Members

Ron Roberts, Chair
Chair, County of San Diego

Terry Sinnott, First Vice Chair
Deputy Mayor, City of Del Mar
(Representing North County Coastal)

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

Steve Vaus
Mayor, City of Poway
(Representing North County Inland)

Todd Gloria
Councilmember, City of San Diego

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

Alternates

Dianne Jacob
Vice Chair, County of San Diego

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

Mary Sessom
Mayor, City of Lemon Grove
(Representing East County)

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

Sherri Lightner
Council President, City of San Diego

Lorie Zapf
Councilmember, City of San Diego

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

Gary L. Gallegos
Executive Director, SANDAG

EXECUTIVE COMMITTEE AGENDA

Friday, July 8, 2016
9 to 10 a.m.
SANDAG, 7th Floor Conference Room
401 B Street
San Diego

AGENDA HIGHLIGHTS

• UPDATING THE MEMORANDUM OF AGREEMENT BETWEEN SANDAG AND THE U.S. DEPARTMENT OF DEFENSE

• LEGISLATIVE STATUS 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.

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EXECUTIVE COMMITTEE
Friday, July 8, 2016

ITEM NO.                      RECOMMENDATION
+1. APPROVAL OF MEETING MINUTES
   The Executive Committee is asked to review and approve the minutes from its
   June 10, 2016, 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)
   The Executive Committee is asked to approve the draft agenda for the
   July 22, 2016, Board Business meeting. Staff also will provide a verbal update on the
   August 12, 2016, Board Policy meeting.

+4. UPDATING THE MEMORANDUM OF AGREEMENT BETWEEN SANDAG AND
   THE U.S. DEPARTMENT OF DEFENSE (Charles “Muggs” Stoll)
   The Executive Committee is asked to approve the change in U.S. Department of
   Defense (U.S. DOD) representation on the SANDAG Board of Directors and direct
   the Military Working Group to facilitate an update to the Memorandum of
   Agreement between SANDAG and the U.S. DOD.

+5. LEGISLATIVE STATUS REPORT (Robyn Wapner)
   Periodic status reports on legislative activities are reported to the Executive
   Committee throughout the year. Staff will provide an update on state activities for
   possible action by the Executive Committee.

6. 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.

7. UPCOMING MEETINGS
   The next meeting of the Executive Committee is scheduled for Friday, August 12,
   2016, at 9 a.m.

8. ADJOURNMENT

+ next to an agenda item indicates an attachment
EXECUTIVE COMMITTEE DISCUSSION AND ACTIONS

JUNE 10, 2016

Chair Ron Roberts (Chair, County of San Diego) called the meeting of the SANDAG Executive Committee to order at 9:01 a.m. The attendance sheet for the meeting is attached.

1. MEETING MINUTES (APPROVE)

Action: Upon a motion by Mayor Steve Vaus (North County Inland) and a second by Mayor Bill Wells (East County), the minutes of the May 13, 2016, Executive Committee meeting were approved. Yes – Chair Roberts, Vice Chair Terry Sinnott (North County Coastal), Mayor Wells, Mayor Vaus, and Councilmember Todd Gloria (City of San Diego). No – None. Abstain – None. Absent – South County.

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

There were no public or member comments.

REPORTS

3. REVIEW OF DRAFT BOARD AGENDAS (APPROVE)

The Executive Committee was asked to approve the draft agendas for the June 24, 2016, Board Business meeting, and the July 8, 2016, Board Policy meeting.

Victoria Stackwick, Principal Legislative Analyst, presented the item.

Action: Upon a motion by Mayor Vaus and a second by Mayor Morrison, the Executive Committee approved the draft agendas for the June 24, 2016, Board Business meeting, and the July 8, 2016, Board Policy meeting. Yes – Chair Roberts, Vice Chair Sinnott, Mayor Ron Morrison (South County), Mayor Wells, Mayor Vaus, and Councilmember Gloria. No – None. Abstain – None. Absent – None.

4. ANNUAL REVIEW OF COMMITTEES AND WORKING GROUPS (DISCUSSION/POSSIBLE ACTION)

As required by Board Policy, an annual review of all existing SANDAG committees and working groups has been conducted to determine whether they should continue and/or if any of their responsibilities need to be modified. The Executive Committee was asked to discuss whether certain committees and working groups described in the report should continue.

Ms. Stackwick presented the item.
Action: This item was presented for discussion/possible action.

5. LEGISLATIVE STATUS REPORT (INFORMATION)

Periodic status reports on legislative activities are reported to the Executive Committee throughout the year.

Ms. Stackwick provided a summary of various federal activities.

Robyn Wapner, Senior Legislative Analyst, provided a summary of various state activities.

Action: This item was presented for information.

6. CONTINUED PUBLIC COMMENTS

There were no continued public comments.

7. UPCOMING MEETINGS

The next meeting of the Executive Committee is scheduled for Friday, July 8, 2016, at 9 a.m.

8. ADJOURNMENT

Chair Roberts adjourned the meeting at 9:32 a.m.
CONFIRMED ATTENDANCE  
SANDAG EXECUTIVE COMMITTEE MEETING  
JUNE 10, 2016

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Meeting Start Time: 9:01 a.m.  
Meeting Adjourned Time: 9:32 a.m.
## REVIEW OF THE JULY 22, 2016, DRAFT BOARD BUSINESS AGENDA

### ITEM NO. 1.

**APPROVAL OF MEETING MINUTES**

- **+1A.** June 10, 2016, Board Policy Meeting Minutes
- **+1B.** June 24, 2016, Board Business Meeting Minutes

### ITEM NO. 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.

### ITEM NO. 3.

**ACTIONS FROM POLICY ADVISORY COMMITTEES (Victoria Stackwick)**

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

### ITEM NO. 4.

**FUNDING AMENDMENTS FOR FEDERAL FISCAL YEAR 2013 AND FEDERAL FISCAL YEAR 2014 ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES (SECTION 5310) PROGRAM (Danielle Kochman)**

The Board of Directors is asked to approve amendments to the grant awards for vehicle procurement projects using unencumbered Federal Transit Administration New Freedom funds to cover the shortfall between approved grant awards and recommended grant amounts.

### ITEM NO. 5.

**APPROVAL OF PROPOSED SOLICITATIONS AND CONTRACT AWARDS (Laura Coté)**

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

- **+5A.** Solicitations
- **+5B.** Contract Awards
+6. **iCOMMUTE FALL CAMPAIGNS: RIDESHARE MONTH AND WALK, RIDE, AND ROLL TO SCHOOL** (Deborah Jones)

The Board of Directors is asked to adopt Resolution No. 2017-XX, proclaiming October 2016 as Rideshare Month. The Board of Directors also is asked to encourage member agencies to approve similar proclamations and to encourage schools and districts to participate in Walk, Ride, and Roll to School.

+7. **REPORT ON MEETINGS AND EVENTS ATTENDED ON BEHALF OF SANDAG** (Victoria Stackwick)

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 Business meeting.

+8. **REPORT SUMMARIZING DELEGATED ACTIONS TAKEN BY THE EXECUTIVE DIRECTOR** (André Douzdjian)*

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

**CHAIR’S REPORT**

+9. **2016 iCOMMUTE DIAMOND AWARDS**

The iCommuter Diamond Awards Program recognizes employers that have made strides to develop and implement commuter programs that encourage their employees to use transportation alternatives, including vanpool, carpool, walk, bike, transit, and telework.

**REPORTS**

+10. **HEARING OF NECESSITY: ACQUISITION OF PROPERTY INTERESTS LOCATED IN THE CITY OF SAN DIEGO FOR THE MID-COAST CORRIDOR TRANSIT PROJECT** (Ryan Kohut, John Haggerty)

The Board of Directors is asked to: (1) receive public testimony; (2) adopt Resolutions of Necessity Nos. 2017-XX and 2017-XX by a two-thirds vote pertaining to acquisition of property for the Mid-Coast Corridor Transit Project; and (3) authorize staff to proceed with all condemnation filings and proceedings necessary to acquire the interests in the subject parcels.

+11. **CALIFORNIA ENVIRONMENTAL QUALITY ACT EXEMPTION: UPTOWN BIKEWAYS: SEGMENTS 1-4** (First Vice Chair Terry Sinnott; Chris Kluth, Andrew Martin)

The Uptown Bikeways: Segments 1-4 Project (Project) will provide on-street connections from Old Town and Mission Valley through Uptown to Downtown San Diego, North Park, and Balboa Park. The Board of Directors is asked to approve the California Environmental Quality Act exemption for the Project.
+12.  **TransNet 2016 BOND ISSUANCE: REVIEW AND APPROVAL OF DOCUMENTS**  
(San Diego Councilmember Todd Gloria, Transportation Committee Chair; André Douzdjian, Ray Major)*  

In April, the Board of Directors was provided with an overview of the proposed bond strategy and financing schedule for the issuance of long-term, fixed-rate debt for the TransNet Early Action Program. The Transportation Committee recommends that the Board of Directors adopt Regional Transportation Commission (RTC) Resolution No. RTC-2017-XX, authorizing the issuance of up to $350 million in fixed-rate bonds, and the execution and distribution of the documents.

**ADOPT**

+13.  **DRAFT 2016 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM, INCLUDING THE DRAFT AIR QUALITY CONFORMITY DETERMINATION**  
(San Diego Councilmember Todd Gloria, Transportation Committee Chair; Michelle Smith)*

SANDAG is required by state and federal law to develop a Regional Transportation Improvement Program (RTIP), a multiyear program of proposed major transportation projects. The 2016 RTIP, covering FY 2017 to FY 2021, is due to the state by September 30, 2016. The Transportation Committee recommends that the Board of Directors: (1) accept for review and distribution the draft 2016 RTIP, including its air quality conformity analysis, and the draft air quality conformity redetermination of the Revenue Constrained Regional Plan for a 30-day public comment period; and (2) schedule a public hearing for the September 2, 2016, Transportation Committee meeting.

**APPROVE**

+14.  **SPECIALIZED TRANSPORTATION GRANT PROGRAMS: CALL-FOR-PROJECTS FOR NINTH CYCLE OF GRANT FUNDING**  
(San Diego Councilmember Todd Gloria, Transportation Committee Chair; Audrey Porcella)*

The Transportation Committee recommends that the Board of Directors: (1) approve the evaluation and scoring criteria for the Federal Transit Administration Section 5310 and TransNet Senior Mini-Grant programs; and (2) release the call-for-projects for the ninth cycle of grant funding.

**APPROVE**

+15.  **TransNet INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE ANNUAL REPORT**  
(Brad Barnum, Independent Taxpayer Oversight Committee Chair; Ariana zur Nieden)*

In accordance with the TransNet Extension Ordinance, Brad Barnum, TransNet Independent Taxpayer Oversight Committee (ITOC) Chair, will provide the FY 2016 ITOC annual report, including the results of the fiscal and compliance audit.

**INFORMATION**

16.  **NAVY FLEET WEEK UPDATE**  
(Joseph Stuyvesant, Executive Director, Navy Region Southwest)

Fleet Week San Diego 2016 is September 3 through October 1. Joseph Stuyvesant, Executive Director, Navy Region Southwest, will provide an update on activities to honor and celebrate the men and women of the military for their service to our country.

**INFORMATION**
17. 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.

18. UPCOMING MEETINGS
INFORMATION
The next Board Policy meeting is scheduled for Friday, August 12, 2016, at 10 a.m.
The next Board Business meeting is scheduled for Friday, August 26, 2016, at 9 a.m.

19. 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 County Regional Transportation Commission for that item
EXECUTIVE COMMITTEE
JULY 8, 2016

AGENDA ITEM NO. 16-07-4

UPDATING THE MEMORANDUM OF AGREEMENT BETWEEN SANDAG AND THE U.S. DEPARTMENT OF DEFENSE

File Number 3100400

Introduction

The San Diego region is home to the largest concentration of military forces in the country, employing more than 100,000 active-duty military personnel and approximately 25,000 civilians, generating significant economic benefit to the region. In 1980, a Memorandum of Agreement (MOA) was entered into by SANDAG and the U.S. Department of Defense (U.S. DOD) for the purpose of assuring a cooperative and mutually beneficial working relationship and included the addition of an advisory position for the U.S. DOD on the SANDAG Board of Directors as a way to provide input on issues of mutual interest. The MOA was updated in 1986 and is included as Attachment 1.

As growth and development increase near and around military installations, concerns about land use, transportation, and conflicts between base operations and civilian development have increased. In fall 2013, the Regional Planning Committee formed the San Diego Regional Military Working Group (MWG) to provide a collaborative forum for the various branches of the military and SANDAG to address areas of mutual interest, including regional growth, habitat preservation, transportation, housing, water, energy, and other related topics. The MWG includes representatives from all branches with installations in the region, adjacent local jurisdictions, and the Port of San Diego.

Discussion

SANDAG has received letters from the U.S. Navy and Marine Corps (Attachments 2-3), with requests to change U.S. DOD representation on the SANDAG Board of Directors and to update the MOA to reflect changing conditions.

SANDAG staff responded to the U.S. Navy (Attachment 4) acknowledging that the San Diego region has experienced significant growth since the MOA was executed, and continued change is expected in the coming years. The letter further stated that this is an opportune time to update the 1986 MOA given the recent adoption of San Diego Forward: The Regional Plan, which envisions how the region will develop over the next 35 years. SANDAG staff suggested that the MWG may be the best

Recommendation

The Executive Committee is asked to approve the change in U.S. Department of Defense (U.S. DOD) representation on the SANDAG Board of Directors and direct the Military Working Group to facilitate an update to the Memorandum of Agreement between SANDAG and the U.S. DOD.
forum for revisiting the key provisions and advised the U.S. Navy that the two requests would be forwarded to the Executive Committee for consideration.

Next Steps

Should the Executive Committee approve the requests, staff will update the Board of Directors roster and initiate work with the Military Working Group to update the MOA. The updated MOA would be brought to the SANDAG Board of Directors for consideration and approval.

CHARLES “MUGGS” STOLL
Director of Land Use and Transportation Planning

   2. December 21, 2015, U.S. Navy letter to SANDAG
   3. June 1, 2016, U.S. Marine Corps letter to SANDAG
   4. June 24, 2016, SANDAG letter to U.S. Navy

Key Staff Contact: Coleen Clementson, (619) 699-1944, coleen.clementson@sandag.org
MEMORANDUM OF AGREEMENT
BETWEEN
THE SAN DIEGO ASSOCIATION OF GOVERNMENTS
AND
THE U.S. DEPARTMENT OF DEFENSE
REVISED FEBRUARY, 1986

I. Identification of Parties to the Agreement

This Memorandum of Agreement is entered into this 26th day of June, 1986, between the SAN DIEGO ASSOCIATION OF GOVERNMENTS (hereinafter referred to as "SANDAG"), a joint powers agency under Section 6500 et seq. of the California Government Code and the DEPARTMENT OF DEFENSE (hereinafter referred to as "DOD") established pursuant to the National Security Act of 1947 (61 Stat. 495) as amended.

II. Purpose of Agreement

Said Memorandum of Agreement is entered into for the purpose of assuring a cooperative and mutually beneficial working relationship and research potential between SANDAG and the DOD to achieve the following objectives:

1. Establish a consultation process between the DOD and SANDAG's member agencies;

2. Establish a mutually beneficial planning program to maximize scarce local and federal resources, and augment the planning capabilities of both parties;

3. Eliminate duplication and minimize inconsistency in the development of SANDAG's Regional Comprehensive Plan and the DOD's Regional and Master Planning process for the San Diego region; and

4. Preserve the institutional prerogatives of the DOD and SANDAG.

WHEREAS, SANDAG and the DOD have developed a positive and continuing working relationship to address many issues of mutual concern since the execution of the first Memorandum of Agreement on April 23, 1980; and

WHEREAS, SANDAG is designated as the areawide clearinghouse for the San Diego region by the Governor's Executive Order D-24-83 of the State of California, pursuant to Presidential Executive Order 12372, the Demonstration Cities and Metropolitan Development Act of 1966, and the National Environmental Policy Act of 1969 and is, therefore, responsible for conducting the intergovernmental review of DOD development plans and projects; and

WHEREAS, mutual acceptance of this Memorandum of Agreement is consistent with DOD's guidelines 48 FR 29140, 32 CFR Part 243, and DOD Directive 4165.61, which require review of DOD development plans and projects by appropriate local governmental bodies and allow participation by such entities in reviewing DOD development plans and projects; and
WHEREAS, SANDAG is responsible for and has developed the Regional Comprehensive Plan for the San Diego Region, and an annual Overall Work Program; and

WHEREAS, the DOD is responsible for and has developed a Naval Complex Plan, installation master plans and facility development plans for its San Diego installations; and

WHEREAS, SANDAG and the DOD maintain, and/or have access to, data systems which contain information mutually beneficial to both parties; and

WHEREAS, SANDAG’s Overall Work Program contains work elements which are directly related to, and should be coordinated with, the DOD’s development plans and projects; and

WHEREAS, SANDAG and the DOD declare their mutual intent to promote consistency between the elements of the Regional Comprehensive Plan and the Naval Complex Plan, the military master planning and facility planning and other regional planning efforts, to limit duplication, and to identify specific areawide needs and problems.

AGREEMENTS

NOW THEREFORE, in consideration of the mutual benefits to the parties hereto and the mutual obligations expressed herein, SANDAG and the DOD agree as follows:

III. SANDAG agrees:

1. To recognize the importance of the military mission of the DOD’s installations and activities;

2. To develop a close and cooperative working relationship between the DOD installation and facility planning process and the general and community planning process of its member agencies;

3. To serve as the initial contact for the DOD in its consultations with SANDAG’s member agencies; and

4. To act as an intermediary between the SANDAG member agencies and the DOD, when requested by either agency.

IV. DOD agrees:

1. That the SANDAG Board of Directors is the policy body for areawide comprehensive planning in the San Diego region. The Commanding Officer of the Western Division Naval Facilities Engineering Command or designated alternate, the Commanding Officer of the Navy Public Works Center, San Diego, shall be a member of the SANDAG Board of Directors with all the rights of such members (except voting) to insure representation of DOD interests in all matters pertaining to the regionwide planning process.
2. To submit to SANDAG relevant information on DOD activities which may affect regional and local plans, programs, and projects — such activities shall include the following —

a. Naval Complex Plan, Comprehensive and Master Plans
b. Major Military Construction (over $400,000)
c. Family Housing Projects (over 25 units)
d. Real Property Acquisitions and Disposals
e. Withdrawals of Public Domain Land for Military Use
f. Substantial changes in existing utilization of installations
g. Draft and Final Environmental Impact Statements (as part of the standard process)
h. Air Installation Compatible Use Zone (AICUZ) studies
i. Natural Resources Plans
j. Medical facilities over $100,000
k. Other relevant information and data for regional plans, programs, and projects;

3. Develop an annual fiscal year list of planning reports and construction projects to be submitted to SANDAG prior to October 1st of each year for its information. Projects arising from, or associated with, military contingencies will normally be excluded from the review process; however, in such instances SANDAG will be notified; and

4. Respond to SANDAG's member agency requests for information or policy in writing within sixty days of receipt of request.

V. It is mutually agreed:

1. SANDAG shall endeavor to provide for sources of revenue in amounts sufficient to ensure independence in judgment and to meet its Overall Work Program obligations; the DOD shall endeavor to provide to SANDAG sufficient funds to meet its obligations under this Memorandum;

2. SANDAG and DOD shall establish the following review and comment process —
   a. DOD agrees to —
      . Acknowledge receipt of SANDAG's planning reports within five working days of receipt, provided a return receipt copy of the transmittal letter is furnished to the reviewing DOD agencies
      . Distribute SANDAG planning report(s) to other pertinent DOD installations for comment
      . Develop and forward comments to SANDAG within sixty days of receipt for inclusion in the SANDAG Board of Directors' final action
. Incorporate SANDAG comments into DOD's proposed plans, programs, and projects, or, if not incorporated, explain in writing within sixty days the reasons why.

b. SANDAG agrees to —

. Acknowledge receipt of DOD's planning report(s) and/or development proposal(s) within five working days of receipt, provided a return receipt of the transmittal letter is furnished to SANDAG

. Distribute the planning report(s) and/or development proposal(s) to the pertinent member agency and community interest groups

. Develop and forward comments to DOD within sixty days of receipt for inclusion in the DOD's final action

. Incorporate DOD comments made during the official period for clearinghouse review into SANDAG's responses to funding agencies or, if not incorporated, explain in writing, within sixty days, the reasons why.

c. Failure to provide comments within the periods indicated above implies tacit agreement unless one of the parties requests an extension of the review period for a specific project or requirement;

3. Establish mutual representation on pertinent planning committees; and

4. Establish a DOD installation and SANDAG member agency contact list that will facilitate the exchange of project notifications, agendas, plans, projects, reports, studies, and similar information on land, facilities, and environmental activities within the vicinity of DOD installations.

VL Review and Construction

1. This Memorandum of Agreement will be reviewed as necessary to determine the adequacy of the review process and the types of projects or information to be added to or deleted from automatic review.

2. Nothing herein shall exempt, excuse, or vary the requirements for, or necessity of, obtaining any permit or review required by law.

3. Nothing herein shall be construed as obligating the DOD or SANDAG to violate existing laws or regulations.

4. To preserve a reasonable degree of flexibility, parts of this Agreement are stated in general terms. It is understood that there will be operating policies and procedures executed and amended from time to time which may further define the rights and responsibilities of the parties to this Agreement.
VII. Amendments and Termination

1. Amendments to this Agreement may be proposed by either party to this Agreement, to become effective upon approval and execution by both parties.

2. Termination of this Agreement by either party must be preceded by forwarding written notice of intent to terminate to the other party sixty days prior to the anticipated termination date. Agreements, policies and procedures for sharing agency resources must be mutually and separately terminated according to the nature of those agreements.

IN WITNESS WHEREOF, the parties to this Memorandum of Agreement have executed same as of the date first above written.

DEPARTMENT OF DEFENSE

By: [Signature]
Title: Commander, Western Division Naval Facilities Engineering Command
Date: 11 June 1986

SAN DIEGO ASSOCIATION OF GOVERNMENTS

By: [Signature]
Title: Chairman, Board of Directors
Date: 26 June 1986
The Honorable Jack Dale  
Chair, San Diego Association of Governments (SANDAG)  
401 B. Street, Suite 800  
San Diego, CA 92101  

Dear Mr. Dale,  

I am writing to express sincere appreciation for the decades of cooperative partnership and leadership in the greater San Diego area to help grow our community in a thoughtful and productive manner. True to its mission statement, SANDAG builds consensus on strategic plans and resources for public transportation and beyond, including quality of life issues for all San Diegans. The military is a vital part of this area and its communities – contributing an estimated total of $24.8 billion in direct spending related to defense during fiscal year 2015, which is approximately $7,700 for each of the county's residents. Further, Defense-related activities and spending will generate an estimated $45.0 billion of gross regional product (GRP) for San Diego County this year. This represents 21.5 percent of the region's total GRP – a 20% increase from last year's total of $38.7 billion.  

More specifically, I am writing to request your consideration of a possible update of the 1986 Memorandum of Agreement between SANDAG & Department of Defense (DoD). As you know, since this agreement, the Navy has fundamentally updated our regional organizational structure and the agreement should reflect the current environment. Additionally, I intend to change the DoD advisory member on the SANDAG Board to my most senior civilian staff member; my Executive Director, Mr. Joe Stuyvesant. Mr. Stuyvesant is very familiar with the Navy in San Diego and local community issues. In addition to being a long time local resident, he served as the Regional Chief of Staff before retiring as a Navy Captain, after 30 years of service and is now the Region’s senior government civilian leader. He served for several years as our representative to the SANDAG Public Safety Committee, prior his recent promotion to Executive Director of the Region and he enjoys my complete faith and confidence in his ability to represent DOD interests to SANDAG.  

Like the community around us, the Navy has grown and shifted in its organization structure over the last three decades. Today, Navy Region Southwest (NRSW) has operational and financial authority and management for all of the Navy bases within SANDAG’s jurisdiction. This is authority that was not vested in NRSW’s predecessors, Naval District, and/or Naval Base Structures. As the scope of SANDAG has grown to include Public Safety, Border and Environmental issues, in addition to Planning, Growth and Transportation, NRSW’s mission more closely aligns with and is more able to represent these diverse issues, than our Regional Engineer at Naval Facilities Engineering Command Southwest (NAVFACSW).
I request that you identify a point of contact to work with Ms. Mary Kay Faryan, my DoD Regional Environmental Counsel, to update the MOA, and further request you take appropriate Board action to change the DoD Advisory Member on the Board as outlined above. Please do not hesitate to contact me if you require more information or would like to discuss. The Navy appreciates the continued partnership with SANDAG and looks to grow this relationship into the future, leveraging the myriad of overlapping interests with our respective organizations.

Sincerely,

[Signature]

M. K. Rich
Rear Admiral, U.S. Navy
Commander

Copy to: Honorable Mr. Ron Roberts, Board of Directors Vice Chair
Honorable Mr. Gary Gallegos, Executive Director, SANDAG
Ms. Tessa Lero
The Honorable Ron Roberts  
Chair, San Diego Association of Governments  
401 B Street, Suite 800  
San Diego, CA 92101  

Dear Honorable Roberts:  

On behalf of Marine Corps Installations West-Marine Corps Base, Camp Pendleton, I wish to thank you for the cooperative relationship with San Diego Association of Governments (SANDAG) and your sincere interest and willingness to consider and minimize growth impacts on the military mission in the San Diego County. Quality of life issues are as important for our Service Members as they are for the San Diego community, and appreciate SANDAG’s strategic planning and resourcing that serves all in the community so well.  

My staff and I work in proactive coordination with Navy Region Southwest (NRSW) on issues that affect the Department of Defense (DoD) in San Diego County. As such, I wish to express support for updating the SANDAG/DoD Memorandum of Agreement executed in 1986, and formally changing the DoD advisory member on the SANDAG Board to NRSW Executive Director. Marine Corps equites will continue to be represented by this proposed change.  

The Marine Corps appreciates the continued partnership with SANDAG and looks to grow this relationship into the future in areas of overlapping interests. Please do not hesitate to contact me with any questions or concerns.  

Sincerely,  

[Signature]  
EDWARD D. BANTA  
Brigadier General, U.S. Marine Corps  
Commanding General  
Marine Corps Installations West-Marine Corps Base, Camp Pendleton  

Copy to:  
Board of Directors Vice Chair: Honorable Terry Sinnott  
Gary Gallegos, Executive Director, SANDAG
June 24, 2016

Rear Admiral Mark Rich
Commander, Navy Region Southwest
Department of the Navy
937 N. Harbor Drive
San Diego, CA 92132-0058

Dear Admiral Rich:

SUBJECT: Updating the Memorandum of Agreement between SANDAG and the U.S. Department of Defense

Thank you for your letter to SANDAG concerning the enduring partnership between the U.S. Department of Defense (DOD) and SANDAG in addressing issues of mutual concern in the San Diego region. We value the vital role the military plays in communities throughout our region, and the cooperative working relationships we enjoy with the military.

Your letter requests that SANDAG consider an update to the enclosed 1986 Memorandum of Agreement between SANDAG and DOD. The Memorandum addresses the coordination of local land use and comprehensive regional planning with the DOD installation and facility planning process. The Memorandum also provides for DOD non-voting (advisory) membership, designating specific officers to represent the DOD as the member and alternate on the SANDAG Board of Directors.¹

Your letter additionally requests changing the DOD representative on the SANDAG Board of Directors from the current officer designations to your most senior civilian staff member, Navy Region Southwest Executive Director Joe Stuyvesant. SANDAG also received a letter dated June 1, 2016, from Brigadier General Edward D. Banta, who on behalf of the Marine Corps Installations West – Marine Corps Base, Camp Pendleton, indicates support for updating the MOU and formally changing the DOD representative.

The San Diego region has experienced significant growth since the original Memorandum was executed three decades ago, and continued change is

¹ The 1986 Memorandum specifies the Commanding Officer of the Western Division Naval Facilities Engineering Command as the member, and the Commanding Officer of the Navy Public Works Center, San Diego as the designated alternate on the SANDAG Board of Directors.
expected in the coming years. To address our region’s future, last October the SANDAG Board of Directors adopted San Diego Forward: The Regional Plan, which envisions how the region will develop over the next 35 years and includes plans to address that growth and transformation.

We agree that it is an opportune time to update the 1986 Memorandum and believe that the San Diego Regional Military Working Group may be the best forum for revisiting the key provisions of the Memorandum. Under the leadership of Chair Michael Woiwode, the Military Working Group’s responsibilities include reviewing current activities and plans being implemented by SANDAG and the various branches of the military.

We plan to schedule an item on July 8, 2016, to enable the SANDAG Executive Committee to consider your requests to update the MOU and change DOD representation on SANDAG. SANDAG appreciates the continued partnership and collaboration with the DOD and U.S. Navy. Please do not hesitate to contact me if I can be of any further assistance.

Sincerely,

[Signature]

GARY L. GALLEGOS
Executive Director

GGA/KKA/mando

Cc: SANDAG Chair Ron Roberts
    Military Working Group Chair Michael Woiwode

LEGISLATIVE STATUS REPORT

File Number 7300400

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 for the month of June. In addition, this report provides an update on the “No Blank Checks Initiative” and Assembly Bill 1500, which would relinquish portions of State Route 75.

Discussion

The 2016 SANDAG Legislative Program was approved by the Board of Directors at its December 18, 2015, meeting. The SANDAG Legislative Program serves as a road map to follow as legislation is introduced and activities occur during the federal and state legislative sessions.

The Executive Committee is asked to discuss and take possible action on the following legislation and initiative:

Assembly Bill 1500

Assembly Bill 1500 (AB 1500), by Speaker Emeritus Toni Atkins, would authorize the California Transportation Commission to relinquish to the cities of Imperial Beach and San Diego portions of State Route 75 (SR 75) under certain conditions.

This bill was introduced in response to the U.S. Navy starting a series of improvements on its property located along SR 75 in the area between the City of Imperial Beach and the City of Coronado. The improvements are expected to generate a significant amount of traffic when fully constructed and occupied. According to the bill analysis, the Imperial Beach City Council would like to have more direct control over SR 75 within its boundaries so that it can work with the Navy in managing traffic.

AB 1500 is supported by City of San Diego Councilmember David Alvarez. There is no known opposition.

Support of this bill is consistent with Goal No. 16B of the SANDAG Legislative Program, which supports other organizations’ legislative programs where consistent with SANDAG Policy.
**No Blank Checks Initiative**

The “No Blank Checks Initiative” was submitted to the Attorney General by Dean Cortopassi on January 7, 2015, and will be on the November 8, 2016, ballot as an initiated constitutional amendment. If passed, the measure would require statewide voter approval for revenue bonds for projects that meet all of the following conditions:

- The total amount of revenue bonds sold for the project exceeds $2 billion (adjusted annually based on the Consumer Price Index).
- The project funded by the revenue bonds would be funded, owned, operated, or managed by the state, including any Joint Powers Agency or similar body created by the state or in which the state is a member.

The initiative does not provide a definition for “project” so it is unclear if the $2 billion threshold would be limited to what is built on a given site at a specific time or if it could include larger systems of improvements constructed over time. Accordingly, there is uncertainty regarding which projects the courts would determine are subject to the requirements of the measure. Without further clarity on the initiative’s requirements, passage of the measure could have a significant impact on SANDAG bonding activities.

This initiative is opposed by the Citizens to Protect California Infrastructure Coalition, which is co-chaired by the Presidents of the California Chamber of Commerce and California State Building and Construction Trades Council, and consists of nearly 60 infrastructure, business, labor, public safety, and health entities. The California Democratic Party and California Republican Party also are opposed to the measure.

Opposition to the “No Blank Checks Initiative” is consistent with Goal No. 6B of the SANDAG Legislative Program, which supports fiscal reform initiatives that enable regions to develop their own fiscal strategies.

**Next Steps**

Staff will continue to monitor and update the Executive Committee on the “No Blank Checks Initiative” and various bills as they move through the legislative process.

VICTORIA STACKWICK
Principal Legislative Analyst

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

Key Staff Contacts: Victoria Stackwick, (619) 699-6926, victoria.stackwick@sandag.org
Robyn Wapner, (619) 699-1994, robyn.wapner@sandag.org
TO: SANDAG BOARD OF DIRECTORS
FROM: ELLISON WILSON ADVOCACY, LLC
SUBJECT: SANDAG LEGISLATIVE ACTIVITY REPORT – JUNE 2016

LEGISLATIVE UPDATE

2016 Legislative Overview

All bills had to pass out of their house of origin by June 3 (per Joint Rule 61 (b)(11) and the Budget Bill had to be passed by the Legislature by June 15 (per Article IV, Section 12(c)(3) of the California Constitution). July 1 is the last day for policy committees to pass bills (per Joint Rule 61(b)(13). The Legislature will adjourn for Summer Recess from July 1 – August 1.

SANDAG-supported Bills

SANDAG is in support of Assembly Bill 1746 (AB 1746) by Assembly Member Mark Stone, which would authorize SANDAG, North County Transit District, San Diego Metropolitan Transit System, Los Angeles Metropolitan Transit Authority, Alameda-Contra Costa Transit District, Central Contra Costa Transit Authority, and Santa Clara Valley Transportation Authority to operate transit buses on the shoulders of the state highway system, subject to the approval of Caltrans and the California Highway Patrol. In April, the bill was passed unanimously off the Assembly Floor, 76-0. The bill was held by the author prior to being heard by the Senate Transportation and Housing Committee on June 28.

SANDAG is in support of Assembly Bill 2170 (AB 2170) by Assembly Member Jim Frazier, which would require that federal funding for freight-related infrastructure projects appropriated to California from the Fixing America’s Surface Transportation Act be deposited into the Trade Corridor Improvement Fund. The bill is being supported by a long list of regional transportation planning entities, as well as the Automobile Club of Southern California and the California Transportation Commission, with no opposition. On June 21, the bill was unanimously passed by the Senate Transportation and Housing Committee. On June 29, the bill was passed by the Senate Environmental Quality Committee; it will be heard next by the Senate Appropriations Committee.

SANDAG is in support of Assembly Bill 516 (AB 516) by Assembly Member Kevin Mullin, which would require the Department of Motor Vehicles (DMV) to create a process to issue temporary license plates by January 1, 2018, and would require dealers to attach temporary license plates to all unplated vehicles when they are sold beginning January 1, 2018. Introduced in 2015, AB 516 was ultimately held by the author in
order to address the Administration’s concerns about costs on consumers. On June 23, the bill was amended to address the concerns of consumer advocates, the DMV, the California Transportation Agency, and the Governor’s office. The bill was passed out of the Legislature on June 30 and currently awaits the Governor’s signature.

SANDAG is in support of Assembly Bill 2289 (AB 2289) by Assembly Member Jim Frazier, which would clarify that capital improvement projects relative to operations on the state highway system are eligible for inclusion in the State Highway Operation and Protection Program. In addition to SANDAG, the bill is being supported by the California Transportation Commission and Automobile Club of Southern California and has no opposition. The bill was passed out of the Legislature on June 30 and currently awaits the Governor’s signature.

**SANDAG-opposed Bills**

SANDAG is opposed to Senate Bill 885 (SB 885) by Senator Wolk, which would eliminate the right of a public agency to contract with design professionals for up-front legal defense against claims related to its work on a project. While it is supported by a number of engineering firms, the bill also is being opposed by a wide range of public agencies, including the League of California Cities, the California Special Districts Association, Self Help Counties Coalition, and the California State Association of Counties, as well as private entities like the Associated General Contractors of California. The bill was held by the author prior to being heard by the Assembly Judiciary Committee on June 28.

**FY 2016-2017 State Budget**

On June 15, after months of negotiations, the Legislature passed the main budget bill, Senate Bill 826, and five additional budget trailer bills. The Legislature subsequently passed a number of additional budget trailer bills on June 16. Overall, while the budget plan includes $122.5 billion in general fund spending, a number of key budget issues remain unresolved:

- Cap-and-Trade: Due to uncertainty about future cap-and-trade funding due to pending litigation and much lower than anticipated revenues, the budget does not yet contain any additional cap-and-trade revenues above the 60 percent that goes to continuously appropriated programs, including 20 percent to the Affordable Housing and Sustainable Communities; 10 percent to Transit and Intercity Rail Capital; 5 percent to Low Carbon Transit Operations; and, 25 percent to High-Speed Rail. Action on the remaining 40 percent has been delayed while negotiations continue.

- Transportation Funding: While the Governor included his $3.6 billion transportation funding plan in the May Revise, the Legislature took action in budget subcommittees to move these negotiations to the Extraordinary Session rather than include them within the budget. These negotiations continue but Republican legislators have continued to be reluctant to vote for any proposal that contains new taxes.

- Affordable Housing/By-Right Proposal: In the Governor’s May Revise, he included a proposal that would require, “by-right” land use entitlement provisions for multifamily infill housing developments that include an affordable housing component. Governor Brown’s proposal would have forced local governments to approve urban housing developments without detailed reviews, provided the projects were already zoned for high-density residential use and the developer set aside a number of units for low-income residents. When this proposal was met with widespread opposition from labor, environmental groups, and cities, the Governor offered $400 million in one-time money for affordable housing in exchange for his by-right proposal. This deal ultimately was not agreed to prior to the budget’s passage and negotiations continue.

The Governor has until July 1 to act on the budget bill.
ACTIVITY REPORT

6/1: Attended/monitored Senate Floor vote on SB 885; reviewed/analyzed amendments to Assembly Bill 1550 (AB 1550) (Gomez); reviewed/analyzed Fix Our Roads Coalition transportation funding proposal; provided SANDAG staff with subsequent updates, including Budget Conference Committee overview of members and agendas.

6/2: Reviewed/analyzed Senator Anderson’s Senate Concurrent Resolution 147, which would designate a specified portion of Highway Route 79 in the Counties of San Diego and Riverside as Historic Highway Route 79; attended/monitored Conference Committee hearing; provided subsequent updates to SANDAG staff.

6/3: Attended/monitored Assembly Floor vote on AB 1550; provided subsequent updates to SANDAG staff, including further updates on Conference Committee actions.

6/6: Provided SANDAG staff with an updated list of priority bills reflecting the June 3 house of origin deadline; provided SANDAG staff with an update on Governor’s by-right affordable housing proposal.

6/7: Provided SANDAG staff with update on cap-and-trade budget discussions.

6/9: Reviewed/analyzed amendments to Assembly Bill 197 (Garcia) regarding structural and policy revisions for California Air Resources Board, Assembly Bill 626 (Chiu) regarding a series of changes to the claim resolution process applicable to any claim by a contractor in connection with a public works project, and Senate Bill 1190 (Jackson) regarding communications with the California Coastal Commission; provided subsequent updates to SANDAG staff.

6/10: Reviewed/analyzed amendments to AB 2170; provided subsequent updates to SANDAG staff, including updates on the budget deal reached by the Legislature.

6/13: Reviewed/analyzed budget bills; provided subsequent updates to SANDAG staff, including a list of upcoming policy committee hearings on priority bills.

6/14: Attended/monitored Senate Transportation and Housing Committee hearing on AB 2289; reviewed/analyzed amendments to Senate Bill 32 (Pavley) regarding statewide greenhouse gas emission reduction goals; distributed SANDAG position letters to the Legislature on SB 885, AB 1746, and AB 2170; provided SANDAG staff with subsequent updates, including additional budget trailer bills.

6/15: Attended/monitored Floor votes on the budget; reviewed/analyzed amendments to transportation omnibus bill, Assembly Bill 2906; met with Assembly Budget Committee regarding budget matters; provided subsequent updates to SANDAG staff, including budget details.

6/16: Met with Senator Beall’s office regarding Senate Bill 321; reviewed/analyzed distinctions between each house’s transportation budget trailer bill; provided subsequent updates to SANDAG staff.

6/17: Reviewed/analyzed amendments to SB 885; met with League of California Cities on SB 885 amendments; provided subsequent updates to SANDAG staff.

6/21: Testified on behalf of SANDAG in support of AB 2170 in the Senate Transportation and Housing Committee hearing; per SANDAG staff request, reviewed cap-and-trade budget details; provided subsequent updates to SANDAG staff.

6/22: Reviewed/analyzed amendments to AB 1500 (Atkins) regarding the relinquishment of State Route 75; provided subsequent updates to SANDAG staff.

6/24: Met with Assemblymember Mullin’s office regarding AB 516; provided subsequent updates to SANDAG staff, including amendments to AB 516.
June 3, 2016

Transportation Update from Peyser Associates

House Leadership Seeks Path Forward on Appropriations

The House and Senate have been on recess for Memorial Day this week. This has given leaders a chance to assess their strategy for the six-week session before the summer recess. After suffering a messy defeat on the House floor when the Energy and Water Appropriation bill came up on May 26 (see our last update), House leaders are re-calibrating their strategy for handling appropriations bills on the floor.

One of the reasons why the House is tangled up on appropriations bills at present is that Speaker Paul Ryan (R-WI) is making good on his pledge to run a more open process in the House. This includes allowing a wide range of amendments to be offered on appropriations bills. Before this, it has been customary for House leaders of both parties to use the Rules Committee to severely restrict amendments that could be offered on the floor on spending bills. Relaxing these restrictions allowed Democrats to offer a wide range of amendments to the Energy and Water Appropriations bill that helped bring the bill down on the floor.

In an effort to get the appropriations process back on track, House leaders have announced they are going to bring to the floor next week the Legislative Branch Appropriations bill which is typically non-contentious. If they can get that one through without controversial amendments, other bills, such as the Transportation, Housing, and Urban Development (THUD) Appropriation, may be brought to the House floor before going on a six-week break July 15. But with this delay, it looks like achieving the previously stated goal of having all 12 appropriations bills off the House floor by the summer recess will be very difficult to achieve.

Senate Plans Aggressive Schedule before Summer Break

While the House is struggling to find a path forward on Appropriations bills, Senate leaders are hoping to advance a number of Appropriations bills in the 20 days of session over the next six weeks before recess. Complicating that process is the need to act on a few “must-do” items. These include the Zika virus emergency Appropriations bill, a bill to rescue Puerto Rico’s finances, and the Defense policy bill. All of those items are expected to come up in June.

As time allows, Senate Majority Leader Mitch McConnell (R-KY) also will try to advance spending bills. While the Senate has not run into the same controversy as the House on Appropriations bills, the crowded agenda and the shortness of time before break make it unlikely that the Senate will be able to pass its version of all appropriations bills by July 15.
The Senate also will be awaiting action from the House on the reauthorization of federal aviation programs. As you will recall, the Senate passed an 18-month reauthorization earlier this spring. The House bill, which calls for the privatization of the air traffic control system, is stalled amid controversy over that idea and it does not appear it will come to the floor as passed by Committee. With a July 15 deadline for action, the House’s options appear to be to take up and pass the Senate bill or pass a short-term extension.

June 10, 2016

Transportation Update from Peyser Associates

House Leaders Set New Course on Appropriations Bills

House Republican leaders this week reversed their policy of allowing any germane amendment to be offered on appropriations bills and announced they would ask the House Rules Committee to approve “structured” rules on spending bills from now on. This move came in response to the defeat leaders suffered on the Energy and Water Appropriations bill two weeks ago, when a “poison pill” amendment was added to the bill.

Speaker Paul Ryan (R-WI) announced the change in approach at a meeting of the Republican caucus on Wednesday. Some conservative Members raised a concern that this shift might block them from offering amendments to scuttle some of President Obama’s executive orders. According to press reports, some of those Members believe leadership will be more focused on preventing Democrats from offering amendments.

While this approach may make it easier to gain House passage of appropriations bills, it does not necessarily smooth the way for their final passage. Amendments that could trigger a Presidential veto can still be added in committee or on the floor. A good case in point was this week’s mark-up at the House Appropriations Committee of the Financial Services Appropriations bill. During that session, Republican Members added amendments to forestall implementation of regulations meant to curtail payday loans and place new requirements on manufactured homes financing. If the bill arrived on the President’s desk with such amendments, it would likely be vetoed.

The feistiness of the Republican caucus on spending bills coupled by the desire of the Democratic Members to try to force embarrassing votes bodes ill for an orderly consideration of the 12 regular appropriations bills.

Department of Transportation to Launch Innovative Finance Bureau in August

In a hearing on Capitol Hill on Wednesday, U.S. Department of Transportation Secretary Anthony Foxx said the new bureau to oversee federal credit programs in the transportation field will be in place by August of this year.

Mandated by the Fixing America’s Surface Transportation Act (FAST) Act, the “National Surface Transportation and Innovative Finance Bureau” is supposed to be the one-stop shop for applicants interested in the Transportation Infrastructure Finance and Innovation Act (TIFIA) or Railroad Rehabilitation and Improvement Financing (RRIF) programs. Secretary Foxx said he expects the new bureau to have a staff of about 50 people. It is not yet clear how the opening of the bureau will affect TIFIA and RRIF applications now in the pipeline, if at all.
Secretary Foxx also said updated guidance on the RRIF program reflecting changes in the FAST Act will come out later this year.

**Secretary Foxx Cites Robust Demand for TIGER Grants**

Secretary Anthony Foxx announced that the Department has received 585 applications seeking $9.3 billion in funding from the TIGER Program. Total funding for FY 2016 is $500 million.

As he had the previous week in relation to the Fostering Advancements in Shipping and Transportation for the Long-term Achievement of National Efficiencies (FASTLANE) applications, Secretary Foxx used the announcement as evidence that the Administration’s aggressive funding requests for FY 2017 are justified. “As we have seen year after year, there are far more worthy projects than we can fund through TIGER, demonstrating the need for a serious, long-term investment in transportation funding,” Secretary Foxx said.

**June 17, 2016**

**Transportation Update from Peyser Associates**

**Appropriations Process Hits Snag in Senate, Moves Ahead in House**

The Appropriations process in the Senate hit a snag this week because of a dispute over gun control legislation. Meanwhile, the House restarted floor action on spending bills by bringing up the Defense spending bill with limited amendments.

Most of the events took place in the Senate, where a bipartisan group of Senators led by Senator Chris Murphy (D-CT) filibustered the Commerce, Justice, State (CJS) Appropriations bill for 15 hours until they got an agreement from Republican leaders to hold votes in the next week on two gun control measures. The filibuster, in the wake of Sunday’s mass shooting in Orlando, pointed out that the votes may be there in the Senate for one or both of the two measures Senator Murphy and his colleagues were advocating, a ban on the purchase of guns by people on a terrorist watch list and the expansion of background checks to include gun shows and internet sales.

The delay in action will push the CJS Appropriations bill into next week and all of next week will be needed to complete action on the bill. The Senate’s goal of passing all of the spending bills before Congress leaves for its summer recess will be more difficult.

On the House side, leaders brought up the Defense Appropriations bill this week with a rule that limited amendments to be offered. With the clearing of the Defense bill this week, House leaders are hoping to get on a faster track in clearing the remaining Appropriations bills.

**Department of Transportation Officials Say FASTLANE Grant Awards will come “Before Late Summer”**

In conversations with senior officials at U.S. Department of Transportation this week, we heard more than once that announcements of the winners of the FASTLANE grants will happen sooner than some have thought. The key phrase we heard was “before late summer.” One can interpret that a few different ways, but awards in July are possible.
Federal Rail Administration Announces Hearing on Train Crew Rule

The Federal Railroad Administration (FRA) announced this week that it will hold a hearing in Washington on July 15 on its minimum-crew-size rule for freight and passenger railroads. We have reported on the rule in previous updates and the controversy it has stirred. While the controversy is mostly on the freight side, the two-person crew requirement could impact a few commuter rail operations – notably the new Denver Eagle service.

After the hearing, there will be a 30-day comment period.

The FRA left itself the wiggle room in its proposed rule to allow single-person crews if railroads can demonstrate they meet safety standards. The fact that they have scheduled the hearing appears to indicate a willingness to consider some alternatives in terms of what the standards are and how they are applied.

The American Association of Railroads on Thursday called for the proposed rule to be dropped. The American Federation of Labor and Congress of Industrial Organization corresponded with a request that the proposed rule be strengthened to close loopholes.

June 24, 2016

Transportation Update from Peyser Associates

Appropriations Process Bogs Down Yet Again

It was only a week ago that we reported the House appeared to have found a formula for advancing appropriations bills while the Senate was in the midst of a logjam brought on by a filibuster on gun control. This week, the process in the House bogged down yet again when a rare protest by House Democrats effectively shut-down the House and caused Speaker Paul Ryan (R-WI) to start the July 4 recess early.

The House Democrats used a tactic last employed in 2008 by the House Republicans when they tried to force the Democratic Majority to schedule a vote on energy legislation – they congregated in the well of the House and demanded action. This time around, the protest demanded a vote on legislation to ban gun purchases by people on the Transportation Security Administration (TSA) “no-fly” list.

In 2008, then-Speaker Nancy Pelosi (D-CA) reacted to the Republican protest by declaring the House in recess and turning off the TV cameras in the chamber – effectively silencing the protestors. This time, we learned how much things have changed since 2008 in the world of social media. Thanks to House Members using their cell phones and their accounts on social media platforms like Periscope, Twitter, and Facebook, the 25-hour Democratic protest went “viral.” While the attention it received was significantly greater than the earlier 2008 protest, the results were no different. The Majority refused to schedule a vote and pledged to carry on the business of the House upon return from recess.

So, as the House went on recess for July 4, the Appropriations scorecard in that body stands at 3 bills passed out of the 12 required.
Over on the Senate side, the situation is not much better. After working through last week’s filibuster, the Senate spent significant time this past week voting down a succession of proposals to limit gun sales to people who are suspected of terrorist connections. Voting largely on party lines, the Senate rejected two Republican and two Democratic proposals. All of these votes were on amendments to the CJS Appropriations bill, which has been on the floor now for almost three weeks. Consideration of that bill will continue next week. If the CJS bill is completed, the Senate will have passed 4 of the 12 appropriations bills by Independence Day.

It will be virtually impossible for Congress to complete work on all 12 appropriations bills in the six weeks of session between now and the end of the federal fiscal year, September 30. Most observers believe we will see a continuing resolution to bridge federal agency funding from October 1 until the post-election session in November. Then, an omnibus appropriations bill is a likely outcome.

Program Guidance on Railroad Rehabilitation and Improvement Financing Program Expected This Summer

Our contacts with officials at the U.S. Department of Transportation lead us to believe that Draft Program Guidance for the RRIF Program will be published within the next 4-6 weeks. The new guidance will explain how changes to RRIF in the FAST Act will affect the process for applying for credit and evaluating applications. One of the most important changes to RRIF was the addition of Transit Oriented Development (TOD) as an eligible activity. The guidance for RRIF on this topic will likely be coordinated with similar new guidance for the TIFIA Program – which also now includes TOD.

Activity Report for SANDAG
May, 2016
Peyser Associates LLC

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<tr>
<td>5/13</td>
<td>Prepare transportation update and send to SANDAG and MTS; email exchanges with V. Stackwick on local hire; email exchange with C. Parker (FTA) re meeting with C. Flowers (FTA) for G. Gallegos</td>
</tr>
<tr>
<td>5/16</td>
<td>Teleconference with P. Jablonski on risk review; email exchanges with V. Stackwick and G. Gallegos re: FTA meeting on local hire</td>
</tr>
<tr>
<td>5/18</td>
<td>Attend House Transportation and Infrastructure Committee hearing on border investments with G. Gallegos; lunch meeting with G. Gallegos; meeting with Office of G. Counsel at FTA on local hire; conversation with C. Flowers (FTA) on Mid-Coast risk review</td>
</tr>
<tr>
<td>5/20</td>
<td>Prepare transportation update and send to SANDAG and MTS</td>
</tr>
<tr>
<td>5/23</td>
<td>Prepare update on House THUD New Starts project funding for Mid-Coast and send to SANDAG and MTS</td>
</tr>
<tr>
<td>5/25</td>
<td>Email exchange with V. Stackwick and J. Linthicum on Mid-Coast risk review</td>
</tr>
<tr>
<td>5/27</td>
<td>Prepare transportation update and send to SANDAG and MTS</td>
</tr>
</tbody>
</table>