take action on the Draft FY 2016 Program Budget in March.

In April and May 2015, staff will provide additional reviews, as needed, to the Executive Committee. Action by the Board of Directors on the Final FY 2016 Program Budget is currently scheduled for May 2015.

ANDRÉ DOUZDJIAN
Director of Finance

Attachments: 1. FY 2016 SANDAG Strategic Goals and Areas of Emphasis
              2. FY 2016 Preliminary Planning and Operations Work Element Objectives

Key Staff Contact: Tim Watson, (619) 699-1966, tim.watson@sandag.org
SANDEF MISSION STATEMENT

San Diego County is home to nearly 3.2 million people. The 18 cities in the county and the county government are SANDAG, the San Diego Association of Governments. This public agency serves as the forum for regional decision-making. SANDAG builds consensus; makes strategic plans; obtains and allocates resources; plans, engineers, and builds public transportation; and provides information on a broad range of topics pertinent to the region’s quality of life. As one agency, SANDAG is able to respond to most federal and state mandates that apply to regions, and to most locally-generated mandates that have to be taken care of regionally.

FY 2016 STRATEGIC GOALS AND AREAS OF EMPHASIS

To guide the development of the annual Program Budget and Overall Work Program (OWP), the SANDAG Board of Directors established the following agencywide Strategic Goals, which are long-term financial and performance goals that remain relatively unchanged on an annual basis. Supporting these Strategic Goals are the Areas of Emphasis, which are shorter-term objectives, updated each year to highlight areas of focus for the coming year.

**Strategic Goals**

1. **Implement the regional vision and guiding principles** of San Diego Forward: The Regional Plan (Regional Plan) by providing constructive input into the next federal surface transportation authorization act and other key federal, state, and regional/local initiatives.

2. **Improve mobility** by providing more transportation choices through implementation of TransNet, public transportation, goods movement, Transportation Demand Management, emerging technologies, and Active Transportation.

3. **Develop and implement strategies to improve the quality of life in the region** as characterized by a sustainable economy, healthy environment, public safety, and more housing choices consistent with the components of the Regional Plan and the SANDAG mission. Take advantage of regional resources and partnerships to advance strategic initiatives.

4. **Enhance organizational effectiveness** both internally and externally through continuous improvements, technological solutions, employee engagement, professional development and training, and fiscal discipline. Partner with federal, state, and local agencies to ensure rapid delivery of projects; as well as engaging in strategic efforts to increase communications with member and partner agencies, committees, and the public.

5. **Pursue new funding and innovative solutions** to fiscal, economic, and environmental challenges and opportunities.

**Areas of Emphasis**

The highest priorities for SANDAG during FY 2016 are the following Areas of Emphasis:

- **Modeling and Research.** Employ technologies, methodologies, and models to enhance and expand agency research and analysis capabilities, and conduct key economic research – equipping SANDAG to provide comprehensive assessments of complex policy and operational
issues, today, and into the future.

- **Sustainable Development: Planning and Funding Strategies.** Working with partner agencies and stakeholders, advance the region’s sustainability goals and policies, including those related to air quality and climate change. Use a coordinated planning process to implement all the projects and programs contained in the Regional Plan as well as develop funding strategies sufficient to support the region’s sustainability vision.

- **Sustainable Mobility Programs and Services.** Collaborate with Caltrans, transit operators, and other partner agencies to implement sustainable mobility projects, programs, and services that help to improve mobility, reduce traffic congestion, increase reliability, enhance customer service, and address air quality and climate change goals.

- **External Support and Communications.** Develop strategies to effectively engage the public and communicate essential information regarding the development of regional projects and programs. Expand member agency and stakeholder awareness and use of cost effective innovative tools, emerging technologies, and advanced practice methods.

- **Regional Operations and Services.** Manage and optimize operational programs and customer services to deliver enhanced mobility and public safety services for the region. Provide maintenance and support of intelligent transportation and regional law enforcement data systems for travelers and public safety agencies in the San Diego region.
## Project Objective Statements for Planning and Regional Operations by Area of Emphasis

### Area of Emphasis: Modeling and Research

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<th>23000.00</th>
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<td><strong>Objective</strong></td>
<td>A critical function of this work element is to ensure that the transportation model is up-to-date and reflects the current and future needs of SANDAG. Objectives of this work element are to: (1) maintain the transportation model transit and highway networks; (2) provide continuous quality control of the modeling process, input data, and output results; (3) integrate new travel information; (4) allow flexibility to address policy issues that may arise; (5) develop new procedures to address new or modified laws, regulations, and guidelines for conducting transportation forecasting; (6) change procedures to remain compatible with state air quality programs or federal user benefit programs; and (7) prepare for the needs of the next Regional Transportation Plan. Emphasis areas in FY 2016 include: (1) continue to enhance the existing Active Transportation module of the Activity-Based Model (ABM); (2) continue to modify the existing ABM for needs of the Service Bureau in addition to minor component improvements to refine localized conditions; and (3) complete work on the Federal Highway Administration SHRP2 C04 Grant.</td>
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<th>Land Use, Demographic, and Econometric Modeling</th>
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<td><strong>Objective</strong></td>
<td>A critical function of this work element is to ensure that the land use, demographic, and econometric models are up-to-date and reflect the current and future needs of SANDAG. The objective of this work element is to maintain a small-area, land-use simulation model and maintain the current suite of tools, including the regional Demographic and Economic Forecast Model (DEFM). These models, combined with the Activity-Based Transportation Model, provide the basis for almost every planning activity at SANDAG. They also provide SANDAG a sophisticated suite of policy analysis and simulation tools. Emphasis in FY 2016 will be on upgrading the DEFM modeling framework and software in coordination with the Maricopa Association of Governments and improving the land use allocation components of the land use modeling framework.</td>
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<th>23005.00</th>
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<tr>
<td><strong>Objective</strong></td>
<td>The objective of this work element is to produce up-to-date population, housing, income, and jobs estimates that serve a wide variety of planning and analytical uses, both at SANDAG and other agencies across the region. The annual demographic and economic estimates (e.g., housing, population, jobs, and income) support state and federal requirements, including the Regional Transportation Plan, Regional Housing Needs Assessment, and other SANDAG programs. Emphasis in FY 2016 is to produce January 1, 2015, population and housing estimates for the San Diego region.</td>
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<tr>
<td><strong>Area of Emphasis: Modeling and Research</strong></td>
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</table>
| **23006.00**  
**Geographic Information Systems (GIS) to Support Modeling, Forecasting, and Planning Efforts**  
**Objective**  
The objectives of this work element are to: (1) create, update, document, and disseminate GIS databases, imagery, applications, and services for staff and member agency use, and to guide and support SANDAG work program area GIS activities; (2) provide technical support for desktop software, web-based mapping applications, and data services; and (3) provide data and project management support for SANDAG regional models, including the Activity Based Model (ABM), and the Production, Exchange, and Consumption Allocation System (PECAS). Emphasis in FY 2016 will be to: (1) support the spatial data needs for ABM, PECAS, and other models used for regional analysis and decision-making by implementing the new SPACECORE system; (2) develop and maintain GIS data and applications in support of initiatives such as San Diego Forward: The Regional Plan, TransNet Environmental Mitigation Program, and the Smart Growth Incentive Program; and (3) develop solutions to support the integration of GIS data, model output, and capital/operational project information into visualization products and services to support information sharing, improved storytelling capabilities, and agency marketing and transparency. |
| **23007.00**  
**Data Visualization, Dissemination and Analysis Methods**  
**Objective**  
The objective of this work element is to provide analysis and visualization tools for policymakers, stakeholders, and staff to better understand issues and to help them make informed decisions. Emphasis in FY 2016 will be to: (1) develop geographic information system (GIS) models, procedures, and analysis in support of SANDAG programs; (2) develop visualizations, including maps, graphics, charts, animations, and interactive web maps for SANDAG plans, including the Series 13 Forecasts and San Diego Forward: The Regional Plan; (3) develop visualizations for outputs from the Activity-Based Model, the Production, Exchange, and Consumption Allocation System model and UrbanSim models; (4) enhance SANDAG web application interface design, including San Diego Forward: The Regional Plan public website, Keep San Diego Moving, and all GIS web mapping applications; (5) research and implement the newest 3D visualization and modeling technology; and (6) implement SANDAG cartographic standards and strategies. |
| **23009.00**  
**Data Acquisition and Maintenance**  
**Objective**  
The objective of this work element is to acquire, maintain, and document data to support population, land use, and transportation model development and performance monitoring indicators for the region's transportation network. This data and information supports regional plans, the State of the Commute, and the Sustainable Competitiveness Index. Emphasis in FY 2016 will be to continue quarterly reporting, support SharePoint developments, collect socioeconomic data in support of the State of the Commute Report, and collect and maintain traffic performance data. |
## Area of Emphasis: Modeling and Research

### 23011.00  
**Transportation Studies**  
**Objective**  
The objective of this work element is to conduct transportation studies and surveys that are used for transportation and transit planning purposes and for transportation modeling. Emphasis in FY 2016 will be to finish the Onboard Transit Passenger Survey and start the Household Travel Behavior Survey.

### 23012.00  
**Regional Economic and Municipal Finance Services**  
**Objective**  
The objectives of this work element are to: (1) provide economic and fiscal analysis to support SANDAG projects and programs, including implementation of the Regional Comprehensive Plan, Regional Transportation Plan, and TransNet; (2) develop economic data and analytical techniques for use in SANDAG projects; (3) periodically update the San Diego Regional Economic Prosperity Strategy, the San Diego Regional Indicators of Sustainable Competitiveness, the San Diego Regional Employment and Residential Lands Inventory, and the San Diego Regional Employment Clusters, among other reports; and (4) provide technical assistance and support to local jurisdictions, economic development organizations, and other agencies to address issues that affect the regional and local economies and that affect municipal budgets and financial conditions. Emphasis in FY 2016 will be on finishing developing data and analytical tools for use in SANDAG projects.

### 23014.00  
**Regional Census Data Center Operations**  
**Objective**  
SANDAG is the Regional Census Data Center (RCDC) for San Diego County. As the RCDC, SANDAG coordinates with the state data center network and the U.S. Census Bureau to collect and disseminate data. Coordinating these activities helps to ensure that the region has the best data available for population and housing estimate and forecast models, transportation models, and other regional data needs. Emphasis in FY 2016 will be to help SANDAG staff, member agencies, and the public understand the annual census data releases. *Info* publications and web-based information will be prepared to ensure wide access to relevant census data as well as workshops held regarding data use.

### 23015.00  
**Multimodal TSM and TDM Assessment Modeling Tool**  
**Objective**  
Transportation System Management (TSM) and Transportation Demand Management (TDM) transportation strategies have been identified in the 2050 Regional Transportation Plan as key emphasis areas for improving mobility and efficiency. The objective of this work element is to develop an integrated Activity-Based Model (ABM) component to measure and calculate the benefits of TSM and certain TDM strategies. The work effort will incorporate TSM and TDM strategies into the SANDAG ABM to measure and calculate multimodal regional, corridor, and project-specific benefits or costs resulting from TSM and TDM strategies in the San Diego region. Emphasis in FY 2016 will be on completion of a Dynamic Traffic Assignment model to measure TSM benefits.
### Area of Emphasis: Modeling and Research

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<th>Code</th>
<th>Description</th>
<th>Objective</th>
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<tbody>
<tr>
<td>23400.00</td>
<td>CJ - Criminal Justice Clearinghouse</td>
<td>The objectives of this work element are to: (1) support local criminal justice planning and policy-making by providing analysis of crime and other public safety statistics; (2) maintain current and historical information about crime and public safety strategies; (3) serve as the infrastructure for developing research designs to evaluate the effectiveness of crime prevention and reduction strategies; and (4) support the Public Safety Committee. Emphasis in FY 2016 will be to produce timely and relevant publications that provide useful information to the community.</td>
</tr>
<tr>
<td>23401.00</td>
<td>CJ - Substance Abuse Monitoring (SAM)</td>
<td>The SAM Project is one of the only indicators in the San Diego region that monitors drug-use trends among juvenile and adult offenders over time. The objective of this work element is to support practitioners and policymakers in assessing the effectiveness of prevention activities and changes in drug trends. Emphasis in FY 2016 will be to continue to measure drug use and other behavior trends among arrested adults and juveniles, and to conduct interviews with adults booked into three San Diego County detention facilities and juveniles booked into San Diego County Juvenile Hall on a biannual basis about their alcohol and other drug use history.</td>
</tr>
<tr>
<td>23450.00</td>
<td>CJ - Adult Criminal Justice Projects (Group Program)</td>
<td>The Criminal Justice Research program provides quality research and evaluation in support of local law enforcement and public safety agencies. Emphasis in FY 2016 will be to work closely with law enforcement partners, compiling valid and reliable statistics; and conduct rigorous process and impact evaluations of other efforts aimed at maintaining public safety and reducing the risk of recidivism for adult offenders. Of particular emphasis in FY 2016 will be the evaluation of the County’s implementation of the Assembly Bill 109 (Committee on Budget, 2011) realignment plan by providing support in documenting and monitoring the potential regional impacts of this restructuring of California’s justice system.</td>
</tr>
<tr>
<td>23500.00</td>
<td>CJ - Youth Evaluation Projects (Group Program)</td>
<td>For a number of years, SANDAG has partnered with the San Diego County Probation Department to evaluate many of its programs, ranging from prevention to graduated sanctions for adjudicated youth. SANDAG also has developed partnerships with other youth-serving entities in the region to provide quality evaluations that support its funding and mission to provide innovative juvenile justice prevention and intervention services to youth. Emphasis in FY 2016 will be to effectively track outcome measures for ongoing projects related to reducing juvenile delinquency and victimization as well as to evaluate programs directed at supporting at-risk youth populations.</td>
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</table>
Area of Emphasis: Modeling and Research

31009.00
Series 14 Regional Growth Forecast
Objective
The objective of this work element is to prepare the next growth forecast for use in San Diego Forward: The Regional Plan and other regional and local planning efforts. Furthermore, since the forecast horizon for the Series 14 Forecast will be 2050, like the Series 13 Forecast, this forecast will need to go beyond current plans and policies and land use assumptions of the local jurisdictions. Emphasis in FY 2016 will focus on data collection for the Series 14 Regional Growth Forecast, rebuilding the regionwide Demographic and Economic Forecast Model, and integration of regionwide and subregional models with updated demographic and economic data.

75000.00
SANDAG Service Bureau
Objective
The SANDAG Service Bureau is a fee-based operation that provides customized data and reports to member agencies, nonmember government agencies, tribal governments, private organizations, and individuals. It includes work conducted through SourcePoint, the nonprofit public benefit corporation chartered by SANDAG in 1982. Emphasis in FY 2016 will be to provide professional products and services in the areas of strategic planning, geographic information system mapping, demographic data and analysis, economic services, transportation modeling and analysis, and survey design and analysis to established and new clients. Activities also could include providing construction management services, access to the agency’s on-call contractors, and other supportive services to member agencies.

Area of Emphasis: Sustainable Development

31004.00
Regional Plan Implementation
Objective
The objective of this work element is to assist with the implementation of SANDAG regional plans, including the Regional Comprehensive Plan, the 2050 Regional Transportation Plan and its Sustainable Communities Strategy (RTP/SCS), and San Diego Forward: The Regional Plan, anticipated for adoption in 2015. Emphasis in FY 2016 will be to continue 2050 RTP/SCS implementation and initiate implementation of San Diego Forward. Key activities include: (1) coordination with the U.S. Department of Transportation and Caltrans in the implementation of metropolitan planning provisions of the Moving Ahead for Progress in the 21st Century Act, including performance-based planning; (2) review and refinement of project evaluation criteria to streamline project rankings for the next Regional Plan update; and (3) collaboration with member agencies and partners to implement the SCS through the Smart Growth Toolbox, use of public health analysis tools, the Regional Complete Streets Policy, Regional Transit Oriented Development Strategy, and other incentives. This work plan element also includes environmental legal counsel activities involving planning and legal services to support the defense of SANDAG in the litigation of the 2050 RTP/SCS Environmental Impact Report.
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<th>Area of Emphasis: Sustainable Development</th>
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<tr>
<td><strong>31006.00</strong> Air Quality Planning and Transportation Conformity</td>
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<td><strong>Objective</strong></td>
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The objective of this work element is to comply with federal requirements for air quality conformity analysis. Emphasis in FY 2016 will include: (1) interagency consultation for amendments to the 2014 Regional Transportation Improvement Program (RTIP) and initial development of the 2016 RTIP; (2) preparation of the final transportation conformity determination and regional emissions analysis for San Diego Forward: The Regional Plan; (3) implementation of the federal standard for 8-Hour Ozone; (4) compliance with updates to transportation conformity rules and procedures; and (5) collaboration with the San Diego County Air Pollution Control District on development of a conformity State Implementation Plan for submission to U.S. Environmental Protection Agency. This work element will be prepared in accordance with state and federal guidelines.

| **31007.00** Goods Movement Planning |
| **Objective** |
The objectives of this work element are to: (1) collaborate with interregional, state and federal agencies, and goods movement organizations to coordinate the development, operations, funding, and legislative and regulatory changes for a goods movement transportation system; and (2) coordinate with the region’s freight agencies to continue development and implementation of the regional freight strategy as outlined in the 2050 Regional Transportation Plan. Emphasis in FY 2016 will be to support the development of San Diego Forward: The Regional Plan through the refinement of the Goods Movement Strategy.

| **31018.00** CV Light Rail Trolley Improvement Study |
| **Objective** |
The objective of this work element and the emphasis in FY 2016 is to prepare a project report/environmental document for the rail-highway grade separation of Palomar Street at the Blue Line Trolley in the City of Chula Vista.

| **31020.00** San Diego Forward: The Regional Plan |
| **Objective** |
The objective for this element is to complete the development of San Diego Forward: The Regional Plan, which will lead to plan adoption in FY 2016. San Diego Forward: The Regional Plan merges the update of the 2050 Regional Transportation Plan and its Sustainable Communities Strategy with an update of the Regional Comprehensive Plan in order to provide an easily accessible document that includes an overall vision for the region. Emphasis in FY 2016 will include responses to comments on the draft Regional Plan and Environmental Impact Report (EIR), preparation and adoption of the final Regional Plan and EIR, and additional follow-up and outreach.
### Area of Emphasis: Sustainable Development

#### 31021.00

**Understanding Regional Truck Flows**

**Objective**

Understanding Regional Truck Flows is a project effort that will enhance the understanding of the complexities related to truck operations in the San Diego region and in Southern California. The primary goal of the project is to develop a planning tool to better visualize the demand characteristics of freight flows using real-time data. This effort will involve collaboration with Caltrans and other partner agencies and stakeholders in San Diego County as well as coordination with other Metropolitan Planning Organizations in Southern California, private carriers, real-time data vendors, and local communities. The planning tool will be shared with partner agencies and stakeholders once completed. Emphasis in FY 2016 will be on data gathering, assessing the state of the practice for truck data and visualization of commercial vehicle circulation issues, and development of methodology for classifying truck flows.

#### 32000.00

**Regional Quality of Life Funding Strategies**

**Objective**

The objective of this work element is to develop and implement a Quality of Life funding strategy to meet regional needs for habitat conservation plans, shoreline preservation activities, water quality improvements, and transit service enhancements (beyond what is funded already), or the funding priorities directed by the Board of Directors. Emphasis in FY 2016 will be to refine funding priorities and develop a draft expenditure plan if the Board of Directors decides to pursue a ballot measure in 2016.

#### 32001.00

**Regional Habitat Conservation Planning**

**Objective**

The objectives of this work element are to: (1) conduct advance planning and implementation of the region’s habitat preservation system by assisting in the development and implementation of the regional habitat conservation plans; (2) strategically apply *TransNet* Environmental Mitigation Program funding to assist regional open space acquisitions, management, and monitoring efforts; and (3) pursue funding through federal, state, and/or regional sources to meet the long-term requirements for various environmental programs. Emphasis for FY 2016 will be to: (1) complete Management Strategic Plan elements to finalize a strategy and prioritize funding for regional management and monitoring; (2) direct regional management and monitoring funding allocated by the Board of Directors towards the priorities identified in the Management Strategic Plan; and (3) facilitate regional collaboration on best land management practices to standardize efforts and become more effective and efficient as a region.
### Area of Emphasis: Sustainable Development

**32002.00**
**Regional Shoreline Management Planning**  
**Objective**
The objectives of this work element are to: (1) implement or facilitate the implementation of regional beach restoration through large-scale and/or opportunistic replenishment activities; and (2) continue the Regional Shoreline Monitoring Program. Emphasis in FY 2016 will be on monitoring the results of the 2012 Regional Beach Sand Project, continuing the baseline Regional Shoreline Monitoring Program, and coordinating with local coastal jurisdictions on their restoration projects.

**32003.00**
**Regional Energy/Climate Change Planning**  
**Objective**
The objective of this work element is to save energy and reduce greenhouse gas (GHG) emissions related to transportation fuels, electricity, and natural gas as well as address climate change mitigation and adaptation. This is done by implementing measures identified in the Sustainable Communities Strategy, Regional Energy Strategy, Climate Action Strategy, and other regional plans. Emphasis in FY 2016 includes assessments of electric vehicle charging stations along transportation corridors; obtaining cap-and-trade revenues for regional climate resilience or GHG reduction projects; and exploration of Regional Energy Networks and other mechanisms for local governments to implement energy-saving, climate friendly programs.

**32007.00**
**San Diego Gas and Electric (SDG&E) Local Government Partnership**  
**Objective**
The SDG&E Partnership enables SANDAG, in partnership with SDG&E, to make energy efficiency outreach, planning, and engineering assistance available to local governments under the Energy Roadmap Program. Member agencies are offered energy management plans, or "Energy Roadmaps," that can help jurisdictions save money, use less energy, and reduce greenhouse gas emissions in local government operations and their communities. Emphasis in FY 2016 will focus on technical resources to assist member agencies with implementation of their Energy Roadmaps through benchmarking of municipal buildings' energy use, supporting energy efficiency upgrades, and assistance with energy-related climate planning at the local level.

**32009.00**
**California Energy Commission (CEC) Alternative Fuels Grant**  
**Objective**
The objective of this work element is to establish an alternative fuels coordinating council (AFCC) and develop a regionally-accepted Alternative Fuels Readiness Plan. The plan will build upon the SANDAG Plug-In Electric Vehicle Readiness Plan to address barriers and complexities of other clean fuels, including natural gas and hydrogen. Emphasis in FY 2016 is to utilize AFCC expertise to develop tools and resources for groups including public agencies, fleet managers, vehicle dealers, and fuel providers; and to finalize a regional readiness plan for alternative fuels.
### Area of Emphasis: Sustainable Development

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<thead>
<tr>
<th>32010.00</th>
<th>NEW - CEC: Implementation of Regional Electric Vehicle Plan</th>
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<tbody>
<tr>
<td><strong>Objective</strong></td>
<td>The objective of this work element is to implement the San Diego Regional Plug-In Electric Vehicle Readiness Plan (2014) and facilitate activities to advance electric vehicle charging station (EVCS) deployment in the region. Emphasis in FY 2016 will be to ramp-up the project in partnership with the subcontractor, Center for Sustainable Energy, and make local governments and stakeholders aware of technical resources that will be available through the program, including access to an &quot;Electric Vehicle Expert&quot; on permit and inspection issues, EVCS installations, and siting.</td>
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<tr>
<th>33001.00</th>
<th>TransNet Smart Growth Incentive and Active Transportation Grant Programs</th>
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<tr>
<td><strong>Objective</strong></td>
<td>The objective of this work element is to administer and implement the TransNet Smart Growth Incentive Program (SGIP) and TransNet Active Transportation Grant Program (ATGP). The SGIP is a strategic initiative of the Regional Comprehensive Plan that provides a direct incentive for the coordination of local land use plans with regional transportation plans. The ATGP encourages local jurisdictions to plan for and implement infrastructure investments that prioritize access and safety for bicyclists and pedestrians. Both programs work together to encourage walking, biking, and transit usage throughout the region and lower greenhouse gas emissions. Emphasis in FY 2016 will be to enhance oversight and monitoring efforts for existing projects, communicate the successful use of TransNet funds across the region, and execute grant agreements with award recipients from the third call for projects.</td>
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<tr>
<th>33004.00</th>
<th>Regional Transit-Oriented Development Strategies</th>
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<tr>
<td><strong>Objective</strong></td>
<td>The objective of this project is to complete the Transit-Oriented Development (TOD) strategy for the San Diego region, an action called for in the 2050 Regional Transportation Plan and its Sustainable Communities Strategy. This project will continue and build upon the TOD and smart growth work in which SANDAG has been involved. Emphasis in FY 2016 will focus on completion of the strategy and reporting on the project to the Strategic Growth Council.</td>
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<tr>
<th>33303.00</th>
<th>Intergovernmental Review (IGR)</th>
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<tr>
<td><strong>Objective</strong></td>
<td>The objective of the Intergovernmental Review Program is to oversee the review of local environmental documents and monitor current and future development plans for potential impacts on the regional transportation network. This work is done in coordination with other work elements to facilitate implementation of the Regional Comprehensive Plan and Regional Transportation Plan. This work also is done in collaboration with Caltrans, the Metropolitan Transit System, and the North County Transit District. Emphasis in FY 2016 will be to continue to improve coordination with partner agencies, to enhance intra-agency project tracking and circulation, and to provide comments on projects with regional impacts.</td>
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### Area of Emphasis: Sustainable Development

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<tr>
<th>34001.00</th>
<th>Interregional Planning: Imperial, Orange, and Riverside Counties</th>
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<tr>
<td><strong>Objective</strong></td>
<td>The objective of this work element is to oversee and coordinate the planning activities that impact the border of the San Diego region with Imperial, Orange, and Riverside counties.</td>
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<tr>
<td><strong>Imperial County:</strong></td>
<td>Emphasis in FY 2016 will be for SANDAG to continue to collaborate with the Imperial County Transportation Commission, Southern California Association of Governments (SCAG), and Caltrans on areas of mutual planning interest, including Active Transportation on the United States-Mexico border and Interstate 8 corridor interregional issues.</td>
</tr>
<tr>
<td><strong>Riverside County:</strong></td>
<td>Emphasis in FY 2016 will be for SANDAG to continue to meet with the Western Riverside Council of Governments, Riverside County Transportation Commission, Riverside Transit Agency, SCAG, and Caltrans to exchange information on long-range planning activities.</td>
</tr>
<tr>
<td><strong>Orange County:</strong></td>
<td>Emphasis in FY 2016 will be for SANDAG to continue to meet with the Orange County Transportation Authority, SCAG, and Caltrans to exchange information on long-range planning activities.</td>
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<tr>
<th>34002.00</th>
<th>Interregional Planning: Binational Planning and Coordination</th>
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<tr>
<td><strong>Objective</strong></td>
<td>The objective of this work element is to oversee and coordinate binational collaboration and planning activities. This includes coordination of the Borders Committee and the Committee on Binational Regional Opportunities as well as collaboration with Mexico, including the municipalities and the State of Baja California, border stakeholders, and tribal governments. Emphasis in FY 2016 will be to facilitate and promote active communication and interaction among regional players and the different levels of government needed to address collaboration efforts, and to help create a more positive and accurate perception of border opportunities.</td>
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<tr>
<th>34005.00</th>
<th>Interregional Planning: Tribal Liaison Program</th>
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<tr>
<td><strong>Objective</strong></td>
<td>The objectives of this work element are to: (1) continue the government-to-government framework for engaging the 18 federally-recognized sovereign tribal nations in the region in the regional transportation planning process as mandated by federal and state regulations; (2) coordinate and consult with tribal governments on major transportation, land use, and other regional planning initiatives to ensure timely and meaningful input into the decision-making process; (3) facilitate the substantive involvement of the Southern California Tribal Chairmen's Association in the SANDAG policy-making structure; (4) provide a technical forum for discussing tribal transportation issues on an ongoing basis through the Interagency Technical Working Group on Tribal Transportation Issues; and (5) collaborate with intertribal organizations working in policy areas within SANDAG purview, such as the Native American Environmental Protection Coalition, Kumeyaay Diegueño Land Conservancy, and the Reservation Transportation Authority. Emphasis in FY 2016 will be on completing the tribal consultation for San Diego Forward: The Regional Plan and implementation of near/medium-term strategies identified for collaboration.</td>
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## Area of Emphasis: Sustainable Mobility

### 31011.00
**San Diego International Airport Intermodal Transportation Center**

**Objective**

The objectives of this work element are to: (1) evaluate facility needs for the planned Intermodal Transportation Center (ITC) along the north side of the airport; and (2) conduct a Project Study Report for a planned Interstate 5 (I-5) direct connector ramp to the airport/Pacific Highway. The basis for the ITC facility was a result of the Destination Lindbergh Plan that was completed in 2009 to improve ground access to/from the airport, including transit, High-Speed Rail connections, and arterial roadways. The San Diego Airport Authority is working on an Airport Development Plan that will outline long-range plans for the airport, including ground access. Emphasis in FY 2016 will be to assess the role of the ITC and design of the I-5 direct connector ramp in light of the Airport Development Plan and non-airport transit/highway/local road needs.

### 31014.00
**Airport Transit Plan - Phase II**

**Objective**

This is a Caltrans planning, grant-funded, pass-through project for the San Diego Regional Airport Authority. The overall project objectives are to: (1) increase Airport transit ridership from 1.2 to 5 percent; (2) enhance airport and regional mobility; and (3) reduce airport, City of San Diego, and San Diego region vehicular traffic congestion by providing remote terminal bus service to and from the airport that will offer an alternative to using a Single Occupant Vehicle. Emphasis in FY 2016 will be to provide oversight of project start-up activities, including agency coordination and the research of financing options for increased transit/shuttle services.

### 33000.00
**Smart Mobility Services to Member Agencies (Group Program)**

**Group Objective**

The objective of this group program is to provide the most valuable set of smart mobility services and projects as identified by partnering with member agencies. The projects that follow (33002.00, 33007.00, and 33009.00) describe the proposed activities for this fiscal year.

### 33002.00
**Active Transportation Planning and Programs**

**Objective**

The objective of this work element is to support SANDAG efforts to improve mobility and access through coordinated Active Transportation planning and project development activities. The Regional Bicycle Plan and the Active Transportation Program support the goals and principles of the Regional Comprehensive Plan and the Regional Transportation Plan to improve mobility, provide travel choices, improve public health, and reduce greenhouse gas emissions by increasing the mode share for walking and bicycling trips. Emphasis in FY 2016 is on implementation of infrastructure projects and supporting programs from the Regional Bike Plan Early Action Program.
### Area of Emphasis: Sustainable Mobility

#### 33007.00
**Active Transportation Implementation Strategy**

**Objective**
The 2050 Regional Transportation Plan (RTP) included an action to develop an Active Transportation Implementation Strategy. Emphasis in FY 2016 will be to: (1) identify transit and highway capital projects that can be coordinated with Active Transportation projects included in the RTP; (2) identify other agency efforts where Active Transportation can be incorporated; (3) continue development of Active Transportation plans in transit station and highway project areas; and (4) coordinate with Transit Planning and Mobility Management and Project Implementation staff on incorporating Active Transportation into SANDAG projects.

#### 33009.00
**San Diego River Trail**

**Objective**
This multiyear project will continue development of the San Diego River Trail through ongoing coordination with local jurisdictions and the San Diego River Conservancy. Emphasis in FY 2016 will be on keeping local partners informed about progress on bikeway development and on developing a consensus about the priorities for future projects.

#### 33100.00
**Smart Mobility Services to the Public (Group Program)**

**Group Objective**
The objective of this group program is to plan and implement services to the public that reduce traffic congestion and improve mobility throughout the region. The services provided in the following group of projects (33104.00 through 33306.00) describe the proposed activities for this fiscal year.

#### 33104.00
**Interstate 15 (I-15) Violation Enforcement System (VES) Study**

**Objective**
The objective of this work element is to deploy and test state-of-the-art VES strategies for the I-15 Express Lanes. This project is a systems-engineering effort and builds upon the Fastrak Toll Collection System that has been deployed on the I-15 Express Lanes between State Route 163 and State Route 78. Emphasis in FY 2016 will be on: (1) reporting the findings of grant-funded activities to internal and external stakeholders; (2) establishing on-going monitoring of vehicle occupancy and toll violation rates on the I-15 Express Lanes facility; and (3) on-going assessment and potential near-term implementation of toll/vehicle occupancy enforcement strategies for the I-15 Express Lanes.

#### 33105.00
**511 Advanced Traveler Information Service (511 ATIS)**

**Objective**
The objective of this work element is to enhance the existing 511 ATIS for the region. Emphasis in FY 2016 is to provide oversight of ongoing 511 system performance through the transition to a new vendor-hosted system, deploy additional system enhancements, and coordinate marketing efforts to promote 511 services.
### Area of Emphasis: Sustainable Mobility

#### 33107.00
**Transportation Demand Management (TDM) Program**  
**Objective**  
The objective of this work element is to manage demand on the regional transportation system by providing commuter and employer programs and services aimed at promoting use of alternatives to driving alone. Emphasis in FY 2016 will be implementing, monitoring, and measuring program goals established in the 2050 Regional Transportation Plan and enhancing the iCommute Program Management Tool.

#### 33107.01
**TDM - Planning Studies/Pilot Projects**  
**Objective**  
The objective of this work element is to conduct Transportation Demand Management (TDM) studies/plans and to develop pilot projects aimed at reducing vehicle miles traveled. Emphasis in FY 2016 includes planning for the expansion of shared-use mobility in the region and supporting local jurisdictions with TDM planning and policy development.

#### 33107.02
**TDM - Employer Services**  
**Objective**  
The objective of this work element is to work directly with employers and local jurisdictions to assist them with the development of Transportation Demand Management programs for their employees. Emphasis in FY 2016 is continued implementation of the Employer Outreach Strategy and TeleworkSD Project.

#### 33107.03
**TDM - Program and Service Delivery**  
**Objective**  
The objective of this work element is to assist with management of demand on the regional transportation system by providing commuter programs and services aimed at promoting use of alternatives to driving alone. Emphasis in FY 2016 is to deliver commuter services, including Guaranteed Ride Home, Regional Bike Parking Program, and SchoolPool services.

#### 33107.04
**TDM - Regional Vanpool Program**  
**Objective**  
The objective of this work element is to administer the Regional Vanpool Program and complete the annual National Transit Database report to the Federal Transit Administration. Emphasis in FY 2016 will be expanding participation in the program.
### Area of Emphasis: Sustainable Mobility

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<tbody>
<tr>
<td>33107.08</td>
<td><strong>TDM - North Coast Corridor Transportation Demand Management Plan</strong></td>
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<tr>
<td><strong>Objective</strong></td>
<td>The Interstate 5 North Coast Corridor (NCC) TDM Program provides geographically focused and context specific TDM solutions to manage congestion before, during, and after construction in the NCC. Emphasis in FY 2016 will include continued coordination of TDM and construction outreach to support the NCC communities.</td>
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<tr>
<td>33107.10</td>
<td><strong>TDM - Active Traffic &amp; Demand Management Strategy for I-805 South</strong></td>
</tr>
<tr>
<td><strong>Objective</strong></td>
<td>This grant-funded project will develop an Active Traffic and Demand Management (ATDM) Plan for the southern portion of Interstate 805 in the San Diego region. Emphasis in FY 2016 will be to complete a Concept of Operations that will define the high-level system concepts as well as the environment in which the ATDM system will operate, including integration with existing ITS infrastructure.</td>
</tr>
<tr>
<td>33107.11</td>
<td><strong>TDM - Outreach Program</strong></td>
</tr>
<tr>
<td><strong>Objective</strong></td>
<td>The objective of this work element is to manage the public outreach, communications, and marketing of Transportation Demand Management programs and services. Emphasis in FY 2016 includes planning and coordinating campaigns and events designed to engage and encourage employer, school, and public participation in programs that reduce vehicle miles traveled.</td>
</tr>
<tr>
<td>33117.00</td>
<td><strong>State of the Commute - Performance Monitoring Report</strong></td>
</tr>
<tr>
<td><strong>Objective</strong></td>
<td>The objective of this effort is to provide annual performance monitoring reports on the State of the Commute for the San Diego region in accordance with the TransNet Extension Ordinance. Emphasis in FY 2016 will be to: (1) coordinate transportation data collection, assessment, and analysis activities; (2) work with local agency partners to gain consensus on ongoing transportation performance reporting indicators; and (3) oversee and coordinate development of the annual State of the Commute Report.</td>
</tr>
<tr>
<td>33118.00</td>
<td><strong>Connected Vehicle Development Program</strong></td>
</tr>
<tr>
<td><strong>Objective</strong></td>
<td>The objective for this element will be to establish a Connected Vehicle Plan for the San Diego region, develop criteria for a pilot demonstration, and position SANDAG and the region for the expected federal rule making for Connected Vehicle deployments. The Emphasis in FY 2016 is to complete a Systems Engineering approach to project planning and development.</td>
</tr>
</tbody>
</table>
Area of Emphasis: Sustainable Mobility

33306.00
Interstate 8 (I-8) Corridor Analysis

Objective
The I-8 Corridor Study examines multimodal transportation alternatives to address future regional and local travel demand within this regionally significant corridor. The study area includes a 10-mile stretch of the I-8 corridor from Sunset Cliffs Boulevard through College Avenue in the City of San Diego, and involves SANDAG, Caltrans, the City of San Diego, the Metropolitan Transit System, and other key stakeholders. Emphasis in FY 2016 will be to complete the final corridor report and submit to Caltrans for review.

33200.00
Transit Service Planning (Group Program)

Group Objective
This group program includes transit planning projects describing the SANDAG role in grant administration and monitoring, short-range planning, and transit project development. The following projects (33201.00 through 33213.00) provide more details regarding specific activities and progress to be made over the next fiscal year.

33201.00
Short-Range Transit Service Activities

Objective
The objectives of this work element are to: (1) fulfill the short-range transit planning functions of SANDAG, including preparation of the Regional Short-Range Transit Plan, Transportation Development Act performance monitoring, federal Title VI monitoring and reporting, fare policy development, and fare setting; (2) manage the competitive process for the TransNet Senior Services Grant Program and monitor grant recipients; (3) prepare transit area studies, operations plans, and planning input for TransNet projects; (4) provide assistance to transit operators; and (5) oversee the Consolidated Transportation Services Agency. Emphasis in FY 2016 will be to effectively manage the TransNet project work and merge the near term projects from the Regional Transportation Plan into the Short-Range Transit Plan component of the Coordinated Plan. Additionally, a fare study will be initiated to address simplifying the fare structure and assessing the need for future fare changes to maintain regional farebox recovery rates.

33202.00
Coordinated Plan and Enhanced Mobility for Senior/Disabled Grant Programs

Objective
The objective of this work element is to fulfill the legislative requirements of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) and Moving Ahead for Progress in the 21st Century Act (MAP-21) to prepare, update, and maintain a Coordinated Human Services and Public Transportation Plan for San Diego County, and to administer remaining grants for the Job Access and Reverse Commute (JARC) and New Freedom (NF) (and under MAP-21 5310) Programs. The grant award and administrative process includes holding a competitive process and monitoring performance of the grant subrecipients, including the collection of data to meet federal requirements, and reporting on progress to the Transportation Committee. Emphasis in FY 2016 will be to update the Coordinated Plan and undergo the first round of vehicle procurements for Federal Transit Administration 5310 grant subrecipients.
Area of Emphasis: Sustainable Mobility

33203.00  
**Passenger Counting Program (PCP)**  
**Objective**  
The objective of this work element is to undertake the regional PCP that fulfills a Federal Transit Administration (FTA) requirement for the transit operators and provides data required for local transit planning and performance monitoring. This project also manages the Trolley and SPRINTER ridership estimation counts, which are required by the FTA and are used to manage local revenue-sharing requirements between Metropolitan Transit System (MTS) and North County Transit District (NCTD). Also, this work element provides for other minor surveys required to manage the revenue-sharing agreements, including COASTER, BREEZE, and Day Pass counts, in addition to conducting the annual counts. Emphasis in FY 2016 will be to continue to work with MTS and NCTD to incorporate Automatic Passenger Counter technology into MTS contract and NCTD COASTER vehicles, moving toward fully automating the PCP. Additionally, SANDAG will work with MTS and NCTD to use Compass Card data to generate transfer data of riders. This data will be used to enhance the service planning that all three agencies conduct.

33206.00  
**Transit Planning Internship**  
**Objective**  
The objective of this work element is to manage the Transit Planning Internship Program that provides professional development opportunities for interns in the Masters in City Planning Graduate Program at San Diego State University. Emphasis in FY 2016 will be on continuing the program of training and mentoring interns in transit planning activities.

33208.00  
**New Freedom Pass-Through**  
**Objective**  
The objective of this work element is to facilitate pass-through funding for Federal Transit Administration Section 5317 New Freedom grants. The administration and oversight of these grants is funded separately in work element 33202 (Coordinated Plan and Job Access and Reverse Commute/New Freedom programs). Emphasis in FY 2016 will be closing out grants.

33209.00  
**Job Access and Reverse Commute (JARC) Pass-Through**  
**Objective**  
The objective of this work element is to provide pass-through funding for Federal Transit Administration Section 5317 JARC grants. The administration and oversight of these grants is funded separately in work element 33202 (Coordinated Plan and JARC/New Freedom programs). Emphasis in FY 2016 will be closing out grants.
### 33210.00
#### 2050 Regional Transportation Plan (RTP) Transit Plan - Advance Planning

**Objective**
The 2050 RTP contains a number of new transit projects that have only preliminary project-level planning work alignments and station locations. Initial advanced planning studies will be conducted to start to assess alignment options, stations, opportunities and constraints, and refine capital and operating budgets. Coordinating these studies with local jurisdictions could result in right-of-way reservations/dedications being set aside for these future transit projects. Emphasis in FY 2016 will be to complete these initial advanced planning studies for the highest priority Light Rail Transit projects.

### 33211.00
#### Veterans Transportation and Community Living Initiative Grant

**Objective**
The objective of this work element is to administer pass-through funding for the Federal Transit Administration (FTA) Veterans Transportation and Community Initiative grant to 211 San Diego and its subcontractors to complete the San Diego County One Call/One Click Partnership Project proposal as approved by the FTA. The project includes the enhancement of the directory of transportation resources, the creation of a one-click transportation website, the provision of a 24/7 live telephone service, the development of a free mobile transportation application for smart phones, and the procurement and installation of at least 20 interactive transportation kiosks at military facilities, workforce one-stops, and other veteran sites. Emphasis in FY 2016 will be the completion of the technology assessment and the procurement of upgraded technology.

### 33212.00
#### Mobility Solutions for Environmental Justice Communities

**Objective**
This project will focus on identifying key barriers to transportation (including transit, active transportation, and Transportation Demand Management programs) for the City Heights Community, where there has been a history of challenges to accessing transportation. A Mobility Solutions Toolkit will be developed for City Heights that can then serve as a model for how the Toolkit can be used in other Environmental Justice communities within the San Diego region and statewide. Emphasis in FY 2016 will be to complete project deliverables including the Toolkit, Mobility Barriers Assessment, and Recommendations Report.

### 33214.00
#### Enhanced Mobility for Seniors and Disabled Pass Through

**Objective**
The objective of this work element is to facilitate pass-through funding for Moving Ahead for Progress in the 21st Century Act Section 5310 grants. The administration and oversight of these grants is funded separately in work element 33202. Emphasis in FY 2016 will be initiating the pass-through of additional funding for grant recipients.
### Area of Emphasis: Sustainable Mobility

#### 33213.00
**Regional Transit Signal Priority Study**

**Objective**
The Improving Bus Operations and Traffic - A Regional Approach to Transit Signal Priority Project will identify the best locations throughout the region to implement Transit Signal Priority (TSP) on our existing local bus routes. This requires concurrence from the transit operators and the local jurisdictions. A cost-benefit analysis will be developed to justify the potential implementation of TSP on local routes. Specifically, the study will seek to improve the reliability of transit bus operations, identify the corridors where TSP can be implemented to provide the greatest benefit, and increase the overall attractiveness of transit as an alternative to vehicular travel. The Emphasis in FY 2016 will be to complete the regionwide TSP evaluation and begin work on the TSP cost/benefit analysis.

#### 33300.00
**Subregional Transportation and Land Use Planning**

**Objective**
The objective of this work element is to coordinate the Regional Comprehensive Plan, the 2050 Regional Transportation Plan and its Sustainable Communities Strategy, and San Diego Forward: The Regional Plan, anticipated for adoption in 2015, with the local land use and transportation planning processes in the 18 cities and the County of San Diego, Caltrans, transit agencies, tribal governments, and others to improve mobility. This work element includes staff resources to prepare scopes of work and budgets for future subregional and corridor studies and to oversee these studies. Emphasis in FY 2016 will be on coordinating transportation planning with local agency plans, and collaborating with partner agencies on the development and design review of the Virginia Avenue Intermodal Transit Center.

#### 33307.00
**TSM - Integrated Corridor Management Programs**

**Objective**
The objective of this work element is to initiate the implementation of one of the core TSM Program areas included in San Diego Forward: The Regional Plan. Specifically, this includes achieving a Multimodal Integration and Performance Based Management Strategy through the completion of Integrated Corridor Management (ICM) Concept of Operations Reports for a number of key regional transportation corridors. The development of Concept of Operations Reports will provide the first step that focuses on establishing the needed operational, institutional, and technical coordination that will allow transportation networks to be operated in a coordinated and integrated manner, resulting in a multiagency, multifunctional, and multimodal seamless transportation corridor. The emphasis in FY 2016 is to undertake the initiation of several ICM Concept Operations Reports for a number of key regional transportation corridors.
Area of Emphasis: Sustainable Mobility

33308.00
Regional Mobility Hub Implementation Plans
Objective
Mobility hubs provide an integrated suite of transportation services, supporting amenities, and urban design enhancements that bridge the distance between transit and an individual origin or destination. Mobility hubs are places of connectivity where different modes of travel such as walking, biking, ridesharing, and transit come together to link users to housing, employment, and recreational destinations. Hub features can include carshare, bikeshare, neighborhood electric vehicles, scootershare, bike parking and support services, dynamic parking strategies, real-time traveler information, wayfinding, real-time ridesharing, and improved bicycle and pedestrian connectivity. Mobility hubs may use a single portal and payment system to plan, access, reserve, and pay for a full suite of transportation services. This study will identify a vision and strategies; screen and rank candidate sites; develop conceptual designs; and prepare an implementation strategy. Emphasis in FY 2016 is outlining the regional vision, data collection, public outreach, and conceptual design of several mobility hub prototypes.

34006.00
LOSSAN Rail Corridor Planning
Objective
The objective of this work element is to coordinate planning and project development along the San Diego segment of the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor. Emphasis in FY 2016 is on: (1) continued participation in the LOSSAN Joint Powers Authority, including the Board of Directors, Technical Advisory Committee, and Staff Working Group; (2) preparation of potential rail grant funding applications; and (3) the study of potential track reconfigurations at the San Diego Santa Fe Depot in support of all rail services.

34009.00
High-Speed Rail Corridor Planning
Objective
The objective of this work element is to coordinate planning, environmental, and conceptual design work for planning purposes along the Los Angeles to San Diego via Inland Empire High-Speed Train section with the California High-Speed Rail Authority (CHSRA), Federal Railroad Administration, and fellow corridor planning agencies, which together make up the Southern California High-Speed Rail Inland Corridor Group. Emphasis in FY 2016 will be to continue monitoring CHSRA environmental planning work for the alignment alternatives in the San Diego region.
### Area of Emphasis: External Communications

#### 15000.00

**Project Monitoring and Oversight**

**Objective**

The objective of this work element is to provide ongoing coordination and liaison activities with sponsors of regional projects funded by the following programs: State Transportation Improvement Program (STIP); remaining funds from Proposition 1A and 1B programs; federal Surface Transportation Program; Congestion Mitigation and Air Quality programs; Active Transportation Program (ATP); Cap-and-Trade; the TransNet Program; and other federal, state, and local transportation funding programs. General oversight will be exercised to ensure that the projects stay on schedule, keep within scope and budget, and meet all relevant federal, state, and local requirements, including the timely use of funds. Emphasis in FY 2016 include: (1) the final closeout of Proposition 1A and 1B programs; (2) implementation and oversight of regional ATP projects; (3) participation in the development of the 2016 STIP guidelines and the Interregional Strategic Plan; (4) coordination with transit agencies and state agencies, in the development of the various Cap-and-Trade programs; (5) completion of the TIFIA process for Mid-Coast; and (6) preparation for other projects reviewing TIFIA as a funding option.

#### 15001.00

**TransNet Financial Management**

**Objective**

The objective of this work element is to manage and administer the TransNet local sales tax funding consistent with the TransNet Extension Ordinance and Expenditure Plan. Activities include revenue forecasting, cash-flow analysis, financial planning, evaluation of debt strategies and instruments, fund investments, disbursements and meeting accounting, auditing, and other reporting requirements. Emphasis in FY 2016 will be implementation of the TransNet Early Action Program.

#### 15002.00

**Independent Taxpayer Oversight Committee (ITOC) Program**

**Objective**

The objective of this project is to fulfill the requirements of the TransNet Extension Ordinance, which authorizes the ITOC to perform a number of functions relating to independent oversight of the TransNet Program. Emphasis in FY 2016 will be on updating the TransNet Plan of Finance and continuing implementation of the TransNet Early Action Program.

#### 15003.00

**Funds Management and Oversight**

**Objective**

The objective of this work element is to provide funding oversight that sustains regional transportation systems and facilities by: (1) estimating, administering, and allocating local, state, and federal funds; (2) preparing, adopting, and amending the Regional Transportation Improvement Program (RTIP); and (3) ensuring compliance and consistency with local, state, and federal laws and regulations related to the administration of these various funding sources, including conducting audits and submitting required federal and state reports, and ongoing tracking and monitoring of expenditures of San Diego-Coronado Bridge toll revenues. Emphasis in FY 2016 will be adoption by the Board of Directors of the 2014 RTIP amendment in conjunction with San Diego Forward: The Regional Plan.
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<tr>
<th>Area of Emphasis: External Communications</th>
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<tbody>
<tr>
<td><strong>15004.00</strong></td>
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<tr>
<td><strong>Overall Work Program (OWP) and Budget Programs Management</strong></td>
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<tr>
<td><strong>Objective</strong></td>
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<tr>
<td>The objective of this work element is to provide the overall development, management, coordination, and direction for creating and implementing the annual SANDAG Program Budget, including the OWP. The OWP is a required component of the budget and encompasses all of the regional planning activities related to transportation, including supporting infrastructure. Development and monitoring of the OWP ensures that approved planning efforts are completed effectively and efficiently, both within SANDAG and with other agencies (including tribal governments) as guided by the SANDAG Board of Directors. Emphasis in FY 2016 is to (1) develop and define planning and operational efforts with the goal of balancing agency priorities with available funding; (2) continue to enhance software tools and other technologies to optimize the development and management of the SANDAG budget; and (3) ensure effective coordination and compliance with local, state, and federal funding agencies.</td>
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<tr>
<td><strong>23008.00</strong></td>
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<tr>
<td><strong>Regional Geographic Information Systems (GIS) Data Warehouse</strong></td>
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<tr>
<td><strong>Objective</strong></td>
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<tr>
<td>The objectives of this work element are to: (1) continue initiatives to develop a regional GIS data infrastructure; (2) continue ongoing collaboration with the San Diego Geographic Information Source (SanGIS), a Joint Powers Agreement between the City of San Diego and the County of San Diego to maintain and enhance the existing regional GIS data warehouse; and (3) collaborate with SanGIS to provide web hosting for its online mapping application and web services. In addition, SANDAG will monitor and implement new products, initiatives, and data sources to enhance the regional GIS infrastructure. Emphasis in FY 2016 is to continue development and maintenance of data transfer and data dissemination methods related to the regional data warehouse, and develop applications, databases, and services to support regional data collaboration and data sharing with member agencies.</td>
</tr>
<tr>
<td><strong>33111.00</strong></td>
</tr>
<tr>
<td><strong>Regional Intelligent Transportation Systems (ITS) Program Management</strong></td>
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<tr>
<td><strong>Objective</strong></td>
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<tr>
<td>The objectives of this work element are to: (1) provide ongoing management support and strategic planning for the region's ITS Program; (2) conduct liaison activities and explore development opportunities with federal, state, tribal, and local agencies such as the Federal Transit Administration, Federal Highway Administration, Caltrans, SANDAG member agencies, and other peer agencies; and (3) provide oversight of the region's various ITS deployments, ensuring consistency and compliance with regional ITS architecture and federal mandates. Emphasis in FY 2016 will be to continue making progress on these activities.</td>
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### Area of Emphasis: External Communications

<table>
<thead>
<tr>
<th>73000.00</th>
<th>TransNet Public Information Program</th>
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<tbody>
<tr>
<td><strong>Objective</strong></td>
<td>The objectives of this work element are to: (1) implement a public information program to update the public, elected officials, and other stakeholders on TransNet Program activities; and (2) conduct public information activities to obtain input and feedback on TransNet projects. SANDAG endeavors to ensure meaningful involvement of traditionally underrepresented and underserved populations, such as the elderly, disabled, low-income, and minority community groups and leaders. The emphasis for FY 2016 will be on increasing public awareness of the implementation of the Bus Rapid Transit Program, the double-tracking of the Los Angeles-San Diego-San Luis Obispo Rail Corridor, and continuing efforts to implement a multimodal plan that offers travelers more choices, improves the environment, and responsibly invests taxpayer resources.</td>
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<thead>
<tr>
<th>73001.00</th>
<th>Public Involvement Program</th>
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<tr>
<td><strong>Objective</strong></td>
<td>The overall objectives of the Public Involvement Program are to inform and involve citizens in the agency’s various programs, projects, and work activities. The agency actively seeks involvement and input from interested citizens and stakeholders in SANDAG work through public meetings and workshops, fully noticed public hearings, and ongoing broad citizen/organization involvement in the planning and decision-making process. This effort also includes regular interaction with the media as well as production and distribution of fact sheets, newsletters, and other publications in printed or online format. The comprehensive SANDAG website also is maintained to provide easy access to meeting notices and agendas, reports, and other information. SANDAG endeavors to ensure meaningful involvement of traditionally underrepresented and underserved populations such as the elderly, disabled, low-income, and minority community groups and leaders. During FY 2016, emphasis will be on collaborating with Caltrans, Metropolitan Transit System, and North County Transit District as well as with federal and state agencies on regional transportation and transit events and projects, and providing ongoing support of Transportation Demand Management programs, 511, FasTrak®, regional Intelligent Transportation Systems initiatives as well as the development and implementation of San Diego Forward: The Regional Plan and other quality of life initiatives. Emphasis also will be placed on meeting federal standards for social equity and environmental justice programs.</td>
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<tr>
<th>73002.00</th>
<th>Marketing Coordination and Implementation</th>
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<tr>
<td><strong>Objective</strong></td>
<td>The objectives of this work element are to implement a marketing program to support major work efforts such as Rapid transit, 511, iCommute, FasTrak®, San Diego Forward: The Regional Plan, Mid-Coast Transit Project, and to coordinate marketing efforts among Caltrans and SANDAG corridor directors, the agency’s Service Bureau, and other projects. Emphasis in FY 2016 will be to continue communications and marketing efforts for SANDAG projects/programs, launch the new bike brand across all SANDAG bike assets, continue promotion of the new 511 web and phone systems, and coordinate with partner agencies to share project and service messages.</td>
</tr>
</tbody>
</table>
### Area of Emphasis: External Communications

**73003.00  
PC, Internet, and Database Applications  
Objective**

The objectives of this work element are to: (1) improve work and productivity through the application of database and programming technologies; (2) increase the accessibility of the Regional Information Systems by developing, enhancing, and documenting custom software and database solutions for the Overall Work Program, Finance, and Administrative functions; and (3) provide direct, comprehensive technical support to transit, iCommute, FasTrak®, SANDAG websites, and the SANDAG Intranet. Emphasis in FY 2016 is to update various internal applications, provide support to the Finance Department for budget development and the agency's financial software application (ONESolution) reporting, provide support to the Public Information Office and Transportation Demand Management team in the maintenance of the current SANDAG website and its ancillary sites, and develop new websites in a responsive design which are mobile friendly.

**73004.00  
Government Relations  
Objective**

The objective of this ongoing work element is to manage federal and state legislative activities in accordance with the SANDAG Legislative Program. Emphasis in FY 2016 is to monitor and respond to key state and federal legislation, policies, and programs; and pursue additional resources and funding mechanisms at the federal, state, and local levels to implement SANDAG plans and programs, including border transportation infrastructure needs.

**73005.00  
Interagency Coordination  
Objective**

The objective of this work element is to support the SANDAG Board of Directors and Policy Advisory Committees by developing and communicating interagency solutions concerning regional transportation systems, implementation of transportation projects, optimal funding solutions, conflict resolution, and other coordination needs. Emphasis in FY 2016 will be to continue to enhance coordination activities with the public and member agencies to jointly advance SANDAG issues and initiatives.

**73006.00  
Social Equity Program  
Objective**

The concepts of environmental justice and social equity involve analysis of the burdens of plans, policies, and actions to ensure they do not disproportionately affect low-income and minority communities and that these communities share equally in the benefits of the plans, policies, and actions (and are not denied access to federally-funded programs). The emphasis in FY 2016 will be to: (1) continue to integrate Title VI and environmental justice agency wide; (2) prepare Title VI analyses and reports; and (3) explore the availability of a software solution for conducting project-level social equity analyses.
### Area of Emphasis: Regional Operations and Services

<table>
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<tr>
<th>Code</th>
<th>Description</th>
<th>Objective</th>
</tr>
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<tbody>
<tr>
<td>33102.00</td>
<td>Motorist Aid Services - Freeway Service Patrol</td>
<td>The objective of this ongoing program is to reduce freeway congestion and enhance safety by providing a roving motorist aid service that patrols designated urban freeways and assists/removes stranded or disabled vehicles. The Freeway Service Patrol (FSP) is an ongoing effort administered by SANDAG in coordination with Caltrans and the California Highway Patrol. Emphasis in FY 2016 will be placed on continued support of ongoing FSP motorist aid services, including monitoring of the pilot program (midday and weekend), the fleet management system, and other modifications made to the system.</td>
</tr>
<tr>
<td>33103.00</td>
<td>Interstate 15 (I-15) FasTrak® Value Pricing Program</td>
<td>The objectives of this work element are to: (1) maximize utilization of the I-15 Express Lanes by allowing FasTrak customers to pay a toll/fee to use the excess capacity of the facility; (2) leverage agency resources to cost-effectively manage the program and collect toll revenue and fees from customers; and (3) utilize price controls to maintain performance levels in the lanes to ensure reliable commute times. Emphasis in FY 2016 will be to oversee the maintenance of the tolling and revenue collection systems, operations of the customer service center, and increase use of the facility by all modes through business development and integrated marketing efforts.</td>
</tr>
<tr>
<td>33110.00</td>
<td>Intelligent Transportation Systems (ITS) Operation</td>
<td>The objective of this work element is to address the ongoing operations, system administration, network communications, and maintenance needs of regional ITS deployments. SANDAG has deployed several modal programs, systems, and regional communications networks that transition from implementation into normal or pilot operations. Emphasis in FY 2016 will be the continued support of the Integrated Corridor Management System, the 511 Advanced Traveler Information Service, the Intermodal Transportation Management System, and the Regional Arterial Management System.</td>
</tr>
<tr>
<td>33121.00</td>
<td>SR 125 Facility Operations</td>
<td>The objective of this work element is to maintain and operate the State Route 125 (SR 125) facility, collecting tolls and project revenue to pay for operations, maintenance, and the debt incurred in the acquisition of the franchise agreement. Emphasis in FY 2016 will be to continue to oversee roadway operations, customer service functions, revenue management, and business development activities, including marketing and promotion of the SR 125 facility jointly with the Interstate 15 Express Lanes.</td>
</tr>
</tbody>
</table>
## Area of Emphasis: Regional Operations and Services

### 33122.00
**Motorist Aid - Call Box Program**

**Objective**
The objective of the program is to improve the safety of the public and the highway system by providing lifeline assistance to stranded motorists. The program provides access to support services through the region’s roadside callboxes, mobile phone access, call center services, and transfers to the California Highway Patrol so that motorists can get the assistance needed in the San Diego region. Emphasis in FY 2016 is to continue to maintain and right size the physical call box network; expand use of the mobile call box service, and pursue efforts to evaluate and implement technologies which support stranded motorists.

### 33123.00
**Centralized Trolley Control Maintenance**

**Objective**
The objective of this project is to provide software and hardware maintenance for the Metropolitan Transit System (MTS) Centralized Train Control System. This system is being delivered in phases, with some phases currently operational and others yet to be implemented. Emphasis in FY 2016 will be to transition operations and maintenance of the system to MTS.

### 73500.00
**ARJIS: Services to Member Agencies (Group Program)**

**Group Objective**
The objective of this group program is to provide Automated Regional Justice Information Systems services to member agencies and other law enforcement jurisdictions in the region. The projects in this group include a variety of automated services and programs in support of this overall objective.

### 73501.00
**ARJIS: Maintenance and Support**

**Objective**
The objective of this work element is to provide ongoing support and maintenance for Automated Regional Justice Information System (ARJIS) Enterprise and all applications used by ARJIS agencies. Included is customer support for these initiatives via help desk services, troubleshooting, problem tracking, and minor system and program modifications. Emphasis in FY 2016 will be on stabilization and optimization of the hardware and software infrastructure, system documentation, policy review, and seeking cost savings through hardware consolidation efforts while maintaining compliance with the Federal Bureau of Investigation Criminal Justice Information Services security policies. Customer outreach will be a high priority, including application enhancements, application documentation and user guides, user training, and installing new interfaces to agency records management systems.
### Area of Emphasis: Regional Operations and Services

#### 73502.00  
**ARJIS: Project Management and Administration**  
**Objective**  
The objective of this work element is managing operations for the Automated Regional Justice Information System (ARJIS) Program and enhancing ARJIS systems according to priorities set by the Public Safety Committee, Chief’s/Sheriff’s Management Committee, and the Board of Director’s. Emphasis in FY 2016 will be supporting those committees, invoicing ARJIS member agencies, training and outreach to customers, and researching available grant opportunities.

#### 73503.00  
**ARJIS: Enterprise System**  
**Objective**  
The objective of this work element is to continue development of the Automated Regional Justice Information System (ARJIS) Enterprise. Emphasis in FY 2016 will be to upgrade the Enterprise hardware to include new filers and servers. Further system enhancements will be deployed, including continuing to add new data sources to State, Regional, Federal Enterprise Retrieval System, the ARJIS ‘Super Query’ system, in compliance with Federal Bureau of Investigation Criminal Justice Information Services security policies. The Cognos reporting system will be enhanced to provide real-time data updates and to deploy the new Uniform Crime Reporting process.

#### 73513.00  
**ARJIS: Tactical Automated Response using GPS Enabled Technology (TARGET)**  
**Objective**  
TARGET will enhance situational awareness by providing law enforcement officers in the field with real-time, geo-spatial incident data. Data will be captured accurately and retrieved using handheld global positioning system-enabled devices that are compliant with Federal Bureau of Investigation Criminal Justice Information Services security policies. The application will provide comprehensive and easily interpreted maps that integrate police incidents, field interviews, and officer notifications, with locations of gang injunctions, sex offender addresses, and critical infrastructure. Emphasis in FY 2016 is to: (1) deploy TARGET to various law enforcement agencies and task forces; (2) obtain system metrics; (3) produce quarterly status reports; and (4) incorporate technical specifications, feedback/results, and lessons learned from the project into a final report for the National Institute of Justice.

#### 73514.00  
**ARJIS: South West Offender Real-time Notification (SWORN)**  
**Objective**  
ARJIS and agencies in Arizona will collaborate to advance cross-boundary information exchange pilot projects. The aim is to develop interstate sharing of corrections, probation, parole, and law enforcement data along the Southwest border of the United States. Tangible results will be realized through secure, wireless mobile devices to enable real-time field access to data, alerts, and photographs not currently shared. Emphasis in FY 2016 is to: (1) finalize the interface between ARJIS and the Arizona agencies identified in the FY 2015 feasibility assessment; (2) deploy mobile devices to law enforcement personnel in Arizona and San Diego for access to the State, Regional, Federal Enterprise Retrieval System; (3) produce metrics reports and gather feedback from users; and (4) produce quarterly status reports and final report for the National Institute of Justice.
### Area of Emphasis: Regional Operations and Services

#### 73516.00
**ARJIS: Graffiti Tracker**  
**Objective**  
The objective of this work element is to provide regional support to the Graffiti Tracker Program, capture metrics on system usage and produce reports for participating agencies, identify trends and patterns, and provide customer outreach and training to encourage system usage. Emphasis in FY 2016 will be to continue to perform outreach, with a focus on the development of regional and cluster user groups.

#### 73518.00
**ARJIS: NIJ RAND Collaboration**  
**Objective**  
The objective of this work element is to collaborate with the RAND Corporation on a research effort for the National Institute of Justice to evaluate information sharing systems. Staff will serve as the liaison between Automated Regional Justice Information System (ARJIS) users and the RAND Project Manager and will provide anonymized aggregate data, metrics, and usage reports. Emphasis in FY 2016 is to: (1) identify, meet with, and interview users from member agencies; (2) analyze data sets from the ARJIS Operational Storage database and gather metrics from multiple ARJIS systems; (3) provide data extractions to the RAND Corporation; (4) prepare quarterly status reports; and (5) assist in the development of the final report for the Department of Justice.

#### 73519.00
**ARJIS: Regional Data Sharing III**  
**Objective**  
The objective of this work element is to coordinate, develop, and implement applications that enhance public safety throughout the San Diego region. The Department of Homeland Security's Urban Area Security Initiative addresses this need by funding agencies to implement projects that target information sharing in San Diego County and bordering regions. Emphasis in FY 2016 is on continued efforts with the Sheriff's Department on the interface to the NetRMS Records Management System and on enhancements to the Regional Mapping Dashboard.

#### 73520.00
**ARJIS: ARJISnet Infrastructure and Mobile**  
**Objective**  
The objective of this work element is to provide ongoing support and maintenance for Automated Regional Justice Information System (ARJIS) network infrastructure, including all wired and wireless connectivity between ARJIS, the data center(s), member agencies, and the ARJIS Wireless Mobile environment in accordance with the Federal Bureau of Investigation and Criminal Justice Information Services policy. Emphasis in FY 2016 is to maintain and upgrade where prudent the various components of the ARJIS infrastructure and to provide strategic redundancy in order to provide consistent connectivity between ARJIS, its network providers, and member agencies.
FY 2014 AUDITED COMPREHENSIVE ANNUAL FINANCIAL REPORT

Introduction

The independent certified public accounting audit firm of Mayer Hoffman McCann P.C. has concluded the annual audit of SANDAG for the fiscal year ended June 30, 2014. The Comprehensive Annual Financial Report (CAFIR) is provided as an attachment to this report (Attachment 1).

Discussion

The CAFR presents the financial position and activity of SANDAG and the three component units, which include the San Diego County Regional Transportation Commission, SourcePoint, and the Automated Regional Justice Information System. The auditors have expressed an unqualified (clean) opinion on these basic financial statements.

In compliance with Statement of Auditing Standards (SAS) No. 114, the auditor is required to communicate certain matters to the governing body (Attachment 2). These matters include significant audit findings related to qualitative aspects of accounting practices, difficulties encountered in performing the audit, corrected and uncorrected misstatements, disagreements with management, management representations, management consultations with other independent accountants, and other audit findings or issues.

In summary, the required communications letter states that no difficulties or disagreements were encountered by the auditors in dealing with management. Regarding corrected and uncorrected misstatements, there were two uncorrected misstatements, which were deemed immaterial to the financial statements, and therefore, acceptable to the auditors:

- Adjustment to correct the balance of prepaid expenses for approximately $18,500
- Adjustment to correct the balance of violation fines revenue for approximately $22,000

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to SANDAG for its CAFR for the fiscal year ended June 30, 2013. This was the seventh consecutive year that SANDAG received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.
A Certificate of Achievement only is valid for a period of one year. We believe that the FY 2014 CAFR will continue to meet the Certificate of Achievement Program requirements, and have therefore submitted it to the GFOA to determine its eligibility for another certificate.

ANDRÉ DOUZDJIAN
Director of Finance

Attachments: 1. SANDAG CAFR for the fiscal year ended June 30, 2014
             2. SAS No. 114 Required Audit Communications Letter

Key Staff Contacts: André Douzdjian, (619) 699-6931, andre.douzdjian@sandag.org
                   Leeanne Wallace, (619) 699-0728, leeanne.wallace@sandag.org
Item 5 - Attachment 1:
FY 2014 AUDITED COMPREHENSIVE ANNUAL FINANCIAL REPORT

The full document in electronic format can be downloaded at www.sandag.org/2014CAFR

Hard copies will be provided at the meeting or are available by contacting the Public Information Office at (619) 699-1950 or pio@sandag.org.
Board of Directors
San Diego Association of Governments
San Diego, California

We have audited the financial statements of the governmental activities, the business-type activities, the blended component unit, the aggregate discretely presented component units, and each major fund of the San Diego Association of Governments (SANDAG) for the year ended June 30, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, Government Auditing Standards and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 14, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the San Diego Association of Governments (SANDAG) are described in Note I to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2014. We noted no transactions entered into by the organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting SANDAG’s financial statements were:

- Management’s estimate of the fair market value of derivative instruments is based on a consultant’s report. We evaluated the key factors and assumptions used to develop the fair value of the derivative instruments, including recalculation of the fair value of the instruments, in determining that it is reasonable in relation to the financial statements taken as a whole.

- Management’s judgments related to recording capital assets, including which expenses to capitalize, appropriate useful lives, which capital assets to transfer as contributed capital to other government agencies. We evaluated the key factors and assumptions used by management in making these decisions determined that capital assets are reasonable in relation to the financial statements taken as a whole.

- Management’s judgments related to allocations of costs between funds and grants. We evaluated the key factors and assumptions used to calculate these allocations, including review and testing of SANDAG’s indirect cost allocation plan, in determining that the allocation is reasonable in relation to the financial statements taken as a whole.
Board of Directors
San Diego Association of Governments
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- Management's estimate of the allowance for uncollectable accounts related to violations receivable. We evaluated the key factors and assumptions used to develop the value of the allowance, including the review of historical information related to the collection of prior receivable amounts.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- The disclosure of Cash and Investments in Note III A to the financial statements.
- The disclosure of Derivative Activity in Note III D to the financial statements.

**Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit.

**Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

The following summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole:

- Adjustment to correct the balance of prepaid expenses for approximately $18,500.
- Adjustment to correct the balance of violation fines revenue for approximately $22,000.

**Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

**Management Representations**

We have requested certain representations from management that are included in the management representation letter dated December 5, 2014.

**Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.
Board of Directors  
San Diego Association of Governments  
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Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management’s discussion and analysis, budgetary comparison information of the general fund and major special revenue funds, and the schedule of funding progress, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual nonmajor fund statements and the budget and actual schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory section and statistical section, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of SANDAG and is not intended to be and should not be used by anyone other than these specified parties.

Mayer Hoffman McCann P.C.

December 5, 2014  
Irvine, California
LEGISLATIVE STATUS REPORT

Introduction

Monthly status reports on legislative activities are provided to the Executive Committee. Attachments 1 and 2, respectively, include summaries from Ellison Wilson Advocacy, LLC on state legislative activity and from Peyser Associates LLC on federal legislative activity related to SANDAG. In addition, this report provides a summary on current cap-and-trade programs relevant to SANDAG activities.

Discussion

In 2014, the California Legislature created the first investment plan for cap-and-trade auction revenues. Approximately $872 million was authorized in the FY 2014-2015 state budget for various transit, sustainable communities, and low-carbon transportation programs to reduce greenhouse gas (GHG) emissions. Governor Brown's FY 2015-2016 Proposed Budget includes $1 billion for the same purposes.

SANDAG is monitoring the development of several of the cap-and-trade programs for potential funding opportunities. An update on the status of these programs is provided below.

Cap-and-Trade Programs

Affordable Housing and Sustainable Communities Program

Objective: Reduce GHG emissions through projects that implement land-use, housing, transportation, and agricultural land preservation practices to support infill and compact development.

Disadvantaged Communities: This program includes a statewide requirement that 50 percent of Affordable Housing and Sustainable Communities Program funds benefit disadvantaged communities.

Funding Available: $120 million (FY 2014-2015); $200 million (proposed FY 2015-2016)

Status: The notice of available funding was released on January 30, 2015. Concept proposals are due on February 19, 2015. Select applicants will be invited to submit a full application on March 11, 2015, and full applications will be due April 15, 2015.
Transit and Intercity Rail Capital Program

Objective: Support the reduction of GHG emissions, expansion of rail service to increase ridership, the integration of different rail and bus systems, and rail safety improvements through capital improvements and operational investments.

Disadvantaged Communities: This program includes a statewide requirement that at least 25 percent of Transit and Intercity Rail Capital Program funds benefit disadvantaged communities.

Funding Available: $25 million (FY 2014-2015); $100 million (proposed FY 2015-2016)

Status: Final guidelines for this program are scheduled to be released on February 6, 2015. The call for projects is expected to be released on February 9, 2015, and project applications are due on April 10, 2015.

Low Carbon Transportation

Objective: Accelerate the transition to low carbon freight and passenger transportation and provide incentives for the pre-commercial demonstration of advanced freight technology to move cargo in California.

Disadvantaged Communities: The Air Resources Board is targeting 50 percent of this funding to projects that benefit disadvantaged communities, with a significant portion of these funds spent on projects based in those communities.

Funding Available: $200 million (FY 2014-2015); $200 million (proposed FY 2015-2016)

Status: This program consists of several smaller pilot programs that SANDAG is monitoring. Solicitations for the various programs are expected to be released in February and March 2015.

Next Steps

Staff will continue to monitor and update the Executive Committee as these programs develop.

JOSÉ A. NUNCIO
TransNet Department Director

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

Key Staff Contact: Robyn Wapner, (619) 699-1994, robyn.wapner@sandag.org
TO: SANDAG BOARD OF DIRECTORS

FROM: ELLISON WILSON ADVOCACY, LLC

SUBJECT: SANDAG LEGISLATIVE ACTIVITY REPORT – JANUARY 2015

LEGISLATIVE UPDATE

Senate Committee Assignments

While the 2015-16 Legislative Session officially commenced for an organizational session in December, the Legislature quickly left town and did not return until early January 2015. Upon their return, leadership in the Senate finally released their list of committee assignments. We have listed those below and have included in bold the members of the San Diego delegation (the Assembly committee assignments were included in our December legislative report.)

Agriculture: Galgiani (Chair), Cannella (Vice Chair), Berryhill, Pan, and Wolk

Appropriations: Lara (Chair), Bates (Vice Chair), Beall, Hill, Leyva, Mendoza, and Nielsen

Banking and Financial Institutions: Block (Chair), Vidak (Vice Chair), Galgiani, Hall, Hueso, Lara, and Morrell

Budget and Fiscal Review: Leno (Chair), Nielsen (Vice Chair), Allen, Anderson, Beall, Block, Hancock, Mitchell, Monning, Morrell, Nguyen, Pan, Pavley, Roth, Stone, and Wolk

Budget Subcommittee No. 1 - Education: Block (Chair), Allen, and Morrell

Budget Subcommittee No. 2 - Resources, Environmental Protection, Energy and Transportation: Wolk (Chair), Nielsen, and Pavley

Budget Subcommittee No. 3 - Health and Human Services: Mitchell (Chair), Monning, and Stone

Budget Subcommittee No. 4 - State Administration and General Government: Roth (Chair), Nguyen, and Pan

Budget Subcommittee No. 5 - Corrections, Public Safety, and the Judiciary: Hancock (Chair), Anderson, and Beall

Business, Professions, and Economic Development: Hill (Chair), Bates (Vice Chair), Berryhill, Block, Galgiani, Hernandez, Jackson, Mendoza, and Wieckowski
Education: Liu (Chair), Huff (Vice Chair), Block, Hancock, Leyva, Mendoza, Pan, Vidak, and Vacancy

Elections and Constitutional Amendments: Allen (Chair), Anderson (Vice Chair), Hancock, Hertzberg, and Liu

Energy, Utilities and Communications: Hueso (Chair), Fuller (Vice Chair), Cannella, Hertzberg, Hill, Lara, Leyva, McGuire, Morrell, Pavley, and Wolk

Environmental Quality: Wieckowski (Chair), Gaines (Vice Chair), Bates, Hill, Jackson, Leno, and Pavley

Governance and Finance: Hertzberg (Chair), Nguyen (Vice Chair), Bates, Beall, Hernandez, Lara, and Pavley

Governmental Organization: Hall (Chair), Berryhill (Vice Chair), Block, Gaines, Galgiani, Hernandez, Hill, Hueso, Lara, McGuire, and Vidak

Health: Hernandez (Chair), Nguyen (Vice Chair), Hall, Mitchell, Monning, Nielsen, Pan, Roth, and Wolk

Human Services: McGuire (Chair), Berryhill (Vice Chair), Hancock, Liu, and Nguyen

Insurance: Roth (Chair), Gaines (Vice Chair), Berryhill, Hall, Hernandez, Liu, Mitchell, Wieckowski, and Vacancy

Judiciary: Jackson (Chair), Vidak (Vice Chair), Anderson, Hertzberg, Leno, Monning, and Wieckowski

Labor and Industrial Relations: Mendoza (Chair), Stone (Vice Chair), Jackson, Leno, and Mitchell

Legislative Ethics: Monning (Chair), Morrell (Vice Chair), Bates, Gaines, Leno, and Pavley

Natural Resources and Water: Pavley (Chair), Stone (Vice Chair), Allen, Fuller, Hertzberg, Hueso, Jackson, Monning, and Wolk

Public Employment and Retirement: Pan (Chair), Morrell (Vice Chair), Beall, Fuller, and Hall

Public Safety: Hancock (Chair), Anderson (Vice Chair), Leno, Liu, McGuire, Monning, and Stone

Rules: De León (Chair), Fuller (Vice Chair), Cannella, Leyva, and Mitchell

Transportation and Housing: Beall (Chair), Cannella (Vice Chair), Allen, Bates, Gaines, Galgiani, Leyva, McGuire, Mendoza, Roth, and Wieckowski

Veterans Affairs: Nielsen (Chair), Hueso (Vice Chair), Allen, Nguyen, and Roth

Joint Legislative Audit: Roth (Vice Chair), Beall, Cannella, Fuller, Galgiani, Lara, and Leyva

Joint Legislative Budget: Leno (Chair), Bates, Fuller, Lara, Mitchell, Monning, Nielsen, and Wolk
2015 Legislation

Bills have begun to flow in with over 375 bills introduced thus far. We fully expect the number of bills introduced to dramatically increase closer to the February 27, 2015, bill introduction deadline (generally anywhere from 2,000 - 3,000 bills are introduced each year).

On February 4, 2015, Speaker Atkins announced a transportation funding proposal, which would include $10 billion for transportation infrastructure – $2 billion per year over the next 5 years – starting in FY 2015-16. There currently is no bill text available; however, according to a statement released by her office, the initiative would include:

- $1 billion per year by returning truck weight fees to transportation instead of using them to repay general obligation debt
- $200 million per year for transportation funding by accelerating repayment of transportation loans
- $800 million per year in new net funds for transportation by establishing a new “Road User Charge”

Similarly, Assembly Member Luis Alejo introduced AB 227, which would enact a number of changes to the way transportation currently is being funded, including: (1) expediting the repayment of loans made to the General Fund from transportation funds; (2) ensuring weight fee revenues stay in the State Highway Account and are used for transportation projects; and (3) indefinitely extending the sunset date for public-private partnerships for transportation projects.

Since our last report, Senators Jackson, Hill, and Roth have expressed an interest in California Environmental Quality Act (CEQA) reform this session and have since introduced Senate Bill (SB) 122. At this point, the bill requires: (1) a lead agency upon request to prepare a concurrent record of proceedings with the preparation of a negative declaration, mitigated negative declaration, Environmental Impact Report (EIR), or other environmental document for projects; (2) intent language to establish an electronic database clearinghouse of notices and documents required under CEQA; and (3) intent language to establish a public review period for a final EIR under CEQA. Our understanding is that this bill is intended as a starting point for greater CEQA reform. This bill falls under the purview of SANDAG Legislative Priority 6A (CEQA).

Furthermore, we are expecting to see a number of local government post-Redevelopment Agency (RDA) economic development bills this session. Already we have seen Assembly Bill (AB) 2 by Assembly Member Alejo, which is a reintroduction of last year’s AB 2280. AB 2280 would have brought back a form of redevelopment, called Community Revitalization Investment Authority, for communities that met certain income and blight criteria, including, amongst others, an annual median household income that is less than 80 percent of the statewide annual median income. While the Governor vetoed AB 2280, the Governor left open the door for a bill drafted in an entirely new area of law AB 2 has thus been introduced, and while it’s merely in intent form right now, we expect it to look a lot like AB 2280, albeit in a separate area of the code consistent with the Governor’s feedback, when it is substantively amended. This bill potentially falls under the purview of SANDAG Legislative Priorities 1B (provides incentives to jurisdictions regarding affordable housing) and 6B (allows regions to develop their own fiscal strategies).
Additionally, Chair of the Assembly Transportation Committee Assembly Member Frazier introduced a High Occupancy Toll (HOT) lane bill, AB 194, which is sponsored by the Self-Help Counties Coalition and is very similar to the final version of last year’s SB 983 (Hernandez), which died on the Assembly Appropriations Committee’s suspense file. In essence, the bill extends indefinitely the California Transportation Commission’s (CTC’s) authority to approve regional transportation agencies’ applications to develop and operate HOT lanes, deletes the limitation on the number of HOT lane applications (currently four) that CTC may approve, and expands the authority to include applications submitted by Caltrans. This bill falls under the purview of SANDAG Legislative Priority 9B (HOT lanes).

**Governor’s Proposed Budget**

In early January, the Governor released his FY 2015-16 Budget Proposal. Overall, the proposed budget totals $164.7 billion, of which $113.3 billion is in General Fund spending. This is a 5.4 percent increase from the current $107.4 billion general fund spending. The budget proposes making a $1.2 billion deposit into the state’s rainy-day fund, bringing the total in the rainy-day fund to $2.8 billion. Of particular note to SANDAG, the Governor included the following items:

**Transportation:** The proposed budget includes total funding of $15.8 billion ($84 million General Fund and $15.7 billion other funds) for all programs administered within the Transportation Agency. In addition, the Shared Revenues budget in the General Government area allocates over $1.4 billion in fuel excise tax to cities and counties for local streets and roads.

Consistent with his previous statements regarding the need to address the state’s aging transportation infrastructure, the Governor lists a number of current efforts, but states the following:

> “These funding strategies alone are not sufficient to address the state’s ongoing maintenance and repair needs. The state must consider other funding options to provide for the long-term sustainability of the state’s core highway system. The solution must address the deferred maintenance needs of the highway system, key freight corridor investments, and include an ongoing pay-as-you-go funding structure that aligns funding with use of the system. Existing authority for local revenues can, and does, help address local preservation shortfalls for roads and transit. As such, new local option revenues should also be considered for these investments. As the state explores options for maintaining state highways and investing in key trade corridors, it is appropriate to consider the weight of vehicles, which is directly related to the wear and tear on the state’s highway system.”

We participated in a Transportation Budget Stakeholder Call led by California State Transportation Agency (CalSTA) Secretary Brian Kelly. Of note, Kelly indicated that while the budget is silent on a funding source for fixing our infrastructure, CalSTA will be working with the California Transportation Infrastructure Priorities (CTIP) Workgroup to identify a stable funding source (discussed further below).

**Cap-and-Trade Allocations:** The Governor’s budget proposes to expend an additional $1 billion in cap-and-trade revenues. Consistent with the long-term 60 percent allocation in last year’s budget for High-Speed Rail and transit, affordable housing and sustainable communities, the Governor
proposes to expend the $1 billion in the following manner (last year’s budget amounts are included in parenthesis):

- High Speed Rail - $250 million (FY 2014-15 - $250 million)
- Low Carbon Transit Operations Program - $50 million ($25 million)
- Transit and Intercity Rail Capital Program - $100 million ($25 million)
- Affordable Housing and Sustainable Communities - $200 million ($130 million)
- Low Carbon Transportation - $200 million ($200 million)
- Energy Efficiency Upgrades/Weatherization - $75 million ($75 million)
- Energy Efficiency for Public Buildings - $20 million ($20 million)
- Agricultural Energy and Operational Efficiency - $15 million ($15 million)
- Wetlands and Watershed Restoration - $25 million ($25 million)
- Fire Prevention and Urban Forestry Projects - $42 million ($42 million)
- Waste Diversion - $25 million ($25 million)

Local Government:

- **State Mandate Reimbursements.** As a follow up to a $100 million repayment on pre-2004 mandate debt owed to cities, counties, and special districts included in the FY 2014-15 budget, the Governor’s FY 2015-16 proposed budget would include a $533 million payment towards these same mandate debts. The Department of Finance also has indicated that this amount may further increase before the budget is ultimately passed, but we also are hearing that a number of other interest groups will be fighting to divert this money away from local government.

- **Public Records Act Mandates.** The Governor also is proposing a one-time, $9.6 million payment to local agencies to fund the back costs accrued from 2001-2013 performing activities required under the Public Records Act.

- **Redevelopment Dissolution.** The Governor’s budget broadly outlines a proposal to simplify the dissolution process and “gradually transition the state away from the current detailed role in the RDA dissolution process.” Details are scarce, but the Governor’s budget summary mentions transitioning all successor agencies from a biannual Recognized Obligation Payments Schedule (ROPS) process to an annual ROPS process, establishing a “Last and Final” ROPS process beginning September 2015, as well as a number of other “clarifications.”

The Assembly and Senate Budget Committees will begin hearings to review the specific proposals over the next few months and in May 2015 the Governor will release his revised budget proposal. The budget must be passed by the Legislature by June 15, 2015, in order to take effect on July 1, 2015.
California Transportation Infrastructure Priorities Workgroup Recommendations

CalSTA established the CTIP Workgroup in April 2013 to examine the current status of the state’s transportation system, discuss the challenges that lie ahead, and make recommendations to the Secretary. The CTIP Workgroup includes representatives from various state entities, but is primarily composed of non-state entities, including but not limited to federal, regional and local government representatives, labor and industry groups, environmental, and social equity groups.

In January 2015, the CTIP Workgroup released three whitepapers:

• “Exploring a Road Usage Charge as an Alternative to the Gasoline Tax,” which included the following CTIP Workgroup recommendations:
  
  o The process to develop a California road usage charge should be guided by the following 13 policy principles:
    
    1. Fully Engage the Public – A road usage charge demonstration program needs to be transparent and engage the traveling public.
    
    2. Honor Personal Privacy – The right to privacy must be honored. The system should protect specific driver and other personally identifiable information.
    
    3. Be Fair and Equitable – All Californians should pay their fair share for using the transportation system – just like they pay their fair share of use for water or electricity. A fair system may account for vehicle type and size (e.g., fuel efficiency and weight) and consider incentives for lower-income and disadvantaged Californians.
    
    4. Keep Pace with Change – The system should be open, adaptable, and expandable towards current and future technologies, and allow private sector participation.
    
    5. Avoid Double Charging – The individual paying a road usage charge should not have to pay both the gas tax and the road usage charge.
    
    6. Be Simple – The system should be uncomplicated, streamlined, and transparent.
    
    7. Clearly Identify Responsibilities – Roles, responsibilities, administration, and oversight functions should be clearly identified.
    
    8. Be Enforceable – The system should meet all security and compliance measures to detect and deter evasion and fraud.
    
    9. Integrate with Other Charges – As a full or partial replacement to the gas tax, the charge also should be compatible with current and future transportation revenue streams in California, and with other state, national, and international transportation systems.
    
    10. Reinvest in Transportation – The use of road usage charge revenue must be used for transportation purposes.
11. Allow User Choice – Californians should have the ability to select a reporting option of choice based on multiple technology and non-technology options.

12. Incorporate Cost Efficiencies – The system should incorporate low capital and operating costs to ensure the highest return on system investment.

13. Integrate with Other State Policies – The system also should align with California’s economic, energy, environmental, and congestion management goals.

   o The characteristics of a large road usage charge demonstration include:

   1. Geographic Diversity – A road usage charge demonstration in California should reflect the profile of drivers on the roads. This includes north/south, urban/rural, socioeconomic classes, ethnic groups, and others. A large demonstration consisting of statewide distribution is recommended, including multiple urban and rural areas throughout the state. Any reduction in geographic coverage may not provide a statistically valid representation of California’s geographic diversity.

   2. Duration – A road usage charge demonstration in California will take time and may take 12 months of live demonstration. Any reduction to this timeframe might reduce the confidence level and confidence interval of the demonstration results.

   3. Reporting Options – A road usage charge demonstration in California will need to explore both technology and non-technology options. A large demonstration will allow participants to choose from approximately six different types of reporting options. Any reduction to the amount of options available to participants might limit California’s ability to address issues such as privacy, interoperability, user choice, and flexible technology.

   4. Sample Size – A road usage charge demonstration in California should reflect the overall population. Based on the characteristics identified above, a large demonstration consisting of approximately 6,000 participants is recommended. Any reduction in sample size may not provide a statistically valid representation of California’s population when spread across the state’s geographic segments and multiple reporting options.

• “Tolling and Pricing for Congestion Management and Transportation Infrastructure Funding,” which included a number of recommendations – the enactment of CalSTA/Caltrans policies on tolling and managed lanes, as well as legislation to expand the use of tolling and pricing in California as follows:

   o Permanently reinstate the process established under AB 1467 in 2006 in which regional agencies could apply to the CTC to operate HOT lanes

   o Expand this authority to Caltrans

   o Eliminate the cap on the number of projects that could be approved

   o Would include express toll lanes and toll roads in addition to HOT lanes
• “State Transportation Improvement Program – Performance Investment and Transparency,” which included the following recommendations on ways to improve the State Transportation Improvement Program (STIP):
  
  o Focus on the Regional Transportation Plans (RTPs) and the Interregional Transportation Strategic Plan to direct project selection
  
  o Strong performance measures and reporting are needed for the STIP, because the public should know their tax dollars are well-spent
  
  o Pursue multi-modal investments in the STIP, while recognizing the STIP as the only State program for regional and interregional highway capacity improvements
  
  o While not having any preservation mandates, the STIP should be clearly eligible for fit-it-first preservation and operational improvements of existing multi-modal infrastructure
  
  o Improve the transparency of the Interregional Transportation Improvement Program, starting with the 2016 plan, to demonstrate its alignment with state policies and expand the public participation process

  In regards to the last two whitepapers, CalSTA stated, “The recommendations provided by the CTIP Workgroup on the road user charge and tolling and pricing enjoyed nearly 90 percent approval from voting CTIP participants, and hence, these recommendations are considered supported by the group. The recommendations regarding the STIP enjoyed a lesser majority of 61 percent from voting CTIP participants, and are therefore not necessarily considered supported by the overall group.”

  **ACTIVITY REPORT**

  1/5: Communicated with SANDAG staff regarding Governor’s State of the State Speech/infrastructure needs comments.

  1/6: Met with California Association of Councils of Governments Executive Director regarding legislative priorities.

  1/7: Provided updates to SANDAG staff regarding Senate committee assignments, including follow-up inquiry regarding Joint Legislative Budget Committee; discussions with SANDAG staff regarding firm’s attendance at SANDAG Executive Committee and Board meetings.

  1/8: Communicated with SANDAG staff regarding RTP litigation and cap-and-trade programs.

  1/9: Firm attended SANDAG Executive Committee, Board, and staff meetings at SANDAG offices; reviewed Governor’s proposed budget; participated in call with California State Transportation Agency Secretary Brian Kelly regarding Governor’s proposed budget.

  1/12: Provided SANDAG staff with Governor’s proposed budget overview, including highlights relating to transportation, cap-and-trade, and local government.
1/13: Pursuant to inquiry from SANDAG staff, reviewed previous action on AB 1532 from 2014; provided SANDAG staff with Legislative Analyst Office’s budget summary.

1/14: Reviewed and analyzed template of Amicus Curiae Letter in support of SANDAG RTP legislation.

1/16: Reviewed and analyzed Caltrans’ “Complete Streets Implementation Action Plan 2.0”; reviewed CEQA reform legislation, SB 122; provided subsequent updates to SANDAG staff.

1/20: Reviewed and analyzed CTIP whitepaper: “Exploring a Road Usage Charge as an Alternative to the Gasoline Tax”; provided subsequent updates to SANDAG staff.

1/21: Reviewed and analyzed CTIP whitepapers: “Tolling and Pricing for Congestion Management and Transportation Infrastructure Funding” and “State Transportation Improvement Program – Performance Investment and Transparency”; provided subsequent updates to SANDAG staff.

1/26: Reviewed SANDAG staff’s analysis on SB 122.

1/29: Reviewed and analyzed HOT lane bill, AB 194; Met with Frazier’s staff on bill; provided subsequent update to SANDAG staff; communicated with SANDAG staff regarding spot bill language; reviewed request from SANDAG staff regarding State Transit Assistance qualifying criteria.

1/30: Reviewed and analyzed 2015 Transportation Omnibus Bill; provided subsequent updates to SANDAG staff.
Transportation Update from Peyser Associates

114th Congress Convenes

The 114th Congress kicked off on Tuesday, January 6, 2015, in a ceremonial day filled with lofty speeches urging more action and productivity than has occurred in recent years. Republicans control both the House and Senate. The Senate makeup is 54 Republicans, 44 Democrats, and 2 Independents who caucus with the Democrats; while the Republican Party controls 246 seats in the House and Democrats have 188. (There also is already one vacancy in the House as a result of the resignation of a New York Republican Michael Grimm, who pleaded guilty to tax evasion at the end of 2014.) There are 58 freshman Members of Congress in the House and 13 new Senators.

Early agenda items for both chambers included authorization for the Keystone pipeline, renewal of terrorism risk insurance, and Homeland Security funding for the remainder of FY 2015. Homeland Security was the only appropriations bill that was not folded into the year-long omnibus and instead is being funded by a Continuing Resolution into February.

Leaders in the transportation arena have begun laying out broad agendas, with the knowledge that there is a deadline of May 31, 2015, when the current Moving Ahead for Progress in the 21st Century Act (MAP-21) authorization expires. Senate leaders of the Environment and Public Works (EPW) and Commerce committees will be meeting this week to map out plans, while the Chair and Ranking Member of the House Transportation and Infrastructure (T&I) Committee spoke to reporters and laid out their tentative timeline of items. Chairman Bill Shuster (R-PA) and Ranking Member Peter DeFazio (D-OR) said that the committee plans to take up an Amtrak bill as a start. It is expected to be similar to what the committee passed in November 2014. Next the committee will move on to an Federal Aviation Administration authorization and the Surface Transportation bill. Shuster indicated that his hope is for Ways and Means to take up the issue of funding for the Highway Trust Fund (HTF) by early spring and then his committee would be able to act.

Everyone’s Talking About the Gas Tax

Speaking of the looming May deadline, with gas prices remaining low, raising the gas tax seems to be something many are talking about, though few elected officials (and none in leadership) are indicating they will advocate for such an increase. Incoming Senate Commerce Chairman John Thune (R-SD) told Fox News, “I don’t favor increasing any tax, but I think we have to look at all options.” This comes on the heels of T&I Chairman Bill Shuster telling the Associated Press in a year-end interview that he believes that a gas tax increase and a vehicle-miles-traveled tax are both non-starters. Shuster indicated that he thinks the solution lies in repatriating offshore corporate taxes or from offshore oil exploration and production. However, others seemed to side with Thune, including Finance Committee Chair Orrin Hatch (R-UT), who was quoted as saying, “I am open to
whatever it takes to get [the funding] problem solved, because we have to take care of our highways. I would prefer not to have a gas tax, but we’ll just have to see.”

White House Press Secretary Josh Earnest made similar comments, saying that the White House would “certainly consider” bipartisan proposals to hike the gas tax. Earnest stated, “We don’t believe that the best way to fund modernizing our infrastructure is to raise the gas tax, but some people do, and we’re willing to consider those proposals. We believe that the best way to do that is to close those loopholes that only benefit the wealthy and well-connected corporations.”

**Therese McMillan Nomination**

In the closing days of the 113th Congress, numerous nominees for high-ranking government positions were confirmed by the Senate. Included were some controversial ones such as the nomination for the new Surgeon General. Missing from the list of confirmed nominations was Therese McMillan for the Federal Transit Administration (FTA). The nomination will need to be re-submitted by the Administration. The fact that the Senate will be under Republican control is not a real threat to ultimate confirmation, but the new majority may not feel an urgency to move on Obama Administration nominations quickly.

**Boxer Will Not Run in 2016**

Senator Barbara Boxer (D-CA) announced this week that she will not seek re-election in 2016. As Chair and Ranking Member of the Senate EPW Committee in recent years, Senator Boxer has been one of the foremost leaders in the Senate on advancing surface transportation legislation. While it is hard to see how much more energized she could be on this topic, her impending departure will certainly be an impetus for her to help reach a good conclusion on highway and transit reauthorization.

A free-for-all in California is likely to ensue in both parties, as this is the first open Senate seat there since 1992. On the Democratic side, Lieutenant Governor Gavin Newsome, Attorney General Kamala Harris, and former Los Angeles Mayor Antonio Villaraigosa are names already being discussed. On the Republican side, there is a dearth of statewide known quantities, but the potential of a well-known, self-funder is always there.

**Governor Brown Breaks Ground on California High-Speed Rail**

California Governor Jerry Brown (D) led a ceremony to commemorate the beginning of construction on California’s $68 Billion High-Speed Rail (HSR) Program to connect northern and southern California via the Central Valley. Standing on the site of the planned HSR station in Fresno, the Governor assured “pusillanimous” opponents (that means “weak of spirit,” he said) that he would find the money required to complete the system. He related this project not just to the building of dams and aqueducts and the Golden Gate Bridge in California, but to traditions going back to medieval cathedral building. All of them, he said, represent projects where one or more generations are building for future generations. Also speaking at the event were Environmental Protection Agency Administrator Gina McCarthy, outgoing Federal Railroad Administration (FRA) Administrator Joe Szabo, Fresno Mayor Ashley Swearingen (R), and others.
January 15, 2015

114th Congress Convenes

Committee organization has been a big part of the first few days of the 114th Congress and there will be some new faces in certain committees with jurisdiction over transportation issues. On appropriations, Senator Susan Collins (R-ME) is the new chair of the Transportation, Housing, and Urban Development (THUD) Appropriations Subcommittee in the Senate. Senator Jack Reed (D-RI) is the new Ranking Member on the Senate subcommittee. Over in the House, longtime THUD leaders Tom Latham (R) and Ed Pastor (D) both retired, and with Republicans gaining committee seats because of their increased numbers in the House, there are many new names. Congressman Mario Diaz-Balart (R-FL) will chair the THUD subcommittee in the House with the following Republicans on the committee:

Returning T&I Chairman Bill Shuster also announced his new chairman for the year. The T&I Subcommittee Chairmen for the year are listed below:

- Subcommittee on Aviation – Representative Frank LoBiondo (NJ)
- Subcommittee on Coast Guard and Maritime Transportation – Representative Duncan Hunter (CA)
- Subcommittee on Economic Development, Public Buildings, and Emergency Management – Representative Lou Barletta (PA)
- Subcommittee on Highways and Transit – Representative Sam Graves (MO)
- Subcommittee on Railroads, Pipelines, and Hazardous Materials – Representative Jeff Denham (CA)
- Subcommittee on Water Resources and Environment – Representative Bob Gibbs (OH)
- Full Committee Vice Chairman – Representative John Duncan (TN)

Personnel Changes at Department of Transportation

With the departure of FRA Administrator Joe Szabo, Sarah Feinberg, formally Chief of Staff to Department of Transportation (DOT) Secretary Foxx, is moving over to become the Acting Administrator of the FRA. She is likely to be formally nominated for the FRA position. Her departure from Foxx’s office has opened up a position that Dorval Carter, Deputy Administrator of the FTA, will be filling. The FTA has not announced who will fill his role.

In other FTA news, President Obama re-nominated Therese McMillan as FTA Administrator after the Senate failed to act on her nomination in the last Congress. McMillan has been in the Acting Administrator position since Peter Rogoff left the FTA last year. Though her individual nomination is not considered controversial, at this point it is unclear as to how Senate Republicans plan to tackle President Obama’s nominees.
Department of Transportation 30-Year Transportation Outlook

DOT Secretary Anthony Foxx spoke about the upcoming release of the Department’s 30-year outlook of transportation and infrastructure needs. The draft report – which will be released in a few weeks, though not as part of the FY 2016 budget request – will examine how the country’s expected population and demographic changes shape our transportation needs over the next 30 years.

January 22, 2015

Transportation Update from Peyser Associates

State of the Union

President Obama highlighted investment in infrastructure as a means to further economic growth a number of times during his State of the Union address on January 20, 2015. However, he did not jump on board any one solution to the HTF funding crisis. The possibility of a bipartisan agreement on infrastructure investment continues to be a talking point mentioned by both parties, but an actual solution remains elusive. T&I Chairman Shuster released a statement after the State of the Union saying, “While I strongly disagree with his core policies, I do believe there is an opportunity for both parties to find common ground on issues to strengthen our nation’s economy, such as infrastructure.”

Some transportation advocates had pushed Obama to make mention of a gas tax increase in his speech, but no such support was offered. It is expected that when the FY 2016 budget is released in February 2015, the Obama Administration will again feature its Generating Renewal, Opportunity, and Work with Accelerated Mobility, Efficiency, and Rebuilding of Infrastructure and Communities throughout America (GROW AMERICA) reauthorization plan, which garners its funding through unspecified corporate tax reforms. In addition, the Administration also has teased a new Qualified Public Infrastructure Bonds Program to expand the existing $10 billion Private Activity Bond market. More details will be in the budget, but the White House has said that there will be no cap on issuances and the interest paid to holders of those bonds will not be subject to the Alternative Minimum Tax. Senator Orrin Hatch and Senator Jim Inhofe (R-OK), Chairman of the Senate EPW Committee, have already expressed opposition to the bond proposal.

Senator Rand Paul Takes on Infrastructure

Perhaps even more interesting than President Obama’s comments on infrastructure in the State of the Union Speech on January 20, 2015, were the comments that same day by Senator Rand Paul (R-KY). Senator Paul spoke to a gathering of the Ripon Society (a group of moderate Republicans) and said he is backing a proposal to use taxes paid as part of the repatriation of foreign profits of American companies to fund infrastructure. This proposal is suspiciously like the Obama Administration’s GROW AMERICA Act proposal. Senator Paul, who is widely expected to run for President in 2016, could potentially play a critical role in building support for a bipartisan infrastructure bill if he follows through on this issue. While the idea of a bill co-sponsored by Senator Paul and Senator Boxer may seem far-fetched, Paul specifically referenced a plan to work with the California Senator on this legislation.
When the push for a gas tax increase appeared to weaken somewhat, the news from Senator Paul promises to keep alive the prospects for a long-term transportation authorization bill this year. The next few weeks will tell us more about those prospects as we see if Senator Paul gets any traction with his proposal.

**Environment and Public Works Hearing – January 28**

DOT Secretary Anthony Foxx and a group of yet-to-be-announced state governors will testify next week during the EPW's first hearing of the 114th Congress. Reauthorization will be the topic of the hearing and during the January 21 organizational meeting for the committee both Chairman Inhofe and Ranking Member Boxer offered a belief that the two could work jointly to pass a 5-year reauthorization measure. The two have worked well together on infrastructure issues in the past. During the organizational meeting, Boxer expressed concern that House Republicans will be the group to hold up effective progress on reauthorization, but Inhofe indicated that he believes both chambers will be able to work together.

**January 29, 2015**

**Transportation Update from Peyser Associates**

**Search for Revenues Continues**

Discussions about how to find revenue to support a multi-year transportation authorization bill have continued, if not progressed. The idea of a gas tax increase continues to recede from the conversation for the time being.

Of notable interest, Senate Finance Committee Chair Orrin Hatch said on January 26, 2015, that he was looking for a revenue source “outside the tax code.” That would seem to indicate some kind of fee, such as drilling fees charged to oil and gas companies operating offshore or on federal lands. Others, such as House T&I Committee Chairman Shuster also have mentioned drilling fees.

Perhaps the comment that summed up the revenue hunt best was by Senator Shelly Moore Capito (R-WV), who said during the Senate EPW hearing that she hoped “someone will come up with the magic formula” for funding transportation.

**Senate Hearing on Transportation Reauthorization**

The Senate EPW Committee has given every indication that it plans to push ahead on a quick timetable for long-term reauthorization. It took the first step with a January 28, 2015, hearing featuring DOT Secretary Anthony Foxx and a number of state governors.

Foxx's testimony was the highlight of Wednesday's hearing. He indicated that the FY 2016 budget that will be proposed by the Obama Administration on February 2, 2015, will contain a proposal similar to last year's four-year, $302 billion, GROW AMERICA Act. Foxx spent a lot of time talking about how harmful short-term extensions end up being, an idea echoed both by a bipartisan mix of committee members and by the second panel of witnesses. Foxx also talked about Congress not only solving the problem of feeding revenue into the HTF, but also making important policy changes in a new reauthorization that would allow for America's infrastructure to keep the country competitive in a global world. For example, streamlining the permit process or concurrent review
are two ideas that can shorten the timeframe for moving a project that is using federal dollars. This is an important component to speeding up some of these infrastructure projects that are desperately needed in their regions.

Governors Robert Bentley (Alabama) and Peter Shumlin (Vermont), along with South Dakota Secretary of Transportation Darin Bergquist, testified during the second panel and all spoke about ways their planning functions as a state suffer when they are not given the ability to plan under a long-term, fully-funded bill.

Another highlight from the hearing was Ranking Member Boxer’s update that rather than an $18 billion annual deficit in the HTF over the next 6 years, analysis now shows that this figure has dropped to about $13 billion annually. At this point, it appears that the EPW Committee is functioning as a bipartisan unit and wants to move a bipartisan bill. Inhofe also indicated that the House and Senate are in close contact on this issue, and lawmakers are well aware of how quickly we will get to May 31, 2015, the date of current expiration for MAP-21.

**Activity Report for SANDAG**

**January 2015**

*Peyser Associates LLC*

<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
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<tbody>
<tr>
<td>1/8</td>
<td>Metropolitan Transit System (MTS) meeting in San Diego with P. Jablonski, S. Cooney, and K. Landers; meeting regarding TIFIA with SANDAG staff; Mid-Coast Executive meeting; prepare weekly transportation update and send to SANDAG, MTS, and North County Transit District (NCTD)</td>
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<tr>
<td>1/9</td>
<td>SANDAG Executive Committee; SANDAG Board meeting; lunch meeting with SANDAG Board Members; Otay Mesa East (OME) meetings, and D.C. visit preparations</td>
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<tr>
<td>1/12</td>
<td>Preparation meeting and de-brief for Interagency Policy Committee (IPC) meeting regarding State Route 11 (SR-11)/OME; delegation meeting requests for February D.C. trip; emails and phone calls with SANDAG staff regarding same</td>
</tr>
<tr>
<td>1/13</td>
<td>Preparation meeting for IPC meeting regarding SR-11/OME; Department of Homeland Security meetings regarding SR-11/OME</td>
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<tr>
<td>1/15</td>
<td>Prepare weekly transportation update and send to SANDAG, MTS, and NCTD</td>
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<tr>
<td>1/16</td>
<td>Email exchanges with S. Kim; J. Nuncio et al. on TIFIA process for Mid-Coast</td>
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<tr>
<td>1/20</td>
<td>Bi-weekly teleconference with SANDAG, MTS, and NCTD; follow-up items; conference call with SANDAG finance team on TIFIA</td>
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<tr>
<td>1/21</td>
<td>Teleconference with V. Stackwick</td>
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<tr>
<td>1/22</td>
<td>Prepare weekly transportation update and send to SANDAG, MTS, and NCTD; conference call with TIFIA office and SANDAG finance team</td>
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<tr>
<td>1/26</td>
<td>Emails regarding February D.C. trip meetings and scheduling requests</td>
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<tr>
<td>1/29</td>
<td>Prepare weekly transportation update and send to SANDAG, MTS, and NCTD</td>
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