

INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

November 9, 2016

AGENDA ITEM NO.: **1**

Action Requested: APPROVE

OCTOBER 12, 2016, MEETING MINUTES

File Number 1500200

The meeting of the *TransNet* Independent Taxpayer Oversight Committee (ITOC) was called to order by Chair Stewart Halpern at 9:35 a.m.

1. MEETING MINUTES (APPROVE)

Action: Upon a motion by Ms. Carolyn Lee, and a second by Mr. Jonathan Tibbitts, the ITOC approved the July 13, 2016, meeting minutes. Yes – Chair Halpern, Vice Chair Dustin Fuller, Mr. Brad Barnum, Ms. Lee, Mr. Kai Ramer, and Mr. Tibbitts. No – None. Abstain – None. Absent – Mr. Dick Vortmann.

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

Mr. Tibbitts congratulated Gary Gallegos and Brad Barnum for being named among the 100 Most Influential People in San Diego by the San Diego Daily Transcript.

Mr. Tibbitts also commented that the San Diego Daily Transcript reported that the City of San Diego has launched a mobile app to help monitor street repair.

Ariana zur Nieden, Senior *TransNet* Program Manager, introduced Veronica Serrano, Associate Project Control Analyst. Ms. Serrano will assist in providing support to the ITOC.

CONSENT

3. *TransNet* ENVIRONMENTAL MITIGATION PROGRAM: FY 2017-2018 WORK PLAN AND FY 2017 ANNUAL FUNDING (INFORMATION)

Each year the SANDAG Board of Directors allocates \$4 million toward implementation of regional land management and biological monitoring pursuant to a Memorandum of Agreement with state and federal agencies on the implementation of the *TransNet* Environmental Mitigation Program. On September 23, 2016, the SANDAG Board of Directors approved the proposed FY 2017-2018 Work Plan for regional management and monitoring to allocate \$4 million in funding for FY 2017.

4. FINAL 2016 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM: INCLUDING THE AIR QUALITY CONFORMITY ANALYSIS (INFORMATION)

SANDAG, as the Metropolitan Planning Organization, is required by state and federal laws to develop and adopt a Regional Transportation Improvement Program (RTIP), a multi-year program of proposed major transportation projects, including the *TransNet* Program of Projects. The 2016 RTIP covers FY 2017 through FY 2021, and was submitted to the state on September 30, 2016.

5A. FY 2017 BUDGET AMENDMENT: SAN DIEGO RIVER BRIDGE PROJECT (INFORMATION)

On August 17, 2016, California State Transportation Agency announced the award of Transit and Intercity Rail Capital Program (TIRCP) funding under the state's cap-and-trade program for three SANDAG projects, including the San Diego River Bridge project. The SANDAG Board of Directors approved FY 2017 Program Budget increased the expenditure plan for the San Diego River Bridge project with the intent of finalizing project funding in coordination with other regional projects and funds pending the outcome of the state's cap-and-trade TIRCP awards. At its September 23, 2016, meeting, the SANDAG Board of Directors approved the FY 2017 budget amendment and updated funding plan for the project to add \$11.466 million in *TransNet* funding necessary to fully fund the project budget.

5B. 2016 STATE CAP-AND-TRADE TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM: REQUEST FOR LETTER OF NO PREJUDICE FOR THE ELVIRA TO MORENA DOUBLE TRACK PROJECT (INFORMATION)

In accordance with TIRCP guidelines, agencies may apply to the California Transportation Commission (CTC) for a Letter of No Prejudice (LONP) to allow an agency to expend its own local funds for projects and to be eligible for future reimbursement. At its October 7, 2016, meeting, the Transportation Committee is scheduled to consider that SANDAG submit a request for a LONP for the Elvira to Morena Double Track project for CTC consideration.

6. DOWNTOWN BUS STOPOVER AND MULTIUSE FACILITY BUDGET AMENDMENT (INFORMATION)

At its September 23, 2016, meeting, the SANDAG Board of Directors approved an amendment to the FY 2017 Program Budget to allocate \$30 million of *TransNet* funding capacity, as detailed in the latest *TransNet* Plan of Finance, in order to facilitate property acquisition for the Downtown Bus Stopover and Multiuse Facility.

7. PROGRESS REPORT ON *TransNet* MAJOR CORRIDOR PROJECTS (INFORMATION)

This report provided an overview of the *TransNet* Major Corridor projects in terms of cost control and schedule adherence based on quarterly data provided through the Dashboard reporting system. This item related to the required quarterly reporting process specified under Paragraph 10 of the *TransNet* Extension Ordinance Statement of Understanding.

8. *TransNet* SENIOR MINI-GRANT PROGRAM STATUS UPDATE (INFORMATION)

This report provided an overview of the progress made to date by each grant recipient for the Senior Mini-Grant program.

9. *TransNet* SMART GROWTH INCENTIVE PROGRAM AND ACTIVE TRANSPORTATION GRANT PROGRAM: QUARTERLY PROGRESS REPORT AND PROPOSED GRANT AMENDMENT (INFORMATION)

This report provided an overview of progress made by *TransNet* Smart Growth Incentive Program and Active Transportation Grant Program recipients through June 30, 2016.

10. *TransNet* ENVIRONMENTAL MITIGATION PROGRAM: LAND MANAGEMENT GRANT PROGRAM QUARTERLY STATUS UPDATE (INFORMATION)

The SANDAG Board of Directors has awarded seven cycles of the *TransNet* Environmental Mitigation Program (EMP) Land Management Grant Program. This report provided information to the ITOC on the quarterly status of active projects.

Action: Consent Item Nos. 3 through 10 were provided for information.

REPORTS

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

This briefing is intended to keep the ITOC informed about relevant SANDAG actions taken on *TransNet*-related projects and programs.

Ms. zur Nieden provided a summary of Transportation Committee and Board of Directors actions on agenda items that the ITOC has reviewed: RTIP Amendment No. 13; *TransNet* Smart Growth Incentive Program and Active Transportation Grant Program: Quarterly Progress Report and Proposed Grant Amendment; 2016 Bond Issuance; Final 2016 RTIP, including the Air Quality Conformity Analysis; *TransNet* EMP FY 2017-2018 Work Plan and FY 2017 Annual Funding; Downtown Bus Stopover and Multiuse Facility Budget Amendment; *TransNet* Senior Mini-Grant Program: Call for Projects for Fifth Cycle of Grant Funding; FY 2017 Budget Amendment: San Diego River Bridge project; 2016 State Cap-and-Trade Transit and InterCity Rail Capital Program: Request for Letter of No Prejudice for the Elvira to Morena Double Track project; and Coastal Rail Trail: Chesterfield to G Street project.

Action: This item was presented for information.

12. FY 2018 *TransNet* TRIENNIAL PERFORMANCE AUDIT: DRAFT SCOPE OF WORK, SCHEDULE, AND EVALUATION CRITERIA (APPROVE)

In accordance with the *TransNet* Extension Ordinance, the ITOC is responsible for triennial performance audits of the *TransNet* Program. The fourth of these performance audits is scheduled to be conducted in FY 2018. In July 2016, the ITOC appointed Vice Chair Fuller, Mr. Barnum, Mr. Tibbitts, and Tracy Drager to serve on the performance audit subcommittee. A draft scope of work, project schedule, and evaluation criteria, have been developed by the subcommittee.

Ms. zur Nieden presented the item.

The ITOC directed staff to incorporate evaluation of the implementation of bicycle and pedestrian accommodation for projects added to the *TransNet* Program of Projects consistent with SANDAG Board Policy No. 031: *TransNet* Ordinance and Expenditure Plan Rules under Task 5 of the scope of work.

Action: Upon a motion by Ms. Lee, and a second by Mr. Tibbitts, the ITOC reviewed and approved the draft scope of work, project schedule, and evaluation criteria, for inclusion in the Request for Proposals for soliciting a qualified independent consultant to conduct the FY 2018 *TransNet* Triennial Performance Audit, as amended. Yes – Chair Halpern, Vice Chair Fuller, Mr. Barnum, Ms. Lee, Mr. Ramer, and Mr. Tibbitts. No – None. Abstain – None. Absent – Mr. Vortmann.

13. *TransNet* ENVIRONMENTAL MITIGATION PROGRAM LAND MANAGEMENT GRANT PROGRAM: DRAFT PROJECT RANKINGS AND draft FUNDING RECOMMENDATIONS FOR EIGHTH CYCLE OF GRANT FUNDING (DISCUSSION)

Based on a competitive scoring process, the draft project rankings and draft funding recommendations for the eighth cycle of the *TransNet* Environmental Mitigation Program Land Management Grant Program are now available. The SANDAG Board of Directors will be asked to approve the final project rankings and grant awards at its meeting on November 18, 2016. The ITOC was asked to review and discuss the draft project rankings to ensure that the projects recommended for funding are consistent with *TransNet* Extension Ordinance provisions.

Sarah Pierce, Regional Planner II, presented the item.

Action: This item was presented for discussion.

14. QUARTERLY *TransNet* FINANCIAL REPORTS FOR THE PERIOD ENDING JUNE 30, 2016, AND OTHER FINANCIAL DATA (INFORMATION)

Staff provides certain *TransNet* financial information on a quarterly basis in accordance with requests from the ITOC as well as in response to recommendations from the first and second *TransNet* Triennial Performance Audits.

Lisa Kondrat-Dauphin, Senior Accountant, presented the item. In addition, Ms. Kondrat-Dauphin presented an update on the monitoring of local jurisdiction balances.

Action: This item was presented for information.

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

Ray Major, Chief Economist, and André Douzdjian, Director of Finance, provided the quarterly briefing intended to keep the ITOC informed about the latest developments in the financial markets, the economy, and sales tax revenues, and the strategies being explored and implemented to minimize possible impacts to the *TransNet* program.

Action: This item was presented for information.

16. FUTURE MEETING SCHEDULE

The next regular ITOC meeting is scheduled for Wednesday, November 9, 2016, at 9:30 a.m.

17. ADJOURNMENT

Chair Halpern adjourned the meeting at 11:14 a.m.

**INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE
 MEETING ATTENDANCE FOR OCTOBER 12, 2016**

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